

**Bylaws
of
SeaScape at Holden Plantation Marina Association, Inc.**

As Amended December 2003

Article I – Name and Principal Office

These are the Bylaws of SeaScape at Holden Plantation Marina Association, Inc., a nonprofit corporation organized under the laws of the State of North Carolina (the “Marina Association”). The principal office of the corporation shall be located in Brunswick County, North Carolina.

Article II – Definitions

The following terms, as used in these Bylaws, shall have the following meanings:

(a) “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the Marina Association, as filed in the office of the Secretary of State of North Carolina on September 17, 2003, as the same may be amended from time to time.

(b) “Declarant” shall mean and refer, collectively, to SeaScape at Holden Plantation, Inc., a North Carolina corporation, and its successors and assigns as provided in the Marina Declaration.

(c) “Marina Basin” shall mean and refer to the property now or hereafter made subject to the provisions of the Marina Declaration in accordance with the provisions thereof.

(d) “Marina Basin Common Elements Easement” shall mean and refer to that instrument recorded in Book 1830, Page 1255, Brunswick County Registry, granting certain rights and privileges in the Marina Basin Common Elements (as defined in the Marina Declaration), including numbered slips 1, 2, 73, 74 and 75, to the Master Association and the members thereof.

(e) “Marina Declaration” shall mean and refer to that Declaration of Covenants, Conditions, Restrictions and Easements for SeaScape at Holden Plantation Marina recorded in Book 1830, Page 1229, Brunswick County Registry, as the same may be amended.

(f) “Marina Slip” shall mean and refer to a numbered boat slip shown on the plat of the Marina recorded in Map Cabinet 28, Pages 430-433, Brunswick County Registry, excepting and excluding numbered slips 1, 2, 73, 74 and 75.

(g) “Master Association” shall mean SeaScape at Holden Plantation Property Owners Association, Inc., a North Carolina nonprofit corporation.

(h) "Owner" shall mean and refer to the owner(s) (including Declarant) of a Marina Slip, as more particularly provided in the Marina Declaration, but shall not include a person having an interest in such property solely as security for an obligation.

Article III – Membership and Voting; Rights in Common Elements

Section 3.1 Membership and Voting Rights. As provided in the Articles of Incorporation and in the Marina Declaration, every Owner shall be a member of the Marina Association. Membership shall be appurtenant to and may not be separated from an Owner's Marina Slip. The Members of the Marina Association shall be entitled to vote on matters for which such a vote is required by the North Carolina Planned Community Act, the Articles of Incorporation or the Marina Declaration. The votes allocated to each Marina Slip shall be as provided in the Articles of Incorporation and the Marina Declaration.

Section 3.2 Co-Owners. If two or more co-owners own a Marina Slip and only one of the co-owners is present at a meeting of the Owners, the co-owner who is present is entitled to cast the vote allocated to that Marina Slip. If more than one of the co-owners is present, the vote allocated to that Marina Slip may be cast only in accordance with the agreement of a majority in interest of the multiple co-owners. Majority agreement is conclusively presumed if any one of the co-owners casts the vote allocated to that Marina Slip without protest being made promptly to the person presiding over the meeting by any of the other co-owners of the Marina Slip.

Section 3.3 Proxies. The vote allocated to a Marina Slip may be cast pursuant to a proxy duly executed by the Owner. If two or more co-owners own a Marina Slip, each co-owner may vote or register protest to the casting of a vote by the other co-owners of the Marina Slip through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Marina Association. A proxy is void if it is not dated. A proxy terminates eleven (11) months after its date, unless it specifies a shorter term, and in any event a proxy shall automatically terminate upon conveyance of such Marina Slip.

Section 3.4 Rights in Marina Basin Common Elements. Each Owner shall be entitled to the use and enjoyment of the Marina Basin Common Elements, subject to the provisions of the Marina Declaration, the Marina Basin Common Elements Easement, these Bylaws, and rules and regulations adopted by the Executive Board of the Marina Association.

Article IV – Meetings of Owners

Section 4.1 Annual Meetings. An annual meeting of the Owners shall be held at such time and place as the Executive Board may determine. The purpose of the annual meeting shall be to review the annual budget of the Marina Association and for such other purposes specified in these Bylaws or as may be determined by the Executive Board.

Section 4.2 Special Meetings. Special meetings of the Owners may be called at any time by the President or by the Executive Board, or upon written request of Owners having ten percent (10%) of the votes of all the Owners.

Section 4.3 Location of Meetings. Meetings of Owners shall be held at such places within Brunswick County or New Hanover County, North Carolina, as designated by the Executive Board.

Section 4.4 Notice of Meetings. Written notice of each meeting of the Owners shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) nor more than sixty (60) days before such meeting to each Owner, addressed to the Owner's address last appearing on the books of the Marina Association, or supplied by such Owner to the Marina Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Waiver by an Owner in writing of the notice required herein, signed before or after such meeting, shall be equivalent to the giving of such notice.

Section 4.5 Quorum. The presence at a meeting of Owners and/or proxies representing at least twenty percent (20%) of the votes of all the Owners shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Marina Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. The joinder of an Owner in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purposes of determining a quorum.

Article V – Executive Board

Section 5.1 Number. The affairs of the Marina Association shall be managed under the direction of an Executive Board. During the period that Declarant has the right to appoint the Executive Board, as referred to in Section 6.1 below, the Executive Board shall consist three (3) natural persons, who need not be Members of the Marina Association (members of the Executive Board are sometimes referred to herein as "Executive Board members" or as "directors"). Thereafter, the Executive Board shall consist five (5) natural persons, of which the Master Association shall appoint two (2). The manner of appointment of Executive Board members by Declaration and the Master Association shall be as described in Article VI below.

Section 5.2 Term of Office. Directors shall hold office for a period of one (1) year or until their successors are appointed or elected.

Section 5.3 Removal. Any director, other than those appointed by the Declarant or the Master Association, may be removed from the Executive Board, with or without cause, by a majority of the votes of all the Owners.

Section 5.4 Compensation. No director shall receive compensation for any service rendered to the Marina Association. However, any director may be reimbursed for actual and reasonable expenses incurred in the performance of such director's duties.

Section 5.5 Action Without Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

Article VI – Appointment and Election of Executive Board

Section 6.1 Declarant's and Master Association's Right to Appoint Directors. As provided in the Articles of Incorporation of the Marina Association and in the Marina Declaration, until December 31, 2020 Declarant shall have the right to appoint the members of the Executive Board of the Marina Association, unless Declarant waives such right in writing. As also provided in the Articles of Incorporation and in the Master Declaration, upon the expiration or waiver of Declarant's right to appoint the members of the Executive Board, and at all times thereafter, the Master Association shall have the right to appoint two (2) of the five (5) members of the Executive Board.

Section 6.2 Appointment of Directors by Declarant. During such time as Declarant has the right to appoint the Executive Board, as provided in the Articles of Incorporation and the Marina Declaration, such appointments shall be conducted in the following manner:

(a) Declarant shall appoint the directors by written instrument presented at the first annual meeting and at each subsequent annual meeting of the Owners. The individuals so appointed by Declarant shall be deemed and considered for all purposes directors of the Marina Association, and shall thenceforth perform the offices and duties of such directors until their successors shall have been appointed or elected in accordance with the provisions of these Bylaws.

(b) In the event that Declarant shall fail to appoint directors at any annual meeting, as provided above, the directors previously appointed by Declarant shall continue as directors until their successors shall have been appointed or elected in accordance with the provisions of these Bylaws.

(c) Declarant shall have the absolute right at any time, in its sole discretion, to replace any person or persons that it has appointed to the Executive Board. Replacement of any director appointed by Declarant shall be made by written instrument delivered to any officer of the Marina Association, which instrument shall specify the name of each person to be replaced and the name of the person appointed as successor to each person so removed. The removal of any director and appointment of a successor shall be effective immediately upon delivery of such written instrument by Declarant to any officer of the Marina Association.

Section 6.3 Appointment of Directors by Master Association. Upon the expiration or waiver of Declarant's right to appoint the members of the Executive Board, and at all times thereafter, appointment of the two (2) Executive Board members by the Master Association shall be conducted in the following manner:

(a) The Master Association shall appoint the directors by written instrument presented at the next annual meeting of the Owners after the expiration or waiver of the Declarant's right to appoint the Executive Board, and at each subsequent annual meeting of the Owners. The individuals so appointed by the Master Association shall be deemed and considered for all purposes directors of the Marina Association, and shall thenceforth perform the offices and duties of such directors until their successors shall have been appointed or elected in accordance with the provisions of these Bylaws.

(b) In the event that the Master Association shall fail to appoint directors at any annual meeting, as provided above, the directors previously appointed by the Master Association shall continue as directors until their successors shall have been appointed or elected in accordance with the provisions of these Bylaws.

The Master Association shall have the absolute right at any time, in its sole discretion, to replace any person or persons that it has appointed to the Executive Board. Replacement of any director appointed by the Master Association shall be made by written instrument delivered to any officer of the Marina Association, which instrument shall specify the name of each person to be replaced and the name of the person appointed as successor to each person so removed. The removal of any director and appointment of a successor shall be effective immediately upon delivery of such written instrument by the Master Association to any officer of the Marina Association.

Section 6.4 Nomination and Election of Directors by Owners. Upon the expiration or waiver of Declarant's right to appoint the members of the Executive Board, and thereafter with respect to the three (3) directors to be elected by the Owners, the nomination and election of directors by the Owners shall be conducted in the following manner:

(a) Nomination for election to the Executive Board shall be made by a Nominating Committee appointed by the Executive Board. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be an Owner and a member of the Executive Board, and two (2) or more additional Owners. The Nominating Committee shall make as many nominations for election to the Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Owners or non-Owners.

(b) Election to the Executive Board shall be by written ballot. At such election the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Marina Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 6.5 Vacancies. During such time as Declarant has the right to appoint the Executive Board, any vacancy on the Executive Board shall be filled by Declarant by written instrument delivered to any officer of the Marina Association appointing a successor. Thereafter, any vacancy in a position of an Executive Board member appointed by the Master Association shall be filled by the Master Association by written instrument delivered to any officer of the Marina Association, and any vacancy in a position or an Executive Board member

ected by the Owners may be filled until the date of the next annual meeting by the affirmative vote of the remaining two (2) directors elected by the Owners, or by the sole remaining director elected by the Owners. If at any time there are no remaining directors elected by the Owners, and as such time the next annual meeting of the Owners is not scheduled to be held within sixty (60) days, a special meeting of the Owners shall be called for the purpose of filling the vacant positions until the next annual meeting.

Article VII – Meetings of Executive Board

Section 7.1 Regular Meetings. Regular meetings of the Executive Board shall be held at such time and place and with such notice as shall be determined by resolution of a majority of the directors.

Section 7.2 Special Meetings. Special meetings of the Executive Board shall be held when called by the President of the Marina Association, or by any two directors, with not less than three (3) days notice to each director.

Section 7.3 Location of Meetings. Meetings of the Executive Board shall be held at such places within Brunswick County or New Hanover County, North Carolina, as may be designated by the Executive Board or the officer(s) calling the meeting.

Section 7.4 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Executive Board. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

Section 7.5 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

Article VIII – Powers and Duties of the Executive Board

Section 8.1 Powers. The Executive Board shall have power to:

(a) adopt and publish rules and regulations governing the use of the Marina Basin Common Elements and improvements thereon, and the conduct of Owners and their guests thereon, and to establish penalties, including reasonable fines, for any infraction thereof;

(b) suspend the voting rights of an Owner during any period in which such Owner shall be in default in the payment of any assessment, dues, fine or charge levied by the Marina Association or, after notice and hearing and for a period not to exceed sixty (60) days, for infraction of the rules and regulations of the Marina Association;

(c) exercise for the Marina Association all powers, duties and authority vested in or delegated to the Marina Association and not reserved to the Owners by other provisions of the Articles of Incorporation, the Marina Declaration or these Bylaws;

(d) declare the office of a member of the Executive Board, other than a director selected by Declarant, to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Executive Board;

(e) employ or contract for the services of a manager and delegate to such manager any or all of the powers and duties of the Marina Association, except those which may be required by the Marina Declaration to have approval of the Executive Board or the Owners; provided that any such management contract shall not exceed a term of one (1) year from its effective date (but may be renewed by agreement of the parties for successive one year periods); and

(f) engage attorneys to represent the Marina Association when deemed necessary.

Section 8.2 Duties. It shall be the duty of the Executive Board to:

(a) cause to be kept a record of all meetings and actions of the Executive Board;

(b) supervise all officers and agents of the Marina Association, and see that their duties are properly performed;

(c) adopt an annual budget for the Marina Association;

(d) as more fully provided in the Marina Declaration, (i) fix the amount of the annual assessment against each Marina Slip, (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of the due date, and (iii) take such steps as the Executive Board shall deem appropriate to foreclose the lien against any Marina Slip for which assessments are not paid and/or bring an action at law against the Owner personally obligated to pay the same;

(e) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid, provided that a reasonable charge may be made by the Executive Board for the issuance of such certificates;

(f) procure and maintain appropriate insurance covering the Marina Association, its directors, officers, agents and employees and procure and maintain adequate hazard insurance on the property owned by the Marina Association;

(g) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(h) cause the Marina Basin Common Elements to be maintained as provided in the Marina Declaration.

Article IX – Officers and Their Duties

Section 9.1 Enumeration of Offices. The officers of this Marina Association shall be a President and one Vice President, who shall at all times be members of the Executive Board, a Secretary and a Treasurer, and such other officers as the Executive Board may from time to time by resolution create, including assistant vice presidents who need not be members of the Executive Board.

Section 9.2 Appointment of Officers. The Executive Board shall appoint the officers of the Marina Association. The appointment of officers shall take place at the first meeting of the Executive Board following each annual meeting of the Owners.

Section 9.3 Term. The officers of the Marina Association shall hold office for one (1) year unless they shall sooner resign or be removed, or until their successors are appointed.

Section 9.4 Special Appointments. The Executive Board may appoint such other officers as the affairs of the Marina Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Executive Board may, from time to time, determine.

Section 9.5 Resignation and Removal. The Executive Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Executive Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.6 Vacancies. A vacancy in any office may be filled by appointment by the Executive Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 9.7 Duties. The duties of the officers are as follows:

(a) President. The president shall be the chief executive officer of the Marina Association; shall preside at all meetings of the Executive Board; shall see that orders and resolutions of the Executive Board are carried out; may sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of the absence, inability or refusal to act of the president; may, together with the secretary or assistant secretary, sign leases, mortgages, deeds and other instruments of conveyance; and shall exercise and discharge such other duties as may be required by the Executive Board.

(c) Secretary and Assistant Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Owners; keep the corporate seal of the Marina Association and affix it on all papers requiring said seal; serve notice of meetings of the Executive Board and of the Marina Association, and perform such other duties as required by the Executive Board. The

assistant secretary shall assist the secretary and act in the place and stead of the secretary in the event of the absence of the secretary.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Marina Association and disburse such funds as directed by the Executive Board; sign checks and promissory notes of the Marina Association; keep proper books of account; and prepare a statement of income and expenditures to be presented to the Owners at the annual meeting.

Section 9.8 Amendments to Marina Declaration. Any Amendment to the Marina Declaration approved by the Owners in accordance with the provisions of the Marina Declaration shall be executed by the President or Vice President and recorded in the Brunswick County Registry.

Article X – Committees

The Executive Board shall appoint a Nominating Committee, as provided in Section 6.4 of these Bylaws. The Executive Board may appoint other committees as deemed appropriate in carrying out the duties of the Executive Board and the functions of the Marina Association.

Article XI – Annual Budget; Assessments

Section 11.1 Annual Budget. Unless otherwise determined by the Executive Board, an annual budget for the Marina Association for the next year shall be presented at the annual meeting of the Owners. The Executive Board shall adopt or approve a proposed budget and, within thirty (30) days thereafter, provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Executive Board shall set a date for the meeting of Owners to consider ratification of the budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Owners rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

Section 11.2 Assessments. As more fully provided in the Marina Declaration, each Owner is obligated to pay assessments to the Marina Association. Each assessment is secured by a continuing lien upon the Marina Slip against which the assessment is made. Any assessment or installment thereof that is not paid when due shall be delinquent and shall bear interest at the rate of eighteen percent (18%) per annum. The Marina Association may bring an action at law against the Owner personally obligated to pay the assessment and/or foreclose the lien against the Marina Slip, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of the assessment.

Article XII – Fines, Suspension of Privileges and Adjudicatory Hearings

Section 12.1 Late Payment of Assessment. In addition to collecting interest on any past due assessment or installment thereof, the Marina Association shall have the power to suspend privileges or services provided by the Marina Association (except the right of access to an Owner's Marina Slip) during any period that an assessment remains unpaid for a period of thirty (30) days or longer.

Section 12.2 Violation of Marina Declaration, Bylaws or Rules. The Marina Association shall have the power to impose reasonable fines or suspend privileges or services provided by the Marina Association (except rights of access to an Owner's Marina Slip) for reasonable periods for violations of the Marina Declaration, these Bylaws, or any rule or regulation of the Marina Association. An Owner shall be responsible for any violation committed by a family member, guest, lessee, contractor or agent of the Owner.

Section 12.3 Procedure for Imposition of Fine or Suspension of Privilege. A hearing shall be held before the Executive Board, or an adjudicatory panel appointed by the Executive Board, to determine if an Owner should be fined or if privileges or services should be suspended (the requirement for a hearing shall not apply to interest on a past due assessment or installment thereof, which shall accrue automatically). Prior to the hearing, notice shall be given to the Owner regarding the charge and the time and place for the hearing. At the hearing, the Owner shall have an opportunity to be heard and to present evidence. If the Owner does not appear, the hearing may proceed without the Owner. Notice of the decision shall be given to the Owner either at or following the hearing. If it is decided that a fine should be imposed, a fine not to exceed one hundred fifty dollars (\$150.00), or such greater amount allowed by law, may be imposed for the violation and without further hearing, for each day after the decision that the violation occurs. Any such fine shall be an assessment secured by a lien on the Owner's Marina Slip, as provided in the Marina Declaration. If it is decided that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

Article XIII – Books and Records

The books and records of the Marina Association shall be subject to reasonable inspection, by appointment, by any Owner or any Institutional Lender (as that term is defined in the Marina Declaration). The Marina Declaration and Marina Basin Common Elements Easement, and the Articles of Incorporation and Bylaws of the Marina Association, shall be available for inspection by any Owner at the principal office of the Marina Association, where copies may be purchased at reasonable cost.

Article XIV – Amendments

Except as otherwise provided herein or by law, these Bylaws may be amended by the Executive Board. The directors must be given at least five (5) days written notice of any meeting at which an amendment is to be voted upon. The notice shall state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the

amendment. Any amendment must be approved by a majority of the directors in office at the time the amendment is adopted. No amendment to these Bylaws that shall abridge, amend or modify the voting rights of Declarant, or the right of Declarant to appoint members of the Executive Board of the Marina Association, may be adopted or become effective without the prior written consent of Declarant. No amendment to these Bylaws that shall abridge, amend or modify the right of the Master Association to appoint members of the Executive Board of the Marina Association may be adopted or become effective without the prior written consent of the Master Association.

Article XV – Conflicts

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Marina Declaration and these Bylaws, the Marina Declaration shall control.

Article XVI – Fiscal Year

The fiscal year of the Marina Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Notes: The original Bylaws of the Marina Association were effective December 10, 2003. Sections 4.3 and 7.3 were amended effective December 22, 2003 to provide that meetings shall be held in Brunswick County or New Hanover County. The original Bylaws only allowed for meetings in Brunswick County.