BYLAWS OF EATON'S FERRY ESTATES PROPERTY OWNERS ASSOCIATION

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Approved April 15, 1995

ARTICLE I
MEMBERSHIP AND MEETINGS OF MEMBERS

Section 1 - Membership - Every person or entity who is record owner of an interest in any lot in Eaton's Ferry Estates in River Township, Warren County, North Carolina, as shown by recorded plats thereof or who is record owner of property declared by recorded Declaration to be subject to the Declaration applicable to lots in Eaton's Ferry Estates will be a member of this Association and is obligated to pay an assessment of the corporation as levied from time to time except that a person or entity who holds an interest merely as a security for the performance of an obligation may not be a member. No other association or organization may represent the property owners of Eaton's Ferry Estates.

Section 2 - Voting Rights - To the extent that it is not in conflict with the Charter, the Association shall have one class of voting membership. Notwithstanding the number of lots owned, no member may cast more than one vote. When more than one person or entity holds an interest or interests in any lot or lots in Eaton's Ferry Estates, all such persons or entities shall cast one vote for such lot as they among themselves determine provided that a written agreement signed by all owners of an interest in the lot has been filed with the Secretary of the corporation at least twenty-four (24) hours before a meeting. Only members in good standing shall be eligible to vote.

In the event that any lot in Eaton's Ferry Estates is owned by more than one person or entity, and the members have not as hereinbefore provided, filed with the Secretary of the Association an executed agreement as to how their vote shall be exercised, it shall be presumed that the members desire to and agree to exercise their vote in the following manner:

a. In the event that said owners are tenants in common, their vote shall be exercised in full in the manner that the member or members who own the majority interest present or represented by proxy at the meeting desire to exercise said vote;

b. In the event that said owners are joint owners such as tenants by the entirety, their vote shall be exercised in the manner in which the joint owner or owners who constitute the majority in number present or represented by proxy at the meeting desire to exercise said vote. In the event of tie votes as to manner in which a vote is to be cast, no vote shall be cast.

Section 3 - Annual Meetings - The annual meeting of the members of this Association shall be held at a place designated by the Board of Directors. The meeting shall be located within twenty (20) air miles of Eaton's Ferry Estates, on a date to be determined each year at the discretion of the Board of Directors, at which time directors shall be elected. Said meeting shall also transact such other business as may properly be brought before it. The Board of Directors shall report on all actions and results of Board meetings held during the year.

Section 4 - Special Meetings - A special meeting of the members may be called at any time by the President, Secretary, any two (2) directors, or by members who can certify in writing that they have as much as ten percent (10%) of the total votes of the total membership. Special meetings of the members shall be held at Eaton's Ferry Estates or at the place designated in the notice of said meeting at a location within twenty (20) air miles of Eaton's Ferry Estates.

Section 5 - Notice of Meetings - Except as hereinafter provided, written or printed notice of the place, day and hour of the annual meeting and special meetings of the members of the Association shall be delivered not less than ten (10) nor more than fifty (50) days prior to the meeting, either personally or by mail, to each member. Where a lot is owned by more than one member, no notice shall be required to be given to more than one member. In case of the annual meeting, the notice of meeting need not state the purpose or purposes of such meeting. In case of a special meeting, the notice of meeting shall have a brief statement of the purpose or purposes of such meeting. If the notice of meeting is mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid. In the event the address of a member does not appear on the records of the Association when notice of a meeting is mailed, it shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the tax records of Warren County for the current year with postage thereon prepaid.

Notwithstanding any provision requiring notice of a meeting, no notice to a member shall be required where said member waives notice of said meeting in writing or where said member attends said meeting and fails to object to the transaction of business because of failure to give proper notice.

Section 6 - Proxy Voting - Proxy voting shall be permitted, but a proxy may be given only to another member, or to the Board of Directors. At the annual meeting, the Secretary of the Association shall announce the proxy vote on any action taken.

Section 7 - Quorum and Assessment Meetings -

a. Except as hereinafter provided, a quorum at any meeting of members duly called and for which due notice has been given shall consist of ten percent (10%) of the total membership of the Association.

Except as otherwise provided, vote of a majority of such quorum shall be necessary for corporate action.

b. In the event that the purpose of a meeting is to consider levying a special assessment, a majority vote of the entire membership shall be required for action.

ARTICLE II
BOARD OF DIRECTORS

Section 1 - Number and Election of Directors - The number of directors of this corporation shall be no less than (6) directors. The members of the Board of Directors must be members of this corporation and shall be duly elected by the members of this corporation. All directors shall be elected for a term of three years.

Section 2 - Regular Meetings - The directors shall hold at least one regular annual meeting during each calendar year not later than one week after the annual meeting of members at which time the Board of Directors shall select the officers and take such other action as they deem necessary. The meetings shall be held at Eaton's Ferry Estates or at a place designated in the notice of said meeting at a location within twenty (20) air miles of Eaton's Ferry Estates.

Section 3 - Special Meetings - Special meetings of the Board of Directors may be held within or without the State of North Carolina upon the call of the President, Secretary or any two (2) directors.

Section 4 - Notice of Meetings -

a. Notice of the time and place of the regular annual meeting of the Board of Directors shall be given by the Secretary or President of the Association or by any two (2) directors by actual notice of at least twenty-four (24) hours to each director or by written notice mailed at least ninety-six (96) hours prior to said meeting. Said notice need not state the purpose of said meeting.

b. Notice of the time and place of a special meeting of the Board of Directors shall be given by the President or Secretary by actual notice of at least forty-eight (48) hours before the meeting or by written notice mailed at least ninety-six (96) hours before the meeting. Said notice need not state the purpose of said meeting.

c. Notwithstanding any provision requiring notice of the time and place of the regular or a special meeting of the Board of Directors, meetings may be held at any time without notice if all the directors are present and take part in the meeting except in those instances where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened.

d. No notice to a director of the time and place of a meeting shall be necessary where said director waives notice of the time and place of said meeting in writing.

Section 5 - Election of Officers - At the annual meeting of Directors, the Board of Directors shall elect a President, a Vice President, a Secretary and a Treasurer. Any number of offices may be held by the same person, but no officer may act in more than one capacity when action of two or more officers is required. All officers shall be members in good standing of the Association. Said officers shall hold office until their successors are elected and qualified; provided, however, that the Board of Directors shall at all times have and retain the right to declare any office vacant and elect a successor to hold office until his successor is elected and qualified whenever in the judgment of the Board the best interest of the Association will be served thereby. The President has the duty of appointing a Parliamentarian with the approval of the Board.

Section 6 - Quorum - A quorum of the Board of Directors at any meeting shall be a majority of the directors, and a majority of such quorum shall be necessary for corporate action.

Section 7 - Powers - The Board of Directors shall have general management and control of the business, property and the affairs of the Association and may exercise the following powers:

a. To carry on the affairs of the Association;

b. To appoint such other officers and hire such employees as may be necessary for the carrying out of the purposes of the Association;

c. To appoint or authorize the President to appoint from their own number or from members in good standing of the Association such committees as the Board deems necessary to carry on the affairs of the Association, which committees shall hold office during the pleasure of the Board;

d. To establish rules and regulations concerning the use and operation of the Association's properties, roads and parks to be operated for the mutual benefit of the members and to enforce or cause to be enforced by its representative said rules and regulations. Such rules and regulations must be in compliance with and/or subservient to the Restrictive Covenants and/or the bylaws of this Association and must be equally enforced by the Board of Directors. The method of effective, legal enforcement may include fees, fines, liens, etc.

e. To employ persons, organizations, corporations or other entities to assist in providing the materials and services for carrying out the objects and purposes of the corporation;

f. To enforce the restrictive and protective covenants applicable to properties within Eaton's Ferry Estates including the institution of court actions for such purpose; and

g. To exercise such other powers in the general management and control of the business of the Association as are permitted by law and not expressly reserved to the members.

Notwithstanding any other provision of these bylaws, no Common Properties or facilities belonging to the Association shall be bought, sold, transferred, or leased by the Board of Directors or any representative of the Association unless such action is first approved by two-thirds (2/3) of the entire membership. A standing exception shall apply to the assessment, as determined by the Board of Directors, of the boat slips located in the EFEPOA Park. Common properties (not otherwise restricted) shall be used only by members in good standing and their immediate guests.

ARTICLE III
DUTIES OF OFFICERS

Section 1 - President - The President shall preside at all meetings of the Directors or the members and shall have general charge of and control over the affairs of the corporation subject to such regulations and restrictions as the Board of Directors shall from time to time determine.

Section 2 - Vice President - The Vice President shall perform such duties as may, from time to time, be assigned to him/her by the Board of Directors. In the case of death, disability or absence of the President, she/he shall be vested with all powers and perform all duties of the President.

Section 3 - Secretary - The Secretary shall keep a record of the minutes of all meetings of the members and Directors, including the written minutes of the previous annual meeting and any known major items of old or new business to be discussed, shall give notice of meetings as provided by these bylaws, shall have custody of all books, records and papers of the corporation, except such as shall be in charge of the Treasurer or some other person authorized to have charge thereof by the Board of Directors, and shall perform such other duties as may from time to time by assigned to him/her by the Directors.

Section 4 - Treasurer - The Treasurer shall receive and disburse all the corporations funds and shall keep an accurate and detailed record of all receipts and disbursements, which records shall at all times be subject to inspection by any member of the Board of Directors. The Treasurer shall maintain an updated record of all names and addresses of members of this association. He/she shall deposit all funds of the corporation coming into his/her hands in such bank or banks as may be designated by the Board of Directors. Funds of the Association shall be disbursed by him/her under order of the Board of Directors or disbursed by such other person or persons as the Board of Directors may direct by resolution.

ARTICLE IV
DISPOSITION OF ASSETS UPON DISSOLUTION

No member shall be entitled to share in the Association's assets upon its dissolution or dissolution and liquidation. In the event of the dissolution of the Association, the Association's property and other assets shall be dedicated by the Board of Directors to an appropriate public agency or charitable organization to be used and devoted to purposes as nearly as practicable to those to which they were devoted by the Association; provided, however, that the Association shall not have the right to dedicate any property or property rights of an owner of property in Eaton's Ferry Estates.

ARTICLE V
CORPORATE SEAL

The Board of Directors shall provide a suitable corporate seal showing the name of this corporation and the word "SEAL" and "NORTH CAROLINA" or such other words indicative of the state of the corporation and the said seal when obtained shall be impressed at the margin of the minute book containing this article of the bylaws.

ARTICLE VI
ASSESSMENTS

Section 1 - An annual assessment shall be levied each year by the Board of Directors based upon a proposed budget submitted to and approved by the membership of the corporation. In the event that the budget is not approved by the membership, the annual assessment shall be set by the Board in an amount not to exceed the annual assessment for the preceding year.

Section 2 - Special assessments may be levied for a special purpose or special purposes when the assessment including the amount thereof is proposed by the Board of Directors and thereafter approved by a two-thirds (2/3) majority of the entire membership. In the event of a proposed special assessment, notice to members of the meeting for such purpose and notice of the amount of the proposed special assessment shall be given at least thirty (30) days prior to the date of the meeting of members at which a vote is to be taken.

Section 3 - Annual and special assessments shall be due sixty (60) days after final establishment of the assessment.

Section 4 - Annual and special assessments shall be levied on a per lot basis except that the Board of Directors may vary the amounts thereof based upon size where the parcel owned by a member exceeds one acre in size, based upon whether or not the parcel has been subdivided into building lots in accordance with the subdivision regulations, and based upon whether or not the lot or parcel has a dwelling or other improvement thereon or other improvement used in conjunction therewith, but assessments shall be equal against each classification. The annual and special assessments set for different classes of lots based on use may be different, but the assessment shall be the same for all lots within a class. A lot shall be considered improved as of the date of commencement of construction on the same or as of the date of locating an improvement thereon.

Section 5 - If any assessment or fine is not paid within thirty (30) days after the due date, a delinquency fee of twenty-five (25%) (but in no event to be less than Five Dollars ($5.00), shall be added thereto and the Association may bring an action at law against the owner personally obligated to pay the same. There shall be added to such assessment or fine, the delinquency fee and the cost of preparing and filing Complaint in such action; and, in the event that Judgment is obtained, such Judgment shall include interest on the total amount as above provided, and reasonable attorney's fee to be fixed by the court, together with the costs of the action.

ARTICLE VII
RULES OF ORDER

Except in instances where law, the corporate charter, or these bylaws are in conflict therewith, meetings shall be conducted in accordance with Roberts Rules of Order as interpreted by the parliamentarian.

ARTICLE VIII
AUDIT

An annual audit of the books and records of the corporation shall be made by three (3) members of the Association appointed by the President with approval of the Board of Directors.

ARTICLE IX
CHANGE OF BYLAWS

These bylaws may be amended by the membership of the Association by a two-thirds (2/3) vote of the entire membership provided the amendment ha been submitted in writing at the previous meeting or by written notice to members at least thirty (30) days prior to the meeting.

ARTICLE X
INVALIDITY OF BYLAWS

The invalidity of any one or more of these bylaws or of any portion or portions of any of these bylaws shall not affect the remaining bylaws which shall remain in full force and effect.

Any bylaw which shall have the effect of entitling a member to those rights granted under N.C. G.S. 55A-29 (b) shall be invalid.