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Franklin County North Carolina
Linda H. Stone Register of Deeds
BK 1792 PG 541-556

By: Carolyn Coley, Con

NORTH CAROLINA

WAKE AND FRANKLIN COUNTIES

AMENDMENT TO AND RESTATEMENT OF THE BYLAWS of BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. dated October 10, 2010;

WITNESSETH:

WHEREAS, the residents and property owners of BUNN LAKE ESTATES have founded 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 PROPERTY OWNER'S ASSOCIATION, INC. (hereafter "BLPOA");

WHEREAS, the BLPOA originally adopted a Declaration of Bylaws dated October 13, 1978 that later was recorded in Book 2669, Page 427, Wake County Registry and Book 1014, Page 709, Franklin County Registry;

WHEREAS, the BLPOA amended its Bylaws by an "Amendment to Bylaws" dated March 3, 1995 that was recorded in Book 6458, Page 616, Wake County Registry and Book 1014, Page 709, Franklin County Registry and this Amendment to Bylaws has been declared to be null and void by judgment of the Franklin County Superior Court;

WHEREAS, the BLPOA further amended its Bylaws by an "Amendment to Bylaws" adopted on March 14, 2000 that was recorded in Book 8591, Page 998, Wake County Registry

NORTH CAROLINA

WAKE AND FRANKLIN COUNTIES

WAKE COUNTY, NC 138
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
10/21/2010 AT 11:31:24

AMENDMENT TO AND RESTATEMENT OF THE BYLAWS of BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. dated October 10, 2010;

BOOK:014121 PAGE:02038 - 02054

WITNESSETH:

WHEREAS, the residents and property owners of BUNN LAKE ESTATES have founded 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 PROPERTY OWNER'S ASSOCIATION, INC. (hereafter "BLPOA");

WHEREAS, the BLPOA originally adopted a Declaration of Bylaws dated October 13, 1978 that later was recorded in Book 2669, Page 427, Wake County Registry and Book 1014, Page 709, Franklin County Registry;

WHEREAS, the BLPOA amended its Bylaws by an "Amendment to Bylaws" dated March 3, 1995 that was recorded in Book 6458, Page 616, Wake County Registry and Book 1014, Page 709, Franklin County Registry and this Amendment to Bylaws has been declared to be null and void by judgment of the Franklin County Superior Court;

WHEREAS, the BLPOA further amended its Bylaws by an "Amendment to Bylaws" adopted on March 14, 2000 that was recorded in Book 8591, Page 998, Wake County Registry and Book 1176, Page 190, Franklin County Registry;

WHEREAS, the BLPOA does further amend its Bylaws by the adoption of this AMENDMENT TO AND RESTATEMENT OF THE BYLAWS OF THE BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.;

RETURN ORIGINAL TO
JAMES SPANGLER
5 Ray Ave

NORTH CAROLINA

WAKE AND FRANKLIN COUNTIES

AMENDMENT TO AND RESTATEMENT OF THE BYLAWS of BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. dated October 10, 2010;

WITNESSETH:

WHEREAS, the residents and property owners of BUNN LAKE ESTATES have founded 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 PROPERTY OWNER'S ASSOCIATION, INC. (hereafter "BLPOA");

WHEREAS, the BLPOA originally adopted a Declaration of Bylaws dated October 13, 1978 that later was recorded in Book 2669, Page 427, Wake County Registry and Book 1014, Page 709, Franklin County Registry;

WHEREAS, the BLPOA amended its Bylaws by an "Amendment to Bylaws" dated March 3, 1995 that was recorded in Book 6458, Page 616, Wake County Registry and Book 1014, Page 709, Franklin County Registry and this Amendment to Bylaws has been declared to be null and void by judgment of the Franklin County Superior Court;

WHEREAS, the BLPOA further amended its Bylaws by an "Amendment to Bylaws" adopted on March 14, 2000 that was recorded in Book 8591, Page 998, Wake County Registry and Book 1176, Page 190, Franklin County Registry;

WHEREAS, the BLPOA does further amend its Bylaws by the adoption of this AMENDMENT TO AND RESTATEMENT OF THE BYLAWS OF THE BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.;

WHEREAS, the BLPOA at is Annual Meeting held on October 10, 2010 does hereby adopt this AMENDMENT TO AND RESTATEMENT OF THE BYLAWS OF THE BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC. in place of and in full substitution for all Bylaws and Amendments thereto that have been previously adopted by the BLPOA, it being the intention of this Restatement of the Bylaws to consolidate all of the bylaws of the BLPOA in effect on this date into this Restatement of the Bylaws;

NOW, THEREFORE, BE IT KNOWN THAT the following are the Restated Bylaws of the Bunn Lake Property Owner's Association, Inc. as adopted by resolutions of its Board of Directors and Members:

RESTATEMENT OF BYLAWS

OF

BUNN LAKE PROPERTY OWNER'S ASSOCIATION, INC.

DEFINITIONS[1]

The following words shall have the definitions assigned to each of them when used in these By-Laws:

(A) "Association" shall mean the Bunn Lake Property Owners Association, Inc. and its successor organizations.

(B) "Common Area" shall mean all of the real property owned by the Association in Wake and Franklin Counties including the land that is flooded by the impoundment of the waters of Moccasin Creek.

(C) "Bunn Lake" shall mean the lake created by the impoundment of the waters of Moccasin Creek by a dam located near NC Hwy 39.

(D) "Member in good standing" shall mean a Member of the Association that has not had his or her membership privileges suspended.

[1] Adopted by Association on September 23, 2007

(E) "Board of Directors" shall mean the directors elected and serving pursuant to the terms of the Association's By-Laws.

(F) "Water right" shall mean the Association has a placed a limit upon the number of members with access to use Bunn Lake, has established a standard for what constitutes a member in good standing, and has established a monetary value that must be paid annually by members for maintaining and preserving Bunn Lake.

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 and recreational facilities for members and their families. Bunn Lake Property Owner's Association, Inc. will be denoted as BLPOA in this document.

ARTICLE II.
MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in an 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. All members of the BLPOA are required to pay all dues and assessments, comply with the BLPOA Bylaws, and comply with the Board-approved BLPOA Rules and Regulations to retain valid membership. The foregoing is not intended to include persons or entities that 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.[2]
BOARD OF DIRECTORS

All corporate powers shall be exercised by or under the authority of, and the affairs of the Association managed, under the direction of its Board of Directors, except as otherwise provided in the articles of incorporation or elsewhere herein.

The Board of Directors shall consist of up to twelve (12) Directors elected by the members of the Association at the annual meeting of the Association. Directors shall serve terms of three (3) years. The terms of the Directors shall be staggered so that each year their terms of four (4) of the Directors shall expire annually.[3]

ARTICLE IV.
OFFICERS (ELECTION, AUTHORITY)

Section 1. The officers of the BLPOA shall be a President, Vice President, Secretary, and Treasurer. The officers shall be elected annually for a term of one (1) year by the Board of Directors. An officer must be a Member of the Association. An officer may serve a maximum of three (3) consecutive terms but there is no limitation on the terms an officer may serve. The term of the officers shall begin on October 1 and end on September 30 of the following year.

Section 2. President and Vice President: The President, or in his absence, the Vice President shall preside at all meetings of the BLPOA and shall exercise supervision and control over all of the affairs of the BLPOA.

Section 3. Secretary: The Secretary shall keep the minutes of all meetings of the Association and the Board of Directors, and have charge of the records of the Association; shall

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[2] Adopted by Association on April 9, 2000.
[3] Adopted by Association on September 23, 2007.

give notice of all meetings of the Association to the Members; shall give notice of all meetings of the Board of Directors to all members thereof; and shall conduct the general correspondence of the BLPOA.

Section 4. Treasurer: The Treasurer shall receive all funds from the BLPOA members and keep an accurate account of same. The Treasurer shall collect all money due the BLPOA including dues, fines, and assessments and shall deposit all money received in the BLPOA designated depository. The Treasurer shall pay all bills and accounts of the BLPOA when properly certified for payment by the Board of Directors and approved by the President. The Treasurer shall keep an accurate record of all funds that are paid out, keeping record of expenditures that are appropriately suitable for an Association of this type. The Treasurer shall report to the Board of Directors at its request. The Association accounts shall be audited by the Association's Audit Committee each year and the results of the audit shall be reported to the Members at the Association's Annual Meeting.

The Treasurer shall give bond in such amount and with such surety company as the Board of Directors may direct. The expense of the premium of such surety bond shall be paid by the BLPOA.

ARTICLE V.
COMMITTEES

The Association shall have the following standing committees: Dam, Lake, Social, Audit, Grounds, Finance, Bylaws, Safety and Member Support and Nomination. Only Members may serve on a committee. The Members to each committee shall be nominated by the President to the Board of Directors. The Board of Directors must approve all nominees by the President to serve on a committee. If the Board of Directors does not approve a nominee, the President shall

submit another nominee for that committee at the next meeting of the Board of Directors. The number of Members to be appointed to serve on each standing committee shall be in the discretion of the President. The terms of all Members appointed to a committee shall expire on September 30 following their appointment. The President, and in the President's absence, the Vice President, shall be an ex officio member of all committees. Meetings of the standing committees shall be held on call by the Chairman of the committee 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 and to comply with any state requirements of the North Carolina Dam Association.

Section 2. Lake Committee: The Lake Committee shall be responsible for implementing, supervising and enforcing the Rules and Regulations for the Use of Bunn Lake and Common Area adopted pursuant to Article XI supra. In addition, the Lake Committee shall make recommendations to the Board of Directors for the adoption or modification of Rules and Regulations for the Use of Bunn and Common Areas.

Applications for the construction, modification or expansion of piers or other structures on Bunn Lake or other Common Areas owned by the Association must be reviewed initially by the Lake Committee. The Lake Committee shall recommend to the Board of Directors whether or not such application should be approved. The Board of Directors may accept the recommendation of the Lake Committee or take such other action as the Board of Directors, in its absolute discretion, determines to be in compliance with the Bylaws, the Rules and

Regulations for the Use of Bunn Lake and Common Area, and in the best interest of the Association and its Members.

Section 3. Social Committee: The Social Committee shall direct the preparation and serving of food in conjunction with any BLPOA activity.

Section 4. Audit Committee: The Audit Committee shall audit the accounts of the Secretary and Treasure 30 days prior to the annual meeting and at such time or times as directed by the Board of Directors, submitting a report of such audit in writing to the Board.

Section 5. Grounds Committee: The Grounds Committee shall see that all grounds, including the general upkeep of the entrances, gates, fences, other structures and BLPOA facilities are kept safe and orderly condition. Beautification shall be conducted whenever and wherever practical. The Grounds Committee will not only be concerned with the BLPOA buildings and other structures, but will also have charge of all projects relating thereto. Major decisions regarding any building must be approved by the Board of Directors.

Section 6. Finance Committee: The Finance Committee shall handle finances in accordance with the practices of comparable associations. Any substantial expenditure or financial obligations undertaken will have the approval of the Board of Directors. The Finance Committee will work in close alliance with the Secretary and Treasurer, working out the financing of the BLPOA. All expenditures beyond those considered fixed operating expenses are to be approved by the Board of Directors in advance of any commitment.

Section 7. Bylaws Committee: The Bylaws Committee shall make recommendations to the Board of Directors for amendments to the BLPOA Bylaws. The Secretary shall furnish to the Bylaws Committee a copy of the current Bylaws. In addition, the Secretary shall make available to the Bylaws Committee, upon request of the committee's chairperson, any other

documents in the BLPOA's archives related to the original bylaws of the Association and subsequent amendments adopted by the BLPOA.

Section 8. Safety and Member Support Committee: Also known in the past as the Grievance Committee or the Rules and Regulation Committee, the Safety and Member Support Committee's primary purpose is to promote water craft safety on the Lake, to educate members regarding the rules and regulations, to receive complaints from members and to address such complaints in regards to the rules and regulations for use of the Lake and common areas. When a member may have violated the Association's Bylaws, Rules or Regulations, or any other rules, regulations, statutes or common law affecting and/or involving the Associations and/or its property, the Safety and Member Support Committee shall investigate the situation and address the member regarding the alleged violations with the goal of resolving the alleged violations in the best interest of the BLPOA.

Section 9. Nomination Committee: The Nomination Committee will compile annually a ballot list of names for the annual election of the BLPOA Board members. The final ballot sheet form shall be submitted to the President no later than September 1st, which will then be sent to all members with the BLPOA fall newsletter. The Committee will be responsible for selecting a committee member to receive, tabulate and to report the voting results at the BLPOA annual fall meeting.

ARTICLE VII.
MEMBERSHIP MEETINGS (TIME, PURPOSE)

A meeting of the Members shall be held annually on the second Monday night in September, or at such other time as the President may designate.

The Board of Directors shall submit to the members at the annual meeting at least one nominee for each position on the Board of Directors that is vacant by reason of the expiration of the term or for any other reason. The members may nominate at the annual meeting additional members to be considered for the vacancies on the Board of Directors. A member shall be elected to fill each vacant position on the Board of Directors at the annual meeting.

In order to assure the members that the Directors elected to the Board of Directors are actively involved and serving the best interest of the BLPOA. Directors are expected to attend at least 60% of all Board functions including board meetings, special meetings and social events. The Board can allow any Director unable to physically attend a board meeting or special meeting the ability to attend the meeting via the use of teleconferencing. If a Director is unable to physically attend or unable to attend via teleconferencing, the Director may give his voting rights ("Proxy") for a designated specific board meeting or special meeting, to any other Director of his/her choice, provided Proxy is submitted in writing (email acceptable) to the President and or Secretary in advance of said Board meeting. Said Director Proxy will expire upon adjournment of the specific meeting for which it was submitted.[4]

The Board of Directors, upon its own motion or upon written request of six members, may call a special meeting of the BLPOA. Upon the written request of twenty (20) members, the Board of Directors shall call a special meeting of the Association within thirty days of receiving and authenticating the request at a meeting of the Board of Directors. Written notice of the date, time, place and purpose of the special meeting of the Association shall be provided to each member at least ten days prior to the special meeting. Notice shall be given to each member by mailing a copy of the notice by first class mail to the member at the address for the member

[4] Adopted by the Association on October 10, 2010

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maintained in the Association's records. In addition, written notice of the special meeting shall be posted on the bulletin board in the Common Area designated for such notices by the Board of Directors.

ARTICLE VIII[5]
QUORUM

A quorum for any action by the Members at the annual meeting of the Association members is Ten per cent (10%) of the Members in good standing as defined by the Association by-laws.

A quorum for any action by the Members at any special meeting of the Association members is Twenty per cent (20%) of the Members in good standing as defined by the Association by-laws.

A quorum for any action by the Board of Directors at any annual or special meeting is Fifty per cent (50%) of the Association's directors in good standing as defined by the Association by-laws.

[5] Adopted by the Association on April 9, 2000.

ARTICLE IX[6]
ASSESSMENTS

Each Member shall pay to the Association: (i) annual assessments or charges, and (ii) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorney's fees, shall be a charge on the Member's real property or interest therein (hereafter "Real Estate") that is subject to these bylaws and shall be a continuing lien upon the Member's Real Estate until the assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal or corporate obligations of the Member when the assessment fell due, but such personal obligation shall not be imposed upon such Member's successors in title to the Member's Real Estate unless expressly assumed by them. Although unpaid assessment charges are not the personal obligation upon such Member's successors in title unless expressly assumed by the successors in title, the unpaid assessment charges shall continue to be a lien upon the Member's Real Estate.

The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the Members and the maintenance, repair, upkeep and improvement of the Association's property. Assessments may be levied to cover items related to such purposes, including, but not limited to, the payment of real estate taxes, insurance and utility bills on the Association's property, the payment of costs of irrigation, lighting, landscaping, signs and the installation and maintenance of streets and sidewalks, and the payment of professional fees for the management of the business affairs of the Association, the enforcement of the terms of the Association's charter and bylaws, and the protection of the Association's property and the rights of its Members.

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[6] Adopted by the Association on April 9, 2000.

The Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of capital expenditures including, but not limited to, the cost of any construction, repair, or replacement of any utility facilities or capital improvements, repayments of indebtedness or interest thereon or borrowing of money to make the Association's property comply with zoning ordinances. To levy a special assessment, the Board of Directors shall adopt a resolution stating (i) the purpose of the assessment, (ii) the amount of the assessment, and (iii) the amount each Member will have to pay in the assessment year, and if for the repayment of Association indebtedness, (iv) the terms for the repayment of the indebtedness.

The Resolution of the Board of Directors levying the special assessment must be approved by a majority vote of the Members present at an annual meeting or a special meeting of the Members; provided, if the special assessment is for the repayment of an indebtedness, and the terms for the repayment of the indebtedness require the Association to commit to payments beyond the assessment year, then upon the approval of the special assessment by a two-thirds majority vote of the Members present at an annual meeting or a special meeting of the Members, the Board of Directors may for each assessment year thereafter levy a special assessment to repay the indebtedness without submitting the special assessment to the Members for approval.

At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each membership and at least fifteen (15) days before January 1 of each year shall send written notice of the annual assessment. The due date for the payment of the annual assessment shall be established by the Board of Directors. If the amount of the annual assessment fixed by the Board of Directors is greater than the amount of the annual assessment for the preceding year, then the annual assessment must be approved by a majority vote of the Members present at the annual meeting of the Association's membership. If the

annual assessment fixed by the Board of Directors is not approved by the Members, then the annual assessment shall remain the same as the preceding year. The annual assessments with respect to each Member shall commence on the first day of the month following the date the Member is eligible for membership and shall be adjusted based on the number of months remaining in the calendar year. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the annual assessments of a Member have been paid.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen (18%) per cent per annum. If a Member shall fail to pay any annual or special assessment, or installment thereof, within thirty (30) days of its due date, then upon the Treasurer's written certification of such Member's default to the President, the President shall immediately notify the Member that the Member's rights and privileges of membership in the Association have been suspended. The rights and privileges of a Member suspended pursuant to this by-law may be re-instated by the President upon receiving written certification from the Treasurer that the delinquent assessments have been paid in full and the Member has paid a reinstatement fee of One Hundred Dollar ($100.00). If a Member shall fail to pay any annual or special assessment, or installment thereof, within sixty (60) days of its due date, then upon the Treasurer's written certification of such Member's default to the Board of Directors, the Association shall bring an action at law to recover the amount due from the Member obligated to pay the same and to foreclose the assessment lien against the Member's Real Estate. Interest, costs and reasonable attorney fees of such action and foreclosure shall be added to the amount of the assessment.

The liens provided for in this Article shall be subordinate to the lien of any first mortgage or first deed of trust on the Member's Real Estate. Sale or transfer of any Member's Real Estate shall not affect any assessment lien. However, the sale or transfer of any Member's Real Estate which is subject to any mortgage or deed of trust, pursuant to a foreclosure or any proceeding in lieu of foreclosure, shall extinguish the lien of such assessments as to the payment which became due prior to such sale or transfer. No such sale or transfer shall relieve such Member's Real Estate from liability for any assessments thereafter becoming due or from the lien of the assessment, but the liens provided for in this Article shall continue to be subordinate to the lien of any first mortgage or first deed of trust. The Board of Directors in their absolute discretion may subordinate the liens provided for in this Article to additional liens on the Member's Real Estate at the Member's request.

ARTICLE X[7]
RESTRICTIONS ON USE OF SUBDIVISION LOTS

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. However, nothing herein shall prohibit the maintenance of an office in the home of a Member.

Section 2. No Member shall construct, erect, or allow to be placed on his lot any trailer, house trailer, tent, shack, garage, barn, outbuilding or any other temporary structure to be used as a residence. Provided, however, the Board of Directors in its discretion may allow temporary housing to be placed on a lot by a Member for use as a temporary dwelling during the construction of his permanent home on the lot.

[7] Adopted by Association on September 23, 2007.

Section 3. No unlawful activity shall be permitted or engaged in by a Member on his lot or in the Common Area.

ARTICLE XI[8]
USE OF BUNN LAKE AND COMMON AREA

Section 1. The Board of Directors shall adopt from time to time rules for the use of Bunn Lake and the Common Area. The rules adopted by the Board of Directors shall become effective thirty (30) day after the rules are approved by the Board of Directors. A copy of the current rules shall be maintained in the custody of the Association's Secretary and be available during regular business hours Monday-Friday for copying by a Member at the Member's expense.

Section 2. Bunn Lake and the Common Area may only be used by a Member of the Association in good standing and in accordance with the rules adopted by the Board of Directors.

Section 3. No watercraft may be operated on Bunn Lake without the written permission of the Board of Directors. The Board of Directors may establish and collect fees for the operation of watercraft on Bunn Lake. The number and type of watercraft that will be permitted to operate on Bunn Lake shall be in the absolute discretion of the Board of Directors.

Section 4. No piers, rafts, pilings, floatation devices, ramps, boats, sea wall or other structures shall be affixed, either temporarily or permanently, in Bunn Lake or the Common Area without the written permission of the Board of Directors.

Section 5. The Board of Directors may enforce these by-laws and all rules adopted pursuant to these by-laws for the use of Bunn Lake and the Common Area by the suspension and/or revocation of all permits and privileges granted to a Member for the use of Bunn Lake

[8] Adopted by Association on September 23, 2007.

and the Common Area and the imposition of fines and penalties for each violation of the rules by a Member.

Ratified as amended this 10th day of October 2010:

BUNN LAKE PROPERTY OWNERS ASSOCIATION, INC.

James A. Spangler, II
Secretary

STATE OF NORTH CAROLINA
COUNTY OF Wake

On this day the 15th day of October, 2010, James A. Spangler II appeared in person before me and provided his signature as above. In witness whereof, I Patricia Madden Renouard place my Notary Seal hereupon.

Notary Signature Patricia Madden Renouard

April 11, 2011
Commission Expiration

He produced a NC DL

PATRICIA MADDEN RENOUARD
NOTARY PUBLIC
WAKE COUNTY
NORTH CAROLINA
My Commission Expires April 11, 2011

(SEAL)