

Karen S. Hardesty

STATE OF NORTH CAROLINA
COUNTY OF CARTERET

THESE AMENDED AND RESTATED BY-LAWS are made and entered
into effective this 11th day of March, 2023 by:

BLUEWATER COVE HOMEOWNERS ASSOCIATION, INC.

147 White Heron Lane
Swansboro, NC 28584
Carteret County, North Carolina

RECITALS

1. WHEREAS, the original By-Laws of Bluewater Cove Homeowners Association, Inc. are dated July 26, 2002, as a part of the Declaration of Covenants, Restrictions, and Easements for Bluewater Cove and were amended on July 10, 2007; and
2. WHEREAS, the original By-Laws and First Amendment were never recorded in the Carteret County Register of Deeds; and
3. WHEREAS, the Second Amendment to By-Laws was recorded on May 24, 2018; and
4. WHEREAS, the Third Amendment to By-Laws was recorded on August 21, 2020.
5. Per Article VI, Section 1 of the Bylaws, a majority vote of the members of the Board of Directors may amend the Bylaws. By unanimous vote of the Directors, these Amended and Restated Bylaws were approved.

Therefore, for the mutual benefit of all owners and purchasers of property within Bluewater Cove, the original By-Laws and all Amendments are hereby amended and restated as follows:

BY-LAWS
OF
BLUEWATER COVE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
ASSOCIATION MEMBERS

Section 1. ANNUAL MEETING OF MEMBERS. The annual meeting of Members of the Association shall be held at the principal office of the Association, at an hour to be fixed by the president, on the first Saturday in May of each year for the purpose of electing directors and for the transaction of such other business as may be brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 2. SUBSTITUTE ANNUAL MEETING. If the annual meeting shall not be held on the day designated by these By-Laws, a substitute annual meeting at the principal office of the Association may be called in accordance with the provisions of Section 3 of this Article I. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3. SPECIAL MEETINGS OF MEMBERS. Special meetings of the members may be held in the principal office of the corporation, or elsewhere by consent of the members, whenever called in writing by the President or any member of the Board of Directors of the corporation or by members representing twenty percent (20%) of the membership in good standing.

Section 4. NOTICE OF MEETING. Written, printed, or electronic notices stating the time and place of meeting shall be mailed or delivered by the Secretary to each member of record at the member's last known mailing or e-mail address.

The notice of meeting shall be mailed or delivered by the Secretary not less than thirty (30) days nor more than sixty (60) days prior to the date set for such meeting and as to special meetings, the Notice shall indicate the purpose or purposes thereof.

Annual and special meetings of members may be held in person or solely by means of remote communication but not in a hybrid environment. All notice of meeting provisions within these By-Laws are also applicable to meetings held solely by means of remote communication to include the requirement to inform members that the meeting will be held solely by means of remote communication. Sufficient instruction and information on how members may join the meeting remotely must also be included. The Board, at its discretion, may broadcast or digitally record any meeting for member viewing. Members accessing or viewing a digital broadcast of any member meeting held in person and not solely by means of remote communication must complete a proxy and designate an individual who will attend the meeting in person to be considered represented, make any motions and able to cast any vote(s).

Section 5. QUORUM. At the first such meeting called, the presence of Members or proxies entitled to cast fifty-one percent (51%) of all member votes in good standing shall constitute a quorum. If the required quorum is not present, another meeting shall be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

If a quorum is not present, the meeting may be recessed from time to time by announcement from the chair at the time such meeting was set and such shall be sufficient notice of the time and place of the recessed meeting. The members present at the duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6. ORGANIZATION. The President, or, in their absence, the Vice President, shall preside over all meetings of members and the Secretary of the Association shall act as Secretary at all

meetings of members; provided, however, in the Secretary's absence the President may appoint a Secretary for the meeting of members.

Section 7. VOTING. Each member of the Association, as defined in the Articles of Incorporation of said Association, shall be entitled to one vote on each matter submitted to a vote at a meeting of members.

The vote of a majority of the members at a meeting of members at which a quorum is present shall be the act of the members on that matter, unless the vote of a greater number is required by law or by the charter or other By-Laws of this Association.

Section 8. VOTING BY PROXY. The vote allocated to a member may be cast pursuant to a dated written proxy signed by the member. A member may not revoke a proxy except by written notice delivered to the person presiding over a meeting of the Association. A proxy terminates one year after its date, unless it specifies a shorter term.

ARTICLE II BOARD OF DIRECTORS

Section 1. NUMBER AND TERM OF OFFICE. The affairs of the Association shall be managed by a Board of Directors of five (5), which shall be entitled to act on behalf of the Association, in all routine, day to day operation of the Association. Each member of the Board of Directors elected shall serve two (2) year staggered terms.

Section 2. ELECTION OF BOARD OF DIRECTORS. The members of the Board of Directors shall be elected from member-candidates of the association by self-nomination form, write-in candidate on election ballot, or nominated from the floor at the annual meeting of the Association. Election shall be by written ballot and by a majority of the members present at such meeting provided that a quorum is present. Each member elected shall serve until the end of their elected term or until their successor shall have been elected and qualified.

Section 3. COMPENSATION. No Board member shall receive compensation for any service they may render to the Association. However, with the prior approval of the Board, any Board member may be reimbursed for actual expenses incurred in the performance of their duties.

Section 4. BOARD MEETINGS. The Association Board will have a minimum of one (1) open Board meeting every four (4) months. This meeting shall be open to all members of the Association in good standing. Members shall be notified in writing or by e-mail in accordance with the provisions of Section 4 of this Article I. The Board, at its discretion, may broadcast or digitally record any Board meeting for member viewing.

Section 5. ACTION WITHOUT MEETING. The Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the Board members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Board.

Section 6. QUORUM. A majority of the Board members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Board members present at a duly held meeting shall be regarded as the act of the Board.

Section 7. POWER AND AUTHORITY OF THE BOARD OF DIRECTORS. Subject to the provisions contained herein and applicable law, the Board shall have the power and authority to exercise all of the rights and powers of the Association, including, but not limited to, the following powers:

(a) To adopt rules and regulations governing the use of the community use areas and facilities, the personal conduct of the members and their guests thereon, and establish penalties for the infraction thereof;

(b) To suspend the voting rights and right of use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association or violations of other terms and conditions of Declaration of Protective Covenants, the Articles of Incorporation, the By-Laws or the Association Rules and Regulations;

(c) To impose fines or suspend rights, after notice and hearing, for infraction of published covenants, policies, or rules and regulations. Fines are not to exceed one hundred dollars (\$100.00), for each day more than five days after the decision that a violation occurs, and suspension of rights will be for a period of at least 60 days unless otherwise reduced by the Board. Notice of violation shall be hand-delivered or sent prepaid by United States mail to the mailing address of the member or to any other mailing address designated in writing by the member owner, or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated by the member owner;

(d) To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(e) To employ a manager, an independent contractor, or other employee(s) as is deemed necessary, and prescribe their duties; provided, that any contract for professional services must contain a clause requiring not more than ninety (90) days termination notice;

(f) To procure, maintain, and pay premiums on, insurance policy(s) and equitably assess members same for their pro rata portion of such expense;

(g) To impose and receive any payment, fees, or charges for the use, rental, or operation of the community use areas or elements other than for service provided to members;

(h) To exercise all other powers that may be exercised in the State of North Carolina by legal entities of the same type as the Association;

(i) To exercise any other powers necessary and proper for the governance and operation of the Association;

(j) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

Section 8. DUTIES OF THE BOARD OF DIRECTORS. It shall be the duty of the Board to do the following:

(a) To cause the community use areas or common elements to be maintained, repaired, and replaced as necessary, and to assess the members to recover the cost of the upkeep of the community use areas or common elements;

(b) To have performed at least once every six (6) years the conduct of a reserve study with site visit by an independent, credentialed reserve analyst which can complete a reasonable competent and diligent visual inspection of the accessible areas of the major components that the association is obligated to repair, replace, restore, or maintain and provide a detailed report to the Association. This report shall be reviewed annually by the Board to ensure adequate reserve budgeting and funding;

(c) To appoint the members of the Architectural Committee as set forth in the Declaration of Protective Covenants;

(d) To create or dissolve additional committees and appoint their members to support the needs of the Association.

(e) To keep a complete record of all its acts and corporate affairs and present a statement thereof to the members at the annual meeting, or at any special meeting when such a statement is requested in writing by twenty (20%) of the members;

(f) To supervise all officers, agents and employees of the Association, and see that their duties are properly performed;

(g) To inform members of any single non-budgeted expenditure exceeding \$5,000 that is deemed an emergency expense by majority vote of the Board of Directors at any meeting of the Board in accordance with the provisions of Sections 4 through 6 of this Article II. An emergency expense is determined as reasonably necessary to prevent imminent threat to the health, safety or welfare of any person, prevent immediate damage or loss to Association property or amenities, avoid the suspension of any necessary service in or to Association property or avoid criminal or civil liability to the Association or any members. Non-budgeted expenditures that exceed \$5,000, reasonably determined as a non-emergency expense by the Board, shall require approval from the majority of members represented in person or by proxy at any regular or special meeting of members scheduled and held in accordance with all provisions of this Article I;

(h) To fix the amount of the annual assessment at least three (3) months in advance of each annual assessment period based on the projected budget for the annual assessment period and pursuant to the provisions set forth in the Declaration of Protective Covenants;

(i) To send notice of each assessment to every member at least thirty (30) days in advance of the due date for each annual assessment;

(j) To foreclose any unpaid assessments and liens resulting therefrom against any property for which assessments are not paid within ninety (90) days after the due date or to bring an action at law against the member personally obligated to pay the same;

(k) To issue, or have issued, for a reasonable charge, a certificate setting forth whether or not any assessment has been paid in accordance with the provisions of Section 2 of Article IV;

(l) To procure and maintain, at all times, adequate hazard insurance on the property owned by the Association and all property for which the Association has the duty to maintain, and sufficient liability insurance to adequately protect the Association as provided in the Declaration of Protective Covenants; and

(m) To cause all officers or employees, including officers and employees of professional management, having fiscal responsibilities to be bonded, as it may be deemed appropriate.

Section 9. REMOVAL. Any member of the Board, may be removed with or without cause, by a vote of at least sixty percent (60%) of all members present and entitled to vote at any meeting of the members at which a quorum is present. In the event of death, resignation or removal of a member of the Board, their successor shall be selected by the Board to serve until the next annual meeting of the members at which election of The Board of Directors shall be had when a successor shall be elected.

ARTICLE III
OFFICERS

Section 1. OFFICERS. The Executive officers of this Association shall be President, Vice President, Secretary, Treasurer and Fifth Member.

Section 2. ELECTION OF OFFICERS. The officers shall be elected by majority vote of the Directors. All officers shall hold office at the pleasure of The Board of Directors.

Section 3. POWERS AND DUTIES OF THE EXECUTIVE OFFICERS.

(a) The President shall preside at all meetings of the Board; they shall see that all orders and resolutions of the Board are carried out; they shall sign all leases, mortgages, deeds and other written instruments; and they shall co-sign all check and promissory notes.

(b) The Vice President shall act in the place of the President in the event of their absence, or their inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board, of the Members and open Board meetings; they shall provide signed minutes to all Members on a password protected website within two weeks of a meeting date; they shall notify Members by e-mail when minutes are posted; they shall keep the Association seal and affix it on all papers requiring said seal; they shall serve notice of meetings of the Board, of the Members and open Board meetings; they shall keep appropriate current records showing the Members of the Association together with their addresses (mailing and e-mail); they shall prepare, execute, certify, and record amendments to the Declaration of Covenants, Restrictions and Easements, and By-Laws on behalf of the Association; and they shall perform such other duties as required by the Board.

(d) The Treasurer shall receive and deposit, in appropriate bank accounts, all monies of the Association and disburse such funds as directed by the Board; they shall sign all checks and promissory notes (such as checks and promissory notes to be co-signed by the President) of the Association; they shall keep proper books of account; they shall provide a detailed financial report, including all expenses and outstanding assessments, to the Board at each quarterly Board meeting for inclusion in meeting minutes; they shall cause an annual audit of the Association books at the completion of each fiscal year; and they shall prepare an annual budget for the Board to review, approve and make notice to the membership for ratification at the annual meeting of Members.

(e) The Fifth Member shall act in the place of the Secretary or Treasurer in the event of their absence, or their inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

Section 4. ACTION WITHOUT MEETING. The Officer shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the other Officer members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Officers.

ARTICLE IV
BOOKS AND RECORDS

Section 1. The books, records, papers, Declaration, Articles of Incorporation and By-Laws of the Association shall at all times, during reasonable business hours, be subject to inspection by any member(s), or a mortgagee of any member, at a time mutually convenient to both parties.

Section 2. The Association, upon written request, shall furnish to a lot owner or the lot owner's authorized agent(s) a statement setting forth the amount of unpaid assessments and other charges against a lot. The statement shall be furnished within ten (10) business days after receipt of the request and is binding on the Association, the executive board, and every lot owner. The Association may charge a reasonable fee for providing statements of unpaid assessments, not to exceed two hundred dollars (\$200.00) per statement or request, and an additional expedite fee in the amount not to exceed one hundred dollars (\$100.00) if the request for statement is made within 48 hours of closing.

ARTICLE V
FORMS OF PROXY AND WAIVER

Section 1. FORMS OF PROXY. The following form of proxy shall be deemed sufficient, but any other form may be used which is sufficient in law:

BLUEWATER COVE HOMEOWNERS' ASSOCIATION, INC.

Know all men by these presents that the undersigned member of Bluewater Cove Homeowners' Association, Inc. hereby constitutes and appoints _____ the attorney and proxy of the undersigned to annual and special meeting of the members of Bluewater Cove Homeowners' Association, Inc., at which I am not present, until the Secretary of the Association receives from me a letter revoking this proxy and for and on behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming all that said attorney and proxy shall do in the premises, and giving and granting unto said attorney and proxy full power of substitution and revocation.

Dated: _____

Member

Witness:

Section 2. FORM OF WAIVER OF NOTICE. The following form of waiver of notice shall be deemed sufficient, but any other form may be used which is sufficient in law:

BLUEWATER COVE HOMEOWNERS' ASSOCIATION, INC.

We the undersigned (Board of Association Members) of Bluewater Cove Homeowners' Association, Inc. do hereby severally waive notice of the time, place, and purpose of (the annual or a special meeting of the Board or Association members) of the said association, and consent that same be held at _____ on the _____ day of _____, 20__ at _____ o'clock __.m., and we do further consent to the transaction of any and all business of any nature that may come before the meeting.

Dated: _____, 20__

Board Member

ARTICLE VI
GENERAL PROVISIONS

Section 1. AMENDMENTS. Except as otherwise provided herein or in the Declaration of Protective Covenants, these By-Laws may be amended or repealed and new By-Laws may be adopted at any Annual or Special meeting of Members where a quorum is present by the affirmative vote of the majority of Members in good standing represented in person or by Proxy with all provisions of this Article I;

Section 2. ASSOCIATION SEAL. A seal with the word "Bluewater Cove Homeowners' Association, Inc." on the outer circle and the date "2002" within the circle, shall be the common corporate seal of the Association and shall be in the custody of the Secretary.

CERTIFICATION

I, the undersigned, do hereby certify: That I am the duly elected and acting President of BLUEWATER COVE HOMEOWNERS' ASSOCIATION, INC., a North Carolina corporation; and

The foregoing By-Laws constitute the Amended and Restated By-Laws of said Association, as duly adopted by the Association thereof, held on the 11th day of March, 2023.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 11th day of March, 2023.

Andy Marzga
PRESIDENT

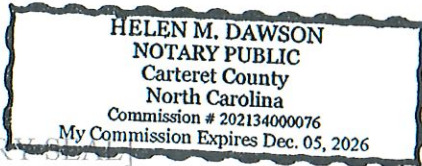


STATE OF NORTH CAROLINA

COUNTY OF CARTERET

I, HELEN M. DAWSON, a Notary Public for said County and State, certify that ANDY GAUZZA as President of Bluewater Cove Homeowners Association, Inc., either known to me or proven by satisfactory evidence personally appeared before me this day and acknowledged that he is authorized to execute the foregoing Instrument.

Witness my hand and official seal, this the 15th day of March 2023.



Helen M. Dawson
Notary Public

My commission expires: Dec. 5, 2026