

Bylaws amended February 19, 2017

**BYLAWS OF THE
PARADISE HARBOR PROPERTY OWNERS ASSOCIATION, INC.**

ARTICLE I

NAME AND LOCATION

The Name of the Property Association is PARADISE HARBOR PROPERTY OWNERS ASSOCIATION, INC., hereafter referred to as the POA. The mailing address for the POA will be P.O. 548, Connelly Springs, NC 28612. Meetings of Members and Directors may be held at such places within the State of North Carolina, Burke County, as may be designated by the Board.

ARTICLE II

DEFINITIONS

Section 1: "Board" or "Board of Directors" shall mean the Board of Directors of the POA, as provided for in Article V of these Bylaws.

Section 2: "Board Website" shall mean www.paradiseharbornc.com Or such other website as designated by the Board.

Section 3: "Common Area" shall mean all real property owned by the POA for the common use and enjoyment of the Owners.

Section 4: "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Paradise Harbor and all Supplementary Declarations applicable to the Properties recorded in the Office of the Register of Deeds of Burke County, North Carolina.

Section 5: "POA" shall mean and refer to Paradise Property Owners Association, Inc., its successors and assigns.

Section 6: "HOA Website" shall mean www.paradiseharbornc.com or such other website as designated by the Board.

Section 7: "Lot" shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and dedicated streets.

Section 8: "Member" shall mean and refer to those persons or entities entitled to membership with voting rights as provided in the Declaration and in Article III of these Bylaws.

Section 9: "Neighborhood" shall mean and refer to all homes and lots located in Paradise Harbor Subdivision.

Section 10: "Owner" shall mean and refer to the recorded Owner, whether one or more persons or entities, including contract sellers, but excluding those having such interest as security for the performance of an obligation

Section 11: "Properties" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the POA.

ARTICLE III

MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessments shall be a Member of the POA.

Section 2. Property Rights. Each Member shall be entitled to the use and enjoyment of the Common Area and facilities located thereon as provided in the Declaration. Any Member may delegate his rights of enjoyment of the Common Area and Facilities to the members of his family, his tenants, guests or contract purchasers who reside on the property.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Annual Meeting. The first Annual Meeting of the Members shall be held within one (1) year from the date of establishment of the POA and each subsequent regular Annual Meeting of the Members shall be held between June 1 and December 31 of each year thereafter.

Section 2. Special Meetings. Special Meetings of the Members may be called at any time by either Co President or by the Board, or upon written request of the Member or group of Members who are entitled to vote ten percent (10%) of the total number of membership votes, as determined in accordance with the Declaration.

Section 3. Notice of Meeting. Written notice of each meeting of the Members shall be given by, or at the direction of a Director or Member authorized to call the meeting, by written notice published on the POA Website, or by mailing a copy of such notice at least ten (10) but no more than sixty (60) days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the POA, or supplied by such Member to the POA for the purpose of notice. Such notice shall specify the place, day and time of the meeting, and, in the case of a Special Meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes of membership shall constitute a quorum for any action except as

otherwise provided in the Declaration or these Bylaw's. If however, such quorum shall not be present or represented at any meeting, the members 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.

Section 5. Proxies At all such meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE V

PROPERTY OWNERS ASSOCIATION BOARD, TERMS OF OFFICE

Section 1. Number. The affairs of this POA shall be managed by a Board of Directors (the "Board"). The initial Board shall consist of five (5) Directors. The position of Director may only be held by Members.

Section 2. Term of Office. At the first Annual Meeting in accordance with Article VI of these Bylaws, the Members shall elect five (5) Directors to serve for a term of one (1) year or until their successors are properly chosen; and at each annual meeting thereafter, the Members shall elect five of PH Members the Members shall elect five (5) Board members for a term of one (1) year; and at each annual meeting thereafter, the Members shall elect five (5) Board members, or until their successors are properly chosen.

Section 3. Removal. Any Director may be removed from the Board with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Directors and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the POA as a Director. However, any Director may be reimbursed for his actual reasonable expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Board shall by obtaining the unanimous written approval of all Directors, have the right to take any action in the absence of a meeting which they could take at a meeting. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE VI

NOMINATION AND ELECTION OF POA BOARD

Section 1. Nomination. Nomination for election to the Board shall be made by any Member, either from the floor at the Annual Meeting or by announcement of the POA Forum Web Site.

Section 2. Election. Election to the Board POA shall be made by written ballot. At such election, the Members or their proxies may cast with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII

MEETING OF DIRECTORS

Section 1. Regular meetings. Regular meetings of the Board shall be held at least every other month, or at such other periodic intervals as may be established by the Board from time to time without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by either Co-President of the POA, or by any two Directors after not less than three (3) days' notice to each Director.

Section 3. 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 Board.

ARTICLE VIII

POWERS OF THE POA BOARD

Section 1. Powers. The Board shall have the power to:

- a. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b. Suspend the voting rights and right to the use of recreational facilities by a Member during any period in which such Member shall be in default in the payment of any assessment, dues or charge levied by the POA. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
- c. Declare the office of a Director to be vacant upon resignation.
- d. Employ independent contractors, or such other employees as they deem necessary, and to prescribe their duties; and
- e. Employ attorneys to represent the POA when deemed necessary.

Section 2. Duties. It shall be the duty of the Board to:

- a. Cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the Members at the annual meeting of the members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- b. Supervise all officers, agents and employees of this POA, and to see that their duties are properly performed;
- c. As more fully provided in the Declaration, to:
 1. Fix the amount of the annual assessment against each Lot for each annual assessment period;
 2. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within such time after the due date as the Board determines, or to bring an action at law against the Owner personally obligated to pay the same.
- a. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment.
- b. Procure and maintain adequate liability insurance covering the POA, its Directors, and officers and procure and maintain adequate hazard insurance on the real and personal property owned by the POA;
- c. Cause the Common Areas to be maintained as provided for in the Declaration.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this POA shall be two Co-Presidents who shall at all times be members of the POA, a Secretary, Treasurer, Communications Manager and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each Annual Meeting of the Members.

Section 3. Term. The officers of this POA shall be elected annually by the members and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the POA may require, each of whom shall hold office for such period, have the authority and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, either Co-President or the 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 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer and/or Communications Manager may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

Co-President

- a. Either or both Co-Presidents shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

Secretary

- b. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the POA together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

- c. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the POA and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the POA; keep proper books of account; cause an annual audit of the POA books to be made by an accountant or bookkeeper at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be represented to the Members at each Annual Meeting, deliver a copy to the Members, and post a copy to the POA Website.

Communications Manager

- d. The Web Manager will maintain the POA Website as well as the Board Website; maintain up to date records of Members and their addresses. And send out annual POA fee invoices according to updated records.

ARTICLE X

COMMITTEES

The Board shall appoint an Architectural Review Committee, as provided in the Declaration. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI

RECORDS AND BOOKS

The records, books, spreadsheets, and papers of the POA shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the POA, will all be maintained in copy form on the Board Website.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the POA annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ninety (90) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) per cent per annum, and the POA may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, cost, and reasonable attorneys' fees of any such action shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at an Annual Meeting, Special Meeting of the Members, by a majority vote of a quorum of Members present or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

To the fullest extent allowed by the laws of the State of North Carolina, particularly Chapter 55A of the North Carolina General Statutes or such other law as shall apply to nonprofit corporations, the POA shall indemnify every Director, officer or committee member against all damages and expenses, including legal fees, reasonably incurred in connection with any action, suit or other proceeding (including settlement of reason of being or having been a Director, officer or committee member of the POA.

ARTICLE XV

MISCELLANEOUS

The fiscal year of the POA shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.