

**COMPILATION OF BY-LAWS & AMENDMENTS
OTTER CREEK LANDING YACHT CLUB, INC.**

The following are the BY-LAWS for OTTER CREEK LANDING YACHT CLUB, INC. filed December 16, 1983 as recorded in Book 1240, page 1815 of New Hanover County Registry, and the amendments filed on April 17, 1985 as recorded in Book 1284, pages 1681 and 1682.

Note: Original Declaration document (Book 1240) is in regular type.
Amendments are in bold, followed by reference information in italics.

EXHIBIT J

BY-LAWS
OF
OTTER CREEK LANDING YACHT CLUB, INC.

ARTICLE I

GENERAL

These are the By-Laws of OTTER CREEK LANDING YACHT CLUB, INC. a non-profit corporation organized and existing under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State on December 8, 1983. OTTER CREEK LANDING YACHT CLUB, Inc., herein after ‘Corporation’, has been organized for the purpose of administering the operation and management of Otter Creek Landing Yacht Club and all future phases, if any, a yacht club and boat dock facility established or to be established in accordance with the laws of the State of North Carolina upon the property situate, lying and being in New Hanover County, North Carolina and described in exhibits “A” and “B” of the formal Declaration which is recorded in the Public Records of New Hanover County, North Carolina, said Declaration of Covenants, Conditions and Restrictions Otter Creek Landing Yacht Club, Inc. being incorporated herein by reference. (amended 4/17/85, Book 1284, page 1681)

- A. The provisions of these By-Laws are applicable to OTTER CREEK LANDING YACHT CLUB, INC. and all future phases, if any, and the terms and provisions hereof are expressly subject to the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the covenants, conditions and restrictions for OTTER CREEK LANDING YACHT CLUB which will be recorded in the Public Records of New Hanover County, North Carolina. The terms and conditions of said Articles of Incorporation and Declaration to be controlling wherever the same may be in conflict herewith. (amended 4/17/85, Book 1284, page 1681)**

B. All present or future owners, tenants, future tenants, or their employees, or any other person that might use OTTER CREEK LANDING YACHT CLUB, INC. or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and of and Declarations.

C. The Office of the Corporation will at 3800 Raeford Road, Cumberland County, Fayetteville, North Carolina.

D. The fiscal year of the Corporation shall be the calendar year

ARTICLE II

MEMBERSHIP, VOTING, QUORUM, PROXIES

A. QUALIFICATIONS: The qualification of members, the manner of their admission to membership and termination of such membership and voting members, shall be set forth in Article V of the Articles of Incorporation of the Corporation, the provisions of which Article V of the Articles of Incorporation are incorporated herein by reference.

B. QUORUM: A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining quorum.

C. VOTING: The vote of the owners of a membership owned by more than one person or by a corporation or other entity shall be cast by the one person named in a certificate signed by all of the owners of the membership and filed with the Secretary of the Corporation, and such certificate shall be valid until revoked by subsequent certificate. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum, nor for any other purpose.

D. VOTING RIGHTS: The Corporation shall have two (2) classes of voting rights:

CLASS I. All members with the exception of the Declarant shall have Class I voting rights which entitle such members to one vote in the affairs of the Corporation for each membership owned. When more than one person holds an interest in any membership, the vote for such shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to any such membership.

CLASS II: The Declarant shall have Class II voting rights, which shall entitle the Declarant to three (3) votes for each membership owned (including membership appurtenant to pending or future construction as described in Article III, Subparagraph 1 herein. Class II voting rights shall cease and be converted to Class I voting rights on the happening of either of the following events, whichever occurs earlier:

- (a) when the total Class I votes outstanding equal the total Class II votes outstanding; or
- (b) on *December 9, 1988+*

E. PROXIES: Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

F. BINDING EFFECT: Approval or disapproval of a member upon any matter, whether or not the subject of an Corporation meeting, shall be by the same person who would cast the vote of such owner if in an Corporation meeting.

Except where otherwise required under the provisions of the Articles of Incorporation of the Corporation, these By-Laws, the Declarations, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members' meeting at which a quorum is present shall be binding upon the members.

ARTICLE III

ANNUAL AND SPECIAL MEETING OF MEMBERSHIP

A. ANNUAL MEETING: The first annual meeting shall be held on the *12* day of *December*, 1983. Until such time the Corporation shall be managed and controlled by the initial Board of Directors as provided for in Article IV hereinbelow. The annual members' meeting shall be held at such hour and place designated by the Board of Directors, on the first Tuesday in May of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members, provided, however, that if the day is a legal holiday, the meeting shall be held at the same hour on the next succeeding Tuesday.

B. SPECIAL MEETING: Special members' meetings shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from members of the Corporation owning a majority of the memberships entitled to vote twenty-five percent (25%) or more of the votes of the Corporation.

C. NOTICE: Notice of all members' meetings, regular or special, shall be given by the President, Vice-President or Secretary of the Corporation or other officer of the Corporation in absence of said officers, to each member, unless waived in writing, such notice to be written or printed, and to state the time and place and object for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or presented personally, to each member within said time. If presented personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his post office address as it appears on the records of the Corporation (register of owners) as of the date of mailing such notice, the postage thereon prepaid. Proof of such mailing

shall be given by the affidavit of the person giving the notice. Any member may, by signed written waiver of notice, waive such notice and, when filed in the records of the Corporation whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any members' meeting cannot be organized because a quorum has not attended or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declarations) the members who are present, either in person or by proxy may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

D. ORDER OF BUSINESS: The order of business at annual members' meetings and, as far as practical, at any other members' meetings shall be:

- i. Calling of the roll and certifying of proxies;
- ii. Proof of notice of meeting or waiver of notice;
- iii. Reading and disposal of any unapproved minutes;
- iv. Reports of officers;
- v. Reports of committees;
- vi. Appointment of inspectors of election by Chairman;
- vii. Unfinished business;
- viii. New business;
- ix. Adjournment.

ARTICLE IV

BOARD OF DIRECTORS

A. BOARD OF DIRECTORS: The first Board of Directors of the Corporation shall consist of three (3) persons whose terms shall expire on the date of the first annual meeting of the members of the Corporation stated hereinabove. Each succeeding Board of Directors shall consist of five (5) persons. At least a majority of the Board of Directors shall be members or employees of a corporate member of the Corporation. Notwithstanding any provisions to the contrary herein, until such time as the transfer of control is completed by the Declarant in accordance with the terms and conditions set forth in Article VII of the Articles of Incorporation, Article III of the Declaration of Covenants, Conditions, and Restrictions and Article X of the Declaration of Condominiums, Declarant shall have the right to designate and select a majority of the persons who shall serve as members of the Board of Directors of the Corporation.

B. ELECTION OF OFFICERS: Subject to the provisions of Paragraph A above, election of Directors shall be conducted in the following manner:

- (i) Beginning with the first annual meeting of the membership of the Corporation, stated hereinabove, all members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Corporation.
- (ii) Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining Directors.

- (iii) At the first annual meeting of the members of the Corporation, the term of office of the three (3) Directors receiving the highest plurality of votes shall be established at two (2) years, and the terms of office of the other two (2) Directors shall be established at one (1) year. Thereafter, as many Directors of the Corporation shall be elected at the annual meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Directors so elected at the annual meeting of the members each year shall be for two (2) years expiring at the second annual meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.
- (iv) In the event that Declarant, in accordance with the rights herein established, selected any persons or persons to serve on any Board of Directors of the Corporation, Declarant shall have the absolute right at any time, in its sole discretion, to replace such person or persons with another person or persons to serve on said Board of Directors, Replacement of any person or persons designated by Declarant to serve on any Board of Directors shall be made by written instrument delivered to any office of the Corporation, which instrument shall specify the name or names of the person or person to be replaced and the name or names of the person or persons designated as successor or successors to the persons so removed from said Board of Directors,. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Declarant to any office of the Corporation.

C. ORGANIZATIONAL MEETING: The organization meeting of each newly elected Board of Directors shall be held within ten (10) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

D. REGULAR MEETING: Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting, unless notice is waived.

E. SPECIAL MEETING: Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board. Not less than three (3) days notice of a meeting shall be given to each Director, personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

F. WAIVER: Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to giving of notice.

G. QUORUM OF DIRECTORS: A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation or these By-Laws or the Declarations. If any Directors' meeting cannot

be organized because a quorum has not attended, or because the greater percentage of Directors required to constitute a quorum for particular purposes has not attended, wherever the later percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or Declarations, the Directors who are present may adjourn the meeting from time until a quorum, or the required percentage of attendance is greater than a quorum, is present. At any

adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. 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 purposed of determining a quorum.

H. PRESIDING OFFICER: The presiding officer of Directors' meetings shall be the Chairman of the Board, if such an officer has been elected; and if none, then the President of the Corporation shall preside. In the absence of the presiding officer, the Directors shall designate one of their number to preside.

I. FEES: Directors' fees, if any, shall be determined by the members.

J. POWERS AND DUTIES: All the powers and duties of the Corporation shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Corporation, these By-Laws and the Declaration. Such powers and duties shall be exercised in accordance with said Articles of Incorporation, these By-Laws and the Declaration, and shall include, without limiting the generally of the foregoing the following:

(i) To exercise all of the powers and privileges and to perform all of the duties and obligations to the Corporation set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter call the "Declaration", and applicable to all of the property herein described which is recorded or will be recorded in the Office of the Register of Deeds of New Hanover County, North Carolina, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(ii) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied, or imposed against the property of the Corporation;

(iii) To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real property or personal property in connection with the affairs of the Corporation;

(iv) To borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

- (v) To dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members;
- (vi) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes;
- (vii) To annex additional properties as provided in the Declaration; and
- (viii) To have and to exercise any and all powers, rights and privileges with a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.
- (ix) To maintain, repair, replace, operate and manage the common areas and facilities wherever the same is required to be done and accomplished by the Corporation for the benefit of its members; and, further, to approve any expenditures made or to be made for said purposes.
- (x) To reconstruct any part of the common property after casualty, and to make further improvement to the common property, real and personal, and to enter into any and all contracts, necessary or desirable to accomplish said purposes.
- (xi) To make, amend and enforce regulations governing the use of the common property so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declarations.
- (xii) To acquire now or any time hereafter, and to enter into leases and agreements whereby the Corporation acquires leaseholds, memberships, and other possessory or use interest in lands or facilities including, but not limited to, swimming pools, tennis and other recreational facilities whether or not contiguous to the lands of the Corporation to provide enjoyment, recreations, or other use or benefit to the membership.
- (xiii) To contract for the management of the Corporation and to designate to such contractor all of the powers and duties of the Corporation, except those which may be required by the Declaration and regulations hereinafter promulgated governing use of the common property.
- (xiv) To enforce by legal means or proceedings the provisions of the Articles of Incorporation and By-Laws of the Corporation, the Declarations and the regulations hereinafter promulgated governing use of the common property.
- (xv) To pay all taxes, assessments or liens and assessments which are or may become liens against any property of the Corporation and the appurtenances thereto and to assess the same against the members and their respective memberships subject to such liens.
- (xvi) To purchase insurance for the protection of the members and the Corporation against casualty and liability in accordance.

(xvii) To pay all costs of power, water, sewer and other utility services rendered to the members of the corporation and not billed to the members separately.

(xviii) To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Corporation, including the common property.

K. INITIAL BOARD: The initial Board of Directors of the Corporation shall be comprised of three (3) persons designated to act and serve as Directors in the Articles of Incorporation, which said persons shall serve until their successors are selected or elected at the first annual meeting of the members of the Corporation provided for hereinabove. Should any member of the initial Board of Directors be unable to serve for any reason, OTTER CREEK, INC. shall have the right to select and designate a party to act and serve as Director until the first annual meeting of the members of the Corporation.

L. PRIOR UNDERTAKINGS: The undertakings and contracts authorized by the initial Board of Directors shall be binding upon the Corporation in the same manner as though such undertakings and contracts had been authorized by any Board of Directors duly elected by the membership after the property identified herein has been submitted to the Declaration, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the Corporation in accordance with all applicable documents.

M. REMOVAL: Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members owning a majority of the membership in the Corporation at any special meeting called for such purpose, or at the annual meeting, subject to the Declarant's rights to appoint Directors as state herein; provided, however, that only the Declarant shall have the right to remove a Director appointed by it.

ARTICLE V

OFFICERS

A. ELECTION: The executive offices of the Corporation shall be a President, who shall be a Director, a Vice-President, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be pre-emptorily removed by a vote of the Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be the Vice-President, Secretary or an Assistant Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Corporation.

B. PRESIDENT: The President shall be the Chief Executive officer of the Corporation. He shall have all of the powers and duties which are usually vested in the office of the President of any corporation including, but not limited to, the power to appoint committees from among the members from time to time, as he may, in his discretion, determine appropriate to assist him in the conduct of the affairs of the Corporation.

C. VICE-PRESIDENT: The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. SECRETARY: The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors, and such other notices required by law. He shall have custody of the seal of the Corporation and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Corporation, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a Corporation and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. TREASURER: The Treasurer shall have custody of all the property of the Corporation, including funds, securities and evidences of indebtedness. He shall keep, or supervise the keeping of, the assessment rolls and accounts of the members, he shall keep the books of the Corporation in accordance with good accounting practices, and he shall perform all other duties incident to the office of Treasurer.

F. FEES: The compensation of all officers and employees of the Corporation shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Corporation, nor preclude the contracting with a Director for the management of the Condominium.

G. REMOVAL All officers shall serve at the pleasure of the Board of Directors and any officer may be removed from office at any time, with or without cause, by a majority vote of the Board of Directors.

ARTICLE VI

FINANCES AND FISCAL MANAGEMENT

The provisions for fiscal management of the Corporation set forth in the Declaration and Articles of Incorporation shall be supplemented by the following provisions:

A. ASSESSMENTS: An assessment roll shall be maintained in a set of accounting books in which there shall be an account for each membership. Such account shall designate the name and address of the member, the amount of each assessment against the member, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. BUDGET: The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Corporation, including, but not limited to the following:

(i) Common expense budget, which may include, without limiting the generality of

the foregoing, the estimated amounts necessary for the maintenance and operation of and capital improvements to the common property including landscaping, street and walkways, office expense, utility services, casualty insurance, liability insurance, taxes, administration and reserves (operating and capital improvements replacement), management fees, and costs of maintaining leaseholds, memberships, and other possessory or use contiguous to the lands of the Corporation, to provide enjoyment, recreation or other use or benefit to the unit owners; and

- (ii) Proposed assessments against each member and his membership.

Copies of the proposed budget and proposed assessments shall be transmitted to each membership member prior to January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Delivery of a copy of any budget or amended budget to any member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in their sole discretion, to levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. DEPOSITORY: The depository of the Corporation shall be such bank, banks or other institutions as shall be designated from time to time by the Directors and in which the monies of the Corporation shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

D. AUDITS: An audit of the accounts of the Corporation shall be made annually by a certified public accountant, and a copy of the report furnished to each member not later than April 15 of the year following the year for which the report is made.

E. FIDELITY BONDS: Fidelity bonds may be required by the Board of Directors from all officers, employees or contractors of the Corporation handling or responsible for the Corporation funds. The amount of such bonds shall be determined by the Directors. The premiums on such bonds shall be paid by the Corporation.

ARTICLE VII

PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of North Carolina.

ARTICLE VIII

AMENDMENT TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board of Directors of the Corporation acting upon a vote of the majority of the Directors, or by members of the Corporation owning a majority of the memberships, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Corporation, or other officer of the Corporation in the absence of the President, who shall thereupon call a special joint meeting of the members of the Board of Directors of the Corporation and the membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the members is required as herein set forth.

C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of the majority of the entire membership of the Board of Directors and by an affirmative vote of the members entitled to vote not less than two-thirds (2/3) of the membership of this corporation. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the corporation, and a copy thereof shall be recorded in the Public Records of New Hanover County, North Carolina, within ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the Directors and members. No amendment shall become operative or effective until it shall have been duly recorded. (amended 4/17/85, Book 1284, page 1682)

D. Upon the approval and proper recording of any amendment or amendments, the same shall become binding upon all unit owners.

E. At any meeting held to consider any amendment or amendments to the By-Laws, the written vote of any member of the Corporation shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Corporation at or prior to such meeting.

F. Notwithstanding the foregoing provisions of the Article VIII, no amendment to these By-Laws which shall abridge, amend or alter the right of the Declarant to designate and select members of each Board of Directors of the Corporation, as provided in Article IV hereof, may be adopted or become effective without the prior written consent of the Declarant.

ARTICLE IX

COMMITTEES

- A. COMMITTEES: The Board of Directors may establish by resolution adopted by a majority of the Directors, such committees which it deems necessary or desirable to carry out the purposes of the Corporation.
- B. COMMITTEE CHAIRMAN AND MEMBERS: The Chairman of all committees shall be appointed by and serve at the pleasure of the Board.
- C. COMMITTEE REPORTS: The Chairman of each committee shall make a report to the President in writing of committee meetings and activities.
- D. AUTHORITY: Unless specifically authorized in writing by the Board of Directors or the President, a committee Chairman or a committee shall have no authority to legally obligate the Corporation or incur any expenditure on behalf of the Corporation.

ARTICLE X

SUSPENSION OF RIGHTS

The Board may suspend, by a majority vote of the Board, all or any part of a member's rights resulting from his membership in the Corporation during any period in which the member shall be in default in the payment of any dues, assessments, penalties or fines imposed by the Corporation. Such rights may be suspended, after notice and hearing, for a violation of the Corporation's Rule and Regulations, these By-Laws or the Declarations.

ARTICLE XI

ASSETS OF THE CORPORATION

The corporation shall hold, own, maintain, manage, control, repair, preserve, replace, care for and operate any and all real property, together with appurtenances, improvements thereto, all personal property, all fixtures, all rights and privileges, including all parts of the water, sewer and drainage systems, and other possessory or use interest in land, facilities and roads and streets which may be conveyed to, or made available for use by the corporation, or by any other person, firm, corporation or entity, or belonging to, or made available for, the corporation, for the use, enjoyment, health, safety and welfare of the members and the residents within said facility. (amended 4/17/85, Book 1284, page 1682).

All such real property together with appurtenances, fixtures and improvements thereto, personal property, fixtures, rights and privileges, including riparian rights, and other possessory

or use interest inland or facilities owned by, belonging to, or made available for, the Corporation shall be treated, except as otherwise specifically in these By-Laws provided, as common areas and facilities of “OTTER CREEK LANDING YACHT CLUB, INC.” for purpose of managing, controlling, repairing, replacing, preserving, caring for, operating and otherwise dealing with for the use, health, safety, and welfare of the members and the residents within the facility as herein provided.

The cost and expenses of holding, owning, maintaining, managing, controlling, repairing, replacing, preserving, caring for and operating all common areas of the “OTTER CREEK LANDING YACHT CLUB, INC.” shall be “common expenses” and included in the budget for each fiscal year for the Corporation and all provisions of these By-Laws shall apply thereto.

The foregoing were adopted as the By-Laws of OTTER CREEK LANDING YACHT CLUB, INC., a non-profit corporation under the laws of the State of North Carolina, at the first meeting of the Board of Directors on *December 12* , 1983.

Signature of Kenneth M. Norris
Secretary

APPROVED:

Signature of Murray O. Duggins
President