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BY: CLAUDIA HARRINGTON

Cheryl L. House, Register of Deeds

Dare County, NC

Fee Amt: \$26.00

NC Excise Tax: \$0.00

Land Transfer Fee: \$0.00

BOOK 2618 PAGE 544 (10)

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This document prepared by & return to:
Casey C. Varnell
Sharp, Graham, Baker & Varnell

BY LAWS OF SOUND-SEA VILLAGE HOMEOWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

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SOUND-SEA VILLAGE HOMEOWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

ARTICLE I

MEMBERSHIP IN THE CORPORATION

SECTION 1. Membership. There shall be one class of members. The members of the corporation shall consist of all the record owners of lots within the subdivision known as Sound-Sea Village, Dare County, North Carolina. A person, firm, corporation or any entity capable of holding title to real estate in North Carolina automatically becomes a member of the corporation upon a deed of conveyance conveying a lot within the subdivision to such person, firm, corporation or entity being recorded in the Register of Deeds office of Dare County, or upon the probate of the will of a deceased owner, the devisees named therein become members or upon the death of an owner intestate, his heirs at law automatically become members.

SECTION 2. Transfer of Membership. Each membership in the corporation shall be appurtenant to lot ownership and no membership shall be transferred or assigned except upon the transfer of the record title to the lot. It is the responsibility of the Member to assure that the transfer of ownership includes, as part of closing, the disclosure of the existence of the Homeowners Association and its governing documents including, but not limited to, the Declaration of Restrictive Covenants and By-Laws, to any new owner who is legally obligated to assume such items at purchase.

SECTION 3. Suspension of Membership. The Board of Directors shall have the authority to suspend a member's membership if that member is in default in the payment of any assessment for common expenses or dues levied by the corporation (or is otherwise in violation of the governing documents regulating the Association) and said suspension shall remain in effect until such assessment has been paid. For the purposes of these By-laws, "suspension" shall mean that the suspended property owner (or his/her/its agents and guests) is prevented from voting or using privileges or amenities as specified by the Board of Directors during the suspension. It DOES NOT mean the named individual and property is no longer a Member of the HOA and is exempt from the regulations, including payment of dues and assessments, contained within the governing documents of the Association.

ARTICLE II
VOTING RIGHTS AND MEMBER'S MEETINGS

SECTION 1. Voting Rights.

A. Each member of the corporation shall have one vote for each lot owned in the subdivision; where any lot is owned as tenants in common or tenants by the entirety or as

joint tenants, said tenants may determine between themselves as to how the vote that they are entitled to shall be cast and shall designate one member of the ownership of said lot to vote.

B. All voting rights shall be exercised by ballot at a meeting duly assembled, provided that written consent may be given by members as to matters that legally come before a meeting; and provided further that members may vote in person, by proxy, or by absentee ballot. In the discretion of the Board of Directors, an electronic meeting may be held at which members may cast vote on allowable matters in a manner to be prescribed by the Board of Directors and in accordance with North Carolina law.

C. Proxies, in order to be accepted as valid at any meeting, must be in writing and shall have been granted within eleven months prior to the meeting, unless said proxy shall specifically state therein the length of time for which such proxy is to continue in force in which case the proxy shall be valid until the time of expiration set forth therein. Each instrument designating a proxy shall be exhibited to the Secretary of the meeting and shall be filed with the records of the corporation. Only a member can vote by proxy.

SECTION 2. Annual Meetings. Annual meetings of the members shall be held on the ___ day of _____ of each calendar year for the purpose of electing Directors and for the transaction of such other business as may be properly brought before the meeting.

SECTION 3. Notice of Annual Meeting. It shall be the duty of the Secretary to cause written notice of each annual meeting, stating the place, day and hour and agenda thereof to be mailed, or otherwise sent or delivered, nor more than fifty (50) days next preceding the date of such meeting, to each member of record entitled to vote. Any business may be transacted at such meeting, whether or not it is mentioned in the notice.

SECTION 4. Special Meetings. Special meetings of the members for any purpose or purposes whatsoever may be held at any time whenever called by the President or by the Board of Directors, or by members with at least twenty-five percent (25%) of the voting power of the corporation. Every such call shall be in writing and shall state the purpose or purposes of the meeting.

SECTION 5. Notice of Special Meetings. Written notice of each special meeting, stating the place, day and hour thereof, and the nature of the business to be transacted shall be mailed or otherwise sent or delivered by the Secretary or other person authorized or required to give such notice, not less than seven nor more than twenty days preceding the date of such a meeting, to each member of record entitled to vote.

SECTION 6. Place of Members' Meetings. Annual meetings and special meetings of the members shall be held in the subdivision, provided that the Board of Directors may designate a place upon or in the immediate vicinity of the property within a distance of not more than twenty-five miles from the subdivision as a place in which any annual or special meetings of the members may be held. The Board of Directors may fix a time and place of any such meetings by resolution, which time and place shall be stated in the notice. In the absence of any designation of another place by the Board of Directors, special meetings shall be held in

the subdivision. The quorum for a meeting of Members shall be the presence, in person or by proxy, of forty percent (40%) of the Members. If, however, the required quorum is not present or represented at any meeting, the Board of Directors shall have the power to adjourn the meeting and the required quorum at the subsequent meeting shall consist of members present, in person or by proxy, entitled to cast at least five percent (5%) of the total votes in the Association. These subsequent meetings may be scheduled without notice, other than an announcement at the meeting, until a quorum shall be present or be represented. Proxies shall continue to be valid at any adjourned meeting, subject to the limitation contained herein. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal from the meeting of voting power to leave less than a quorum.

SECTION 7. Budget. The Board of Directors shall adopt a budget for each fiscal year, which shall contain estimates of the cost of performing the functions of the corporation. The functions of the corporation shall includes Operating Costs and Reserves, each of which shall be itemized by category. The budget shall establish the annual dues for the coming year and any proposed special assessment the known. For the purposes of these By-laws, fiscal year shall mean January 1st through December 31st of any given calendar year.

SECTION 8. Addresses of Members. It shall be the duty of each member to keep the corporation advised as to his/her/its correct address from annually or within thirty (30) days of a change in address or change in ownership by the Member. This report by the Member shall be issued to the Secretary of the Board of Directors using the following contact information:

Sound-Sea Village Homeowners Association, Inc.
c/o Secretary

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. Powers. The property, affairs and business of the corporation shall be managed by the Board of Directors as set in the SSV Articles of Incorporation [Articles of Incorporation, Article III] or as amended after a vote of the Membership.

SECTION 2. Number, Term of Office and Qualifications. The number of Directors shall be determined by the membership from year to year, but in no event shall be fewer than five or more than seven. Each Director shall continue in office for a term of three (3) years or until his successor shall have been elected and qualified, or until his death, or until he shall resign, or shall have become disqualified or shall have ceased to become a member of the corporation. Directors need not be residents of the State of North Carolina.

SECTION 3. Election of Directors. The Directors shall be elected at the annual meeting of the

members, which Directors shall be a Member of the Association. Following the election of Directors, the Board of Directors will hold meeting in order appoint Officers by majority vote, which Officers shall be on the Board of Directors, and to conduct any other lawful business.

SECTION 4. Place of Meeting. The Board of Directors may meet at the subdivision or such convenient place as may be designated from time to time for any or all such meetings by resolution of the Board designating the place for meetings so provided, any meeting may be held either at such place or at the principal office as determined by call or notice of the particular meeting. All meetings shall be held at the designated place, or in the absence of such designation, at the subdivision.

SECTION 5. Vacancies. All vacancies in the Board of Directors occasioned by the removal of a Director, death of a Director or resignation of a Director may be filled by a majority of the remaining Directors. Each Director so appointed shall hold office thenceforth for the remainder of the unexpired term and until the election of his successor.

SECTION 6. Organization Meeting. Immediately after the annual meeting of the members and immediately after any meeting of the members at which the Director shall have been elected (or appointed), the Directors shall meet without notice for the election of officers and the transaction of any other business. Pending such meetings, all officers shall hold over, except any officer required by law or by these by-laws to be a Director and who would not be re-elected to the Board of Directors.

SECTION 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time as the Board may fix by resolution from time to time. No notice of any regular meeting of the Board of Directors need be given.

SECTION 8. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, or any Vice President, or by two members of the Board of Directors.

SECTION 9. Notice of Special Meetings. Notice of time and place of each special meeting of the Board of Directors may be given personally by word of mouth or mailed or telegraphed to each Director at least two days before the date of the meetings. No notice of the object or purpose of any special meeting of the Board of Directors need be given and unless otherwise indicate in the notice thereof, any and all business may be transacted at a special meeting.

SECTION 10. Consent of Meetings. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held shall be valid as though had at a meeting duly held after regular call and notice, if a quorum is present and if either before or after the meeting, each of the Directors, including those not present, signs a written waiver of notice or a consent to holding such meeting or an approval shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 11. Quorum. The quorum for a meeting of Members shall be the presence, in person or by proxy, of forty percent (40%) of the Members. If, however, the required quorum is not

present or represented at any meeting, the Board of Directors shall have the power to adjourn the meeting and the required quorum at the subsequent meeting shall consist of members present, in person or by proxy, entitled to cast at least five percent (5%) of the total votes in the Association. These subsequent meetings may be scheduled without notice, other than an announcement at the meeting, until a quorum shall be present or be represented. Proxies shall continue to be valid at any adjourned meeting, subject to the limitation contained herein.

SECTION 12. All business conducted by the Board of Directors shall be reported to the membership within a reasonable length of time.

ARTICLE IV

OFFICERS

SECTION 1. Officers. The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. The officers shall serve on the Board of Directors and shall be appointed as referenced in Article III, Section 3 of these By-laws. Any member of the Board of Directors that does not serve as an officer shall be deemed to be an "at-large" member of the Board of Directors who shall have such duties and powers as prescribed by the By-laws, by North Carolina General Statute Chapter 47F, or as determined by the Board of Directors from time to time.

SECTION 2. Committees. The Board of Directors may elect or authorize the formation of such other Committees, in the sole discretion of the Board of Directors, that will act to serve the better interests of the Association. The Board of Directors shall appointment the members of any such Committee, each of whom shall be a Member of the Association, shall serve, have such authority, and perform such duties as the Board of Directors may from time to time authorize or determine.

SECTION 3. Removal and Resignation. Any officer may be removed, either with or without cause, by the majority of the Directors at the time in office, at any regular or special meeting of the Board.

SECTION 4. Resignation. Any officer may resign at any time by giving a written notice to the Board of Directors or to the President or to the Secretary of the corporation. Any such resignation shall take effect upon its being accepted by the Board of Directors.

SECTION 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled in the manner provided or authorized herein for regular elections or appointment to such office.

SECTION 6. President. The President shall be the chief executive officer of the corporation and shall, subject to control of the Board of Directors, have general supervision, direction and control of the affairs and other officers of the corporation. He shall preside at all meetings of the members and all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of President of a corporation and shall have such

other powers and duties as may be prescribed by the Board of Directors and by these By-laws.

SECTION 7. Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him, respectively, by the Board of Directors, or by these By- laws.

SECTION 8. Secretary. The Secretary shall keep or cause to be kept a book of minutes of the corporation of all meetings of Directors and members with the time and place of holding, whether regular or special, and if special, how authorized, the notice given thereof, the names of those present at Directors' meetings, the number of membership and votes present or represented at members' meeting and all the proceedings thereof.

The Secretary shall keep or cause to be kept a membership register showing the names and the number of votes to which each respective member is entitled, which said list shall be kept aa place designated by the Board of Directors with notice to members of the corporation as to its whereabouts.

The Secretary shall give or cause to be given notice of all meetings by the members and of the Board of Directors required by the by-laws or by law to be given and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these By-laws.

SECTION 9. Treasurer. The Treasurer shall keep and maintain or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions o the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer shall also maintain complete records of all assessments and charges levied and the liens securing same under and pursuant to the provisions of any declaration of restrictions, the amounts thereof, the properties against which the same have been assessed, the dates upon which the same are due and upon which the same are delinquent and a record of the payments thereof, as well as a record of notices of delinquency which have been recorded pursuant to an/ declaration of restrictions.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, whenever they request it, and keep an account of all of the Treasurer's transactions and of the financial condition of the corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these By-laws.

ARTICLE V

DUES

SECTION 1. Imposition, Personal Obligation, Lien. Each Owner, by becoming an Owner by the acceptance of a deed or otherwise, whether or not such deed or any other instrument pursuant to which title was obtained so provides, shall be deemed to covenant and agree to pay to the Association annual assessments and special assessments for the purpose of providing for the maintenance and operation of the common areas described herein ("Maintenance Assessments"). These assessments shall be fixed, established, and collected from time to time in an amount commensurate with the projected common area maintenance needs, which amount shall be determined by the Board of Directors. This amount shall be prorated according to current development on each lot within the subdivision. The amount of the annual assessment against any vacant lot within the subdivision shall be one-half (1/2) the amount of the annual assessment against those lots which are improved. Any given Maintenance Assessment shall be due within thirty (30) days from the date of issuance of the invoice accounting for said assessment. Each Maintenance Assessment (or installment payment thereof) together with such interest thereon and costs of collection to include attorney's fees, shall be a charge and continuing lien upon the subdivision lot against which the Maintenance Assessment is made and shall also be the personal obligation of the Owner of such lot at the time the Assessment falls due. The interest on any delinquent assessment shall be in the amount of eighteen percent (18%) per annum against the outstanding principal balance, running from the date of default.

SECTION 2. The dues levied by the Association as provided herein shall be paid to it on a schedule to be agreed upon by the corporation. Written notice of the dues and date of payment shall be sent to each Member/Owner as of January 1 of each year at the last address as it appears on the records of the corporation for the dues for that year.

SECTION 3. In the event of default by a Member/Owner on payment of a Maintenance Assessment, the Association may elect to file a claim of lien in the Office of the Clerk of Superior Court of Dare County on behalf of the Association against the lot of the delinquent Member/Owner. Said lien may be foreclosed upon by the Association in accordance with the PCA and Chapter 45 of the North Carolina General Statutes. Further, the Association may elect to suspend the delinquent Member's voting rights and rights to use the common amenities owned by the Association.

SECTION 2. All dues and assessments shall be made in accord and not in violation of the terms of any Restrictive Covenants that may be applicable to Sound-Sea Subdivision.

ARTICLE VI

DISTRIBUTION OF ASSETS AFTER TERMINATION

SECTION 1. No member of this corporation shall have, as an individual, any interest or title to the assets of Sound-Sea Homeowners Association, Inc. and such assets shall be devoted exclusively to the purposes of the corporation.

SECTION 2. In the event of the dissolution or other termination of this corporation, all of its assets shall be distributed in accordance with Article IX of its corporate Charter pursuant to a plan of distribution which shall be adopted by the Members of the corporation and which shall be in accord with the appropriate revenue provisions of the Internal Revenue Service and the Department of Revenue of the State of North Carolina, such plan being selected and approved by the Board of Directors.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, AND EMPLOYEES

Any person who is involved without his consent in any legal action due to the fact that he is or was a Director, officer, committee person, volunteer, or employee of the corporation shall be indemnified by the corporation against all expenses reasonably incurred by him in connection with or resulting from such legal action. Such expenses shall also include amounts paid by him with the consent of the corporation acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such person was derelict in the performance of his duties to the corporation. This right of indemnification to which such person may be entitled, and in particular, indemnification, is provided under N.C.G.S. 55A-17.1 et seq.

ARTICLE VIII

GENERAL PROVISIONS

SECTION 1.- Corporate Seal. The corporate seal shall be in such form as shall be approved from time to time by the Board of Directors.

SECTION 2. Fiscal Year. The fiscal year of the corporation shall run from January 1st through December 31st of a given calendar year, unless otherwise established by resolution of the Board of Directors.

SECTION 3. Dividends. No dividend shall be paid and no part of the income of the corporation shall be distributed to the members, Directors or officers.

SECTION 4. Stock. The corporation shall not have nor shall issue shares of stock.

SECTION 5. Waiver of Notice. Whenever any notice is required to be given to any member or Director under the provisions of the North Carolina Non-Profit Corporation Act or under the provisions of the charter or by-laws of this corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

SECTION 6. Inspection of Books and Records. Any member, his authorized agent or attorney

has the right to inspect all the books and records of the corporation for any purpose at any reasonable time.

SECTION 7. Amendments. Except as otherwise herein provided, these by-laws may be amended or repealed and new by-laws may be adopted by the affirmative vote of those persons representing a majority of the membership in the corporation. All members of the corporation shall be bound by any amendment enacted herein specified when the same is fully passed.

These By-laws have been signed as set forth below by the President of the Association, after a receiving the requisite membership vote at a duly called meeting of the Association occurring on _____, 2022, with the date of signing of this document being the 9 day of May, 2022.

Sound-Sea Village Homeowners Association Inc.

By: Kevin R Knotts
President

STATE OF North Carolina
COUNTY OF Dare

I, a Notary Public for the aforementioned State and County do hereby certify that Kevin R. Knotts personally appeared before me this day and acknowledged the execution of the foregoing declaration in the capacity of President of the Sound-Sea Village Homeowners Association, Inc. Witness my hand and seal, this the 9 day of May, 2022.

My commission expires:
12/28/2025

Nicole E. Wilkinson
Notary Public

