

**OLDE POINT PROPERTY OWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION
AS AMENDED JUNE 23, 2008**

ARTICLE I

APPLICABILITY

Section 1 - These By-Laws of the Olde Point Property Owners Association, Inc. shall control the affairs of the Association except where they are inconsistent with or contrary to the Articles of Incorporation of the Association.

Section 2 – For the purposes of the Association, “Olde Point Community” is initially defined to mean those properties lying along both sides of highway 17 starting approximately three miles north of Hampstead, North Carolina, extending to the east generally to the Intercoastal Waterway, and to the west approximately one half mile, and to the north about one half mile, which were originally owned and developed by Floyd M. Hufham and his associates, and publicly named “Olde Point”, or “Olde Point Development”, “Olde Point Golf and Country Club”, “Olde Point Villas”, and similar and affiliated names, and which properties have in part been subdivided and partially sold and the remainder, in part, sold to a successor developer, and expanded by subsequent land acquisitions, which process is continuing and which together comprises the Olde Point Community. The Board of Directors of the Association may from time to time modify or amend the definitions of Olde Point Community.

Section 3 – The Association shall have all the powers, authorities, and privileges granted or which may be granted to a non-profit corporation under the laws of the State of North Carolina; except:: (a.) as restricted or limited by the Articles of Incorporation.

The Association may take any action within its powers, authorities, and privileges which in the judgment of the Board of Directors of the Association shall be deemed necessary or appropriate, and to be in furtherance of the purposes of the Association and in the interest of and of benefit to the majority of the memberships or of the property owners of the Olde Point Community, including but not limited to:

- (a.) To protect the physical security of the Olde Point Community by establishing and maintaining security systems and problems.
- (a.) To communicate with developers, owners, and managers of Olde Point Community and government and public officials on behalf of the common interests of the Olde Point Community and its members.
- (a.) To educate owners, members, builders, developers, public officials and others, and advocate the establishment of standards and criteria, on matters in the common interests of the membership.
- (a.) To promote the establishment and maintenance of emergency medical and safety services and programs for this Association memberships.
- (a.) To enforce, or to assist in enforcing, by any lawful means, restrictive covenants, restrictions, zoning regulations, Federal or State laws or regulation or similar requirements, in the common interests of memberships.

- (a.) To acquire (by gift, purchase, or otherwise), own, hold, improve, operate, maintain, lease, license, convey, hold, improve, operate, maintain, lease, license convey, sell, transfer or otherwise dispose of personal property.
- (a.) To acquire (by gift, purchase, or to otherwise), own hold, improve, build upon, operate, maintain, lease, or license real property. To convey, sell, transfer, or otherwise dispose of real property only with the prior approval as provided in Article V Section 3B of these By-Laws.
- (a.) To require membership dues of Association memberships for the sole purpose of defraying routine operating expenses.
- (a.) To fix, levy, collect, and enforce payment by any lawful means, assessments or charges upon Association memberships for the acquisition, improvement and maintenance of the Association's real or personal property.
- (a.) To fix, levy, collect, and enforce payment by any lawful means, of charges of license fees upon non-members for use of the Association's properties, or rights.

ARTICLE II

VOTING RIGHTS

Section 1. The owners of record of a fee interest in each real property lot at Olde Point Community are entitled to a membership in the Association, as long as that interest and position as record owner continues. Persons or entities which only hold interests as security for performance of an obligation are not entitled to membership. Each membership, in good standing is entitled to one vote, which may be shared pro rata among the owners, except that each developer or builder shall be entitled to no more than one full vote for the total of all properties held by such developer or builder. Disputes on eligibility to vote and on number of votes to which a membership or owner is entitled will be decided finally by the Board of Directors of the Association, upon receiving notice of a person's entitlement to membership, the Association shall offer membership without delay. Membership is Mandatory for all lot owners in Phase I (exclusive of Section 1, Lots 1 through 24; The Bluffs, Lots 1 through 10; and Olde Point Section VI, Lots 1 through 75) and Phase II (exclusive of Olde Point Estates and Golf Terrace) as described in the covenants

Section 2. All proxies shall be in writing and shall be filed with the Association Secretary for verification and recorded at least 72 hours prior to the hour of the meeting. The Secretary shall determine the validity of such proxies, subject to the right of appeal to a committee appointed by the President.

ARTICLE III

BOARD OF DIRECTORS

Section 1. The affairs and the property of the Association shall be managed by the Board of Directors. No individual Director shall have power to transact business, as such, unless authorized by the Board on behalf of the Association. When the Board may so direct an officer, or Board Member, or member of the Association, to meet with the management of Olde Point Associates, or any other organization, a memo summarizing the meeting shall be prepared and presented at the next Board meeting and filed with the Secretary.

Section 2. Meetings of the Board may be called at any time by the Secretary upon request of the President or by no less than on-third of the directors.

Section 3. The Board of Directors shall meet on a monthly basis on the date, time and place as decided by a majority vote of the Board of Directors. All board members are required to attend all regularly scheduled meetings. Any Board Member missing 3 meetings, with the exception of extenuating circumstances, may be dismissed by the board.

Section 4. At all meetings of the Board of Directors, a quorum is reached if 50% of the persons entitled to vote on the current Board are present at the beginning of the meeting. (Example: Board of eight would need four voting members present.). Decisions of the Board of Directors shall be made by majority vote of those present at the meeting. Directors may not be represented or vote by proxy.

Section 5. Any action which is required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a statement in writing, setting forth the action to be taken, is signed by the President and subsequently, signatures to the statement by the Board members will be counted as votes with a majority passing the action.

Section 6. A vacancy, caused by the death, resignation or removal of a Director may be filled for the unexpired term by the remaining Directors, at any meeting of the Directors, except that any unexpired term carrying into a new calendar year shall subject the Board's appointment and approval by the Association at the next Annual Meeting.

Section 7. At any meeting of the Directors, any Director may be removed by unanimous vote of the remaining Directors, with cause, and with notice to the affected Director. Additionally, a Director may be removed by a majority vote of the Association.

Section 8. The Directors shall not receive compensation for their services, as such. But the Board may authorize for expenses incurred by Directors in connection with the performance of their duties; provided, however, that nothing contained in this section shall be construed to preclude any Director from serving the Association in any other capacity or receiving compensation for any such services.

Section 9. Any person who at any time serves or has served as a Director, Officer, Employee or Agent of the Association or in such capacity at the request of the Association for any other corporation, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified (from time to time) by the Association to the fullest extent permitted by law in the event he is made, or is threatened to be made, a party to any threatened, pending or completed civil, criminal, administrative, investigative or arbitrate action, suit or proceeding any appeal therein (any inquiry or investigation that could lead to such action, suit or proceeding), whether or not brought by or on behalf of the Association seeking to hold him liable by reason of he fact that he is or was acting in such capacity.

The Director's, Officer's, Employee's or Agent's rights hereunder shall, to the fullest extent from time to time permitted by law, cover (a) reasonable expenses, including without limitation, all attorney's fees actually and necessarily incurred by him in connection with any such action, suit or proceeding, (b) all reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in such action, suit or proceeding and (c) all reasonable expenses incurred in the enforcing the indemnification rights provided herein.

The Board of Directors of the Association shall take all such action as may be necessary and appropriate to authorize the association to pay the indemnification required by this provision, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him.

Any person who at any time serves or has served in any of the aforesaid capacities for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the rights provided for herein. Any repeal or modification of these indemnification provisions shall not affect any rights or obligations existing at the time of such repeal or modification. The rights provided for herein shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from this provision.

The rights granted herein shall be in addition to and includes the express rights of indemnification granted by the provisions of Chapter 55A of the North Carolina General Statutes or any successor to such statutes.

Section 10. Any expenditure of over Two Thousand Five Hundred Dollars (\$2,500.00) for a non-budgeted item must be presented to and approved by the General Membership.

Section 11. The Board will present the approved budget for the New Year at the annual meeting in January

ARTICLE IV

ANNUAL MEETING

Section 1. The Board of Directors shall call an Annual Meeting of the Association in the month of January each year. It will be at this meeting that Directors are elected, and reports to the membership made. The meeting will be announced to the membership at least six weeks prior to the meeting. The announcement shall list the motions to be presented and shall specify other business matters to be presented at the meeting.

Section 2. All principal motions and amendments shall be in writing and forwarded to the President of the Association at least 30 days prior to the date of the meeting at which the matter is to be presented by the sponsor. The meeting agenda shall list these and other matters to come before the meeting and shall be mailed to the membership at least 10 days before the meeting.

Section 3. At least one month prior to the Annual Meeting the President shall appoint a Nominating Committee to propose candidates for election to the Board of Directors to fill expiring terms. The chair of the Nominating Committee shall be a retiring Board member and the balance of the members of the Committee shall be members of the Association in good standing.

Section 4. Additional nominations for candidates for election to the Board may be made by the general membership at the Annual Meeting.

Section 5. No candidate shall be nominated for election without first obtaining his consent.

ARTICLE V

GENERAL MEETINGS

Section 1. The Board of Directors shall call at least two general membership meetings of the Association during each calendar year, in addition to the Annual Meeting. The same advance notices will be required for motions and business matters as for the Annual Meeting (see Article IV Sections 1 and 2).

Section 2. At any annual or general meeting of the membership, a quorum to enable business to be conducted shall consist of 10% of the members in good standing represented either in person or by proxy. Except as otherwise provided in these By Laws, and provided a quorum is achieved, a majority of the votes represented will be required for decision.

Section 3. A vote by at least two thirds of the votes represented at any meeting will be required for these decisions.

- A. A decision by the memberships to restrict or limit the authorities, powers and privileges of the Association or its Board of Directors, as provided in these By-Laws. Such decision to restrict or limit, shall be specific and for a set period of time. Any permanent restriction shall be in the form of an amendment to these By-Laws.
- A. A decision to convey, sell, transfer, or otherwise dispose of real property.
- A. A decision to fix, levy or collect any assessment or charges on members.

ARTICLE VI

OFFICERS

Section 1. The Officers of the Association shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be a member of the Board of Directors, shall be elected by the Board of Directors, and shall serve for a one year term. Each officer shall have such authorities and duties as shall be delegated to that officer by the Board of Directors.

Section 2. The President shall preside at all meetings of the Board and shall be the chief executive officer of the Association, shall have general supervision over the affairs and property of the Association and over its several officers, and shall generally do and perform all acts incident to the office of the President, and shall have such additional powers and duties as may from time to time be assigned to him by the Board.

Section 3. When the President is unable to preside, the Vice President shall perform all the duties of the President and, when so acting, shall have all the powers and be subject to all the restrictions on the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the Board, or by the President.

Section 4. The Treasurer shall act under the supervision of the Board and shall have charge and custody and be responsible for, all the funds of the Association, and shall keep, or cause to be kept and shall be responsible for the keeping of accurate and adequate records of the assets, liabilities, and financial transactions of the Association. He shall deposit all monies and other valuable effects of the Association in such banks, trust companies or other depositories as may be designated from time to time by the Board; and shall disburse the funds of the Association based upon proper vouchers for such disbursements; and in general, shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the Board.

Section 5. The Secretary shall act as a Secretary of and keep the minutes of all meetings of the Board in one or more books provided for that purpose and, whenever, required, by the President, shall perform like duties for any committee; provided that in the absence of the Secretary, the majority of the Directors present at any meeting thereof may designate any person to act as Secretary for such meeting, and keep the minutes of all meetings of the Board, and of any general meetings and the Annual Meeting of the Association. Whenever requested by the President, the Secretary shall perform like duties for any committee.

The Secretary shall see that all notices are duly given in accordance with these by-laws and as required by law; shall be the custodian of the seal of the Association and shall affix and attest the seal to any and all documents the execution of which on behalf of the Association under its seal shall have been specifically or generally authorized by the Board; and shall have charge of the books, records and papers of the Association relating to its organization as a Corporation and shall see that reports, statements and other documents required by law are properly kept or filed, except to the extent that the same are kept or filed by the Treasurer.

In general, the Secretary shall perform all the duties incident to the office of Secretary and other duties as may from time to time be assigned by the Board or the President.

ARTICLE VII

COMMITTEES

Section 1. The Board may appoint an Executive Committee composed of its officers and one of the remaining Directors. The Executive Committee shall manage the affairs of the Association between the meetings of the Board of Directors and unless limited by the Board, shall have and exercise all of the Board's authority not denied it by applicable law.

Section 2. The Board of Directors may create such other committees as it deems necessary or advisable for the purpose specified by the Board in its resolution creating the committee, and appoint, remove and replace any of its members. The Board may confer upon any such committee any authority not otherwise prohibited by law. Unless otherwise specified by the Board, the committee may adopt such rules and procedures for the performance of its function as it wishes. Such special committees shall expire at, or before, the close of the calendar year in which it was created unless otherwise specifically provided at the time of its creation, or unless sooner terminated by action of the Board.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. The fiscal year of the Association shall be from January 1st to December 31st.

Section 2. The Board shall direct that the accounts of the Association be audited within two months after the close of the books at the end of each Fiscal Year. The audit shall be completed and reconciled before tax returns are filed for that Fiscal Year.

Section 3. The rules contained in Robert's Rules of Order (latest edition) shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with the rules of order of the Association as specified in the Articles of Incorporation or in these By-Laws.

Section 4. Members of the Association attending Annual or General Meetings of the Association, either in person or by written proxy, shall constitute a quorum, unless otherwise specified in these By-Laws or Articles of Incorporation, and shall be capable of transacting business properly brought before the meeting.

ARTICLE IX

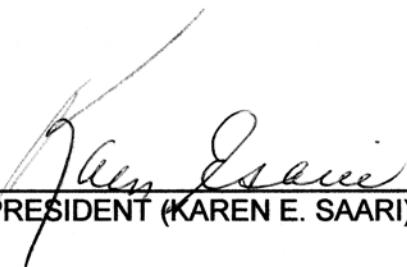
AMENDMENT OF BY-LAWS

The Membership of the Association in a General Meeting may, by a vote of a majority of all Members present, alter, amend or repeal these By-Laws, and adopt new By-Laws, at any time.

ARTICLE X

ADOPTION OF BY-LAWS

The foregoing amended by-Laws of the Association were adopted the 23rd day of June, 2008.



PRESIDENT (KAREN E. SAARI)

ATTEST:


SECRETARY (TERRY PETERS)