

BY-LAWS

ARROWHEAD PROPERTY OWNERS ASSOCIATION, INC. A Non-Profit Corporation

INDEX

<u>Article</u>	<u>Subject</u>	<u>Page</u>
Article I	Name	2
Article II	Purposes	2
Article III	Length of Existence	2
Article IV	Membership	2
Article V	Membership voting	4
Article VI	Association Duties	5
Article VII	Board of Directors	6
Article VIII	Duties of the Board of Directors	7
Article IX	Duties of the Officers	8
Article X	Membership Meetings	9
Article XI	Directors' Monthly Business Meetings	11
Article XII	Administration	12
Article XIII	Standing Committees	14
Sec. 1	Committee Organization	14
Sec. 2	Committee Directors/Chairpersons	15
Sec. 3	Board of Directors Committee Assignments	15
Sec. 4	Committee Membership	15
Sec. 5	Finance Committee	15
Sec. 6	Administrative Committee	16
Sec. 7	Park Operations Committee	17
Sec. 8	Public Works Committee	18
Sec. 9	Conservation and Ecology Committee	20
Sec. 10	Legal Committee	21
Sec. 11	Nominating Committee	23
Sec. 12	Long Range Planning Committee	24
Sec. 13	Building Control Committee	24
Sec. 14	Additional Committees	25
Article XIV	Use of Social and Recreational Facilities	25
Article XV	Amendments	26
Article XVI	Dissolution	26
Article XVII	Effective Date	27
Article XVIII	Non-Stock, Non-Profit Corporation	29

ARTICLE I
NAME

Section 1. The name of the Corporation shall be the Arrowhead Property Owners Association, Inc., hereinafter referred to as the “Association”. The principal office is located at 600 Sioux Trail, Arrowhead Beach, Chowan County, North Carolina.

ARTICLE II
PURPOSE

Section 1. The purpose of the Association is to administer, acquire, develop, improve, maintain, and operate non-profit social and recreational facilities within the Arrowhead Beach Subdivision, as authorized by the property owner members, for the use and enjoyment and for the mutual advantages to be derived therefrom for all members, their families, and guests, and to engage in such other activities as may be to the mutual benefit of the owners of property in the Arrowhead Beach Subdivision.

- a. In furtherance of this purpose, the Association shall promote the preservation of the natural resources, the conservation and ecological development of the area, the Chowan River and its tributaries through cooperation with Federal, State and local agencies, but only as such relates to providing recreational facilities and activities for members of the Association.
- b. As part of the conservation effort, the Association in cooperation with the Federal, State and local agencies, shall establish the Arrowhead Beach Subdivision as a wildlife and bird sanctuary. It shall be unlawful to trap, hunt, shoot, or otherwise kill or to attempt to trap, hunt, shoot, or otherwise kill within Arrowhead Beach Subdivision.
- c. To effect these purposes, the Association shall undertake collection of assessments levied pursuant to Articles X and XII of the Declaration of Restrictions, or any changes thereto authorized by a majority of the property owner members voting, voting for a change in the rate of assessment, applicable to the properties in the Arrowhead Beach Subdivision. Such funds shall be used for the administration, acquisition, development, improvement, maintenance and operation of non-profit social and recreational facilities and properties devoted to such uses for the mutual benefit of the members, their families and guests.
- d. The Association is chartered as a non-stock, non-profit corporation. Therefore, the Association shall neither authorize nor issue shares of stock.

ARTICLE III
LENGTH OF EXISTENCE

Section 1. The term of existence is perpetual.

ARTICLE IV
MEMBERSHIP

Section 1. Classes of Memberships. There shall be three (3) classes of membership. The first class shall be Property Owner Memberships, the second shall be Associate Memberships and the third shall be Honorary Membership. Each Member shall receive a membership card and a Member Account Number.

Section 2. Property Owner Memberships. Every person or entity who holds an individual equitable interest in any lot, whether as land contract vendee of record or fee holder of record, being subject to the covenants and to assessment by the Association, shall be a property owner member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a member.

- a. Every individual or entity upon purchase of one or more lots in the Arrowhead Beach Subdivision agrees to abide by: (1) the covenants and restrictions set forth in the Declaration of Restrictions filed by the Association and recorded in the Office of the Register of Deeds Office of Chowan County, or any changes, corrections, or revisions thereto authorized by a majority of the property owner members voting, voting for the proposed change, correction or revision; (2) the by-laws of the Association, and: (3) the rules and regulations established for the use of the social and recreational facilities and properties.
- b. Property owner membership in the Arrowhead Property Owners Association, and payment of the annual maintenance assessments and special assessments being necessary to the existence, use and enjoyment of the social and recreational facilities and properties, the rights and privileges of Association Membership are conditioned upon the payment of the annual maintenance assessments and special assessments properly imposed. Property owner membership rights and privileges, including the use of the social and recreational facilities and properties, are suspended during any period during which the assessments are delinquent and remain unpaid.
 1. A property owner member those rights and privileges, including the use of the social and recreational facilities and properties, and voting rights have been suspended for non-payment of assessments shall not be granted use of the facilities and properties as the guests of a member in good standing. Such denial of the use of the facilities and properties extends to the members of the property owner member's family.
 2. Upon payment, in full, of all outstanding annual maintenance assessments, special assessments, and past due collection charges, fees, and interest, all rights and privileges of property owner membership shall be automatically restored.
- c. Since every owner of property in the Arrowhead Beach Subdivision is required to be a member of the Association; each property owner who sells his or her property or transfers ownership to another individual shall:
 1. Inform the Secretary of the name and address of the new property owner.
 2. Provide the new property owner member a copy of the Restrictive Covenants, Articles of Incorporation, the By-Laws and the Rules and Regulations.
 3. Provide the new property owner member a statement setting forth the status of the annual maintenance assessment account, special assessment account, and other charges and fees against the properties sold or transferred.
 - (a) Should a property owner member fail to provide the required information, the property owner member shall be liable for:
 - (1) The charges, costs, and damages incurred by the Association in resolving ownership of the property.
 - (2) The attorney fees, collection fees, court costs, and other expenses incurred in collecting the annual maintenance assessments, and other charges and fees outstanding against the property sold or transferred.

Section 3. Associate Membership: Associate Members are individuals who have been recommended for membership by a member in good standing and the membership has been approved by the Board of Directors.

- a. Associate Memberships are on an annual basis. Renewal of an Associate Membership is subject to approval by the Board of Directors and the payment of the annual membership dues. The Board of Directors shall establish annual associate membership dues. Normally, associate membership dues will be equal to the sum of the annual maintenance assessment for two (2) lots.
- b. In purchasing an Associate Membership, the individual agrees to abide by the rules and regulations for the use of the social and recreational facilities and properties.
- c. The maximum number of Associate Memberships authorized is established at two hundred (200).

Section 4. Honorary Memberships. Honorary Memberships are memberships approved by the Board of Directors for individuals and organizations that provide services or assistance to the property owner members.

- a. Honorary Memberships are issued on an annual basis and are for a period of one (1) year.
- b. In accepting an Honorary Membership, the member agrees to abide by the rules and regulations for the use of social and recreational facilities and properties.

Section 5. Resident Non-Members. Individuals renting/leasing property within the Arrowhead Beach Subdivision are not members of the Association and, therefore, do not enjoy the rights and privileges of membership, including the use of the social and recreational facilities and properties.

- a. Rental property is defined as that property which was bought prior to the amendment to the Restrictive Covenants and existed as rental property at the time of the amendment (May 1, 1982) and may continue to use subject property as rental property until a change in ownership.(see Restrictive Covenants for the Arrowhead Beach Subdivision legal determination made by the District Court, Chowan County, North Carolina in April, 1991)

Section 6. Transfer of Memberships. Except as provided herein, memberships shall not be transferable:

- a. Property Owner Memberships shall follow the legal title of the lot or lots, within the Arrowhead Beach Subdivision, transferred either by a will, intestate succession, or by deed duly recorded in the office of the Register of Deeds, Chowan County, North Carolina.
- b. Property Owner Memberships shall not be transferred to individuals renting/leasing property within the Arrowhead Beach Subdivision.
- c. Associate Memberships are not transferable.
- d. Honorary Memberships are not transferable.
- e. No transfer of a property owner(s) membership shall be made on the books of the Association within thirty (30) days next preceding any membership meeting.

Section 7. The membership year is May 1 through April 30.

ARTICLE V **MEMBERSHIP VOTING**

Section 1. Voting Membership. There shall be one class of voting membership. Voting memberships shall be all those property owner members who hold the interest required for membership in Article IV, Section 2, and are in good standing. A property owner member in good standing is one who has all assessments paid in full as required by Article IV, Section 2b.

Section 2. Voting. A property owner member in good standing shall have one vote regardless of the number of lots owned.

- a. A property owner member in good standing may vote in person or by absentee ballot.
- b. The Legal Committee Chair shall determine the form of the Proxy, in consultation with counsel.
- c. Definitions:
 1. Proxy - a form submitted by an absent eligible voting member to be used to count towards a quorum. Proxies may only be used for the purpose of establishing a quorum at the annual meeting. No proxy shall be valid unless filed with the Secretary prior to the meeting for which the proxy is effective.
 2. Ballot - a form used by eligible voting members in attendance to cast votes
 3. Absentee Ballot – a form submitted by an absent eligible voting member to cast a vote. An absentee ballot does not count toward a quorum. This form may be the same as the ballot.
 4. Quorum – the number of voting members in attendance plus the number of validated proxies submitted. If a member is in attendance and has submitted a valid proxy, the proxy will be discarded.

Property owner member - defined in Property Owner Membership as a person or entity who holds an individual equitable interest in any lot. (ie. Mary Jones may own a lot in her name only and is therefore a member; John Jones her husband may own a lot in his name only and is therefore a member. In this case both John and Mary are members and can both vote. If John and Mary own another lot in both of their names they are not entitled to a third vote, since this would result in one individual having more than one vote.) **Under no circumstances will one individual have more than one vote**

Section 3. Petitions. Property owner members who satisfy the requirements of Article IV, Section 2, and are in good standing, may petition the Board of Directors to consider an item of business they deem important to the membership and /or the Association.

- a. A petition requesting an item of business to be voted upon by the membership or discussed by the membership at the Annual Membership Meeting must be presented to the Board of Directors no later than the January Monthly Business Meeting in order that the petition may be published in the March Newsletter.
- b. For a petition to be valid, the petition must be in writing, in a proper resolution format, and approved by fifty (50) or more qualified property owner members as set forth above.
- c. Property owner members who wish to submit recommendations for improving services and facilities or to request the Board of Directors to consider a specific request concerning an item of interest are encouraged to attend the Monthly Business Meetings and the Annual Membership Meeting in order to present their ideas and recommendations to the Board of Directors for consideration and action deemed appropriate.

ARTICLE VI **ASSOCIATION DUTIES**

Section 1. Duties. To administer, acquire, develop, improve, maintain and operate all real property and interests or rights in or upon real property which shall be conveyed, deeded, leased, or otherwise assigned to

the Association for the social and recreational use of the members, their families, and guests as authorized by the property owner members.

- a. To regulate, supervise, and exercise such control over the social and recreational facilities and properties as it may deem necessary or desirable in order to insure the equal access to and the equal enjoyment and use of the facilities and properties by all members, their families and guests.
- b. To maintain the social and recreational facilities and properties in a clean, orderly and safe condition.

Section 2. Conservation. To do all things necessary to or incidental to the conservation and protection of plant and wildlife within Arrowhead Beach Subdivision.

- a. To do all things necessary, in conjunction with Federal, State and local authorities to ensure the preservation of the Chowan River and its tributaries for the equal access to and the equal enjoyment and use of the facilities and properties by all members, their families and guests.

Section 3. Enforcement Authority. To enforce, either in its own name, or in the name of a property owner member(s) as may be necessary, all covenants and restrictions which have been, are now, or may hereafter be imposed upon any of the real estate in Arrowhead Beach Subdivision or any additions thereto, for the purposes set forth in the covenants and restrictions.

- a. Whenever a property owner member maintains his/her property in a manner detrimental to the recreational atmosphere of the area or in a manner contrary to the purposes set forth in the Restrictive Covenants, such as in violation of the Declaration of Restrictions or in an unsafe, unsanitary, or unsightly condition, the Board of Directors shall give the property owner member formal notification of its awareness of the condition or conditions. If the condition or conditions are not corrected within a time period deemed reasonable by the Board of Directors and set forth in a formal notice, the Board of Directors shall correct the condition and assess the cost thereof as a special assessment against the property or properties involved.

ARTICLE VII **BOARD OF DIRECTORS**

Section 1. Membership. The membership of the Board of Directors shall consist of nine (9) elected Directors.

- a. At the first Annual Membership Meeting of the Association, three (3) Directors shall be elected by votes entered by property owner members in good standing to terms of three (3) years; three Directors shall be elected to terms of two (2) years and three Directors shall be elected to a term of one (1) year. Thereafter, three (3) Directors shall be elected each year to terms of three (3) years.
- b. All Directors shall serve until their successors are qualified and elected.
- c. The elected term of office shall begin on 1 May of each year.

Section 2. Qualifications. Qualifications for serving as a member of the Board of Directors are:

- a. Must be a property owner member in good standing, in accordance with the provisions of Article IV, Section 2 and Article V, Section 1.
- b. A property owner member must express a desire or willingness to serve as a member of the Board of Directors.
- c. A property owner member must approve his/her name being placed on the ballot as a candidate for election to the Board of Directors.
- d. To avoid any conflicts of interest, Directors must not be directly related.

Section 3. Disqualification. Failure of a property owner member to maintain the qualification requirements set forth in Section 2, shall disqualify the property owner member as a candidate for election to the Board of Directors or to remain as a member of the Board of Directors.

Section 4. Termination. The Board of Directors shall have the powers of termination against

- a. any member of the Board of Directors for due cause. Due cause may be for unexcused non-attendance to three (3) successive membership and/or business meetings, non-participation in committee assignment, or failing to satisfy the qualifications set forth in Section 2 for service as member of the Board of Directors., or other causes as may be enumerated in applicable North Carolina Statutes, if any, and
- b. Any officer, agent, and/or employee For cause or non-performance of duties. Such vote must be taken during any open regular meeting of the Board of Directors. The cause and/or non-performance must be documented.

Section 5. Vacancies. The Board of Directors shall fill all vacancies created by death, resignation, or the termination of any member of the Board of Directors.

- a. Appointment of a property owner member to fill the unexpired term of a member being replaced shall be by a majority vote of the remaining members of the Board of Directors.
- b. The property owner member so appointed must satisfy the qualifications set forth in Section 2.

Section 6. Compensation. No compensation shall be paid the Directors for their service as a member of the Board of Directors. No person paid directly or indirectly for services rendered to the APOA may serve on the Board of Directors, including proprietors, shareholders, Trustees or Partners in any organization receiving compensation of any kind from the APOA.

Section 7. Indemnification. Each person now or hereafter a Director or Officer of the Corporation (and his/her heirs, executors and administrators) shall be indemnified by the Association against all claims, liabilities, judgments, settlements, costs and expenses, including all attorney's fees, imposed upon or reasonably incurred by him/her in connection with or resulting from any action, suit, proceeding or claim to which he/she is or may be made a party by reason of his/her being or having been a Director or Officer of the Association (whether or not a Director or Officer at the time such costs or expenses are incurred by or imposed upon him/her). Except in relation to matters as to which he/she shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his/her duties as such Director or Officer or in the event of a settlement, the indemnification shall be made only if the Association shall be advised, in case none of the persons involved shall be or have been a Director, by the Board of Directors of the Association, and in its or his/her opinion such Director or Officer was not guilty of gross negligence or willful misconduct in the performance of his/her duty, and in the event of a settlement, that such settlement was or is in the best interest of the Association. If the determination is to be made by the Board of Directors, it may rely as to all questions of law on the advice of the independent counsel. Such right of indemnification shall not be deemed exclusive of any rights to which he/she may be entitled under any by-laws, agreement, vote of property owners or otherwise.

ARTICLE VIII

Duties of the Board of Directors

Section 1. Duties: The Board of Directors shall have a general power to carry on the affairs of the Association.

- a. All Directors shall participate in the conduct of the Association's affairs by serving as a standing committee Chairperson or group head. A Director unable to so serve actively, and resigns from a

committee assignment, such resignation shall be considered by the Directors as resignation from the Board.

- b. Except for excused absence or illness, all Directors are expected to attend all membership and business meetings. Excused absences may be validated by contacting the President or Secretary prior to the meeting.
- c. The Board of Directors shall have the power to elect such officers and to appoint such agents and to hire such employees as may be necessary for carrying out the duties and purposes of the Association.
 1. To assist the Board of Directors in its deliberation, each position shall include a justification of need, a position or job description, list of qualifications and indication of to whom the employee will report.

Section 2. Officers: The Board of Directors shall, during the April Monthly Business Meeting, elect a President, Vice-President, Secretary, and Treasurer.

- a. The officers are elected from the board members by the members of the Board of Directors.
- b. All officers are elected for a one (1) year term in office.
- c. The officers shall conduct the routine business affairs of the Association. Within approved budget limitations, the officers shall insure all bills, invoices, and obligations are satisfied within prescribed time periods. Such actions shall be reported monthly to the Board of Directors.

ARTICLE IX **DUTIES OF THE OFFICERS**

Section 1. President: The President shall:

- a. Have such powers and duties normally accorded the Office.
- b. Serve as the General Manager of the Association on a day-to-day basis.
- c. Preside over all Membership and Board of Directors meetings.
- d. Sign all legal documents and such other instruments authorized by the Board of Directors.
- e. Have the right to exercise a tie-breaking vote of the Directors.
- f. Perform such other duties as delegated by the Board of Directors.

Section 2. Vice President: The Vice-President shall:

- a. Have such powers and duties normally accorded the office.
- b. Serve in the absence of the President.
- c. In cooperation with the Treasurer, serve as the Budget Coordinator.
- d. In cooperation with the Director/Committee Chairpersons, serve as Director, Long Range Planning.
- e. Serve as Chairperson of special Committees authorized by the Directors (See Article XIII),
- f. Serve as ex-officio member of all committees, except the Nominating Committee, and shall have the right to exercise a tie-breaking vote in committees.
- g. Perform such other duties as delegated by the Board of Directors.

Section 3. Secretary: The Secretary shall:

- a. Have such powers and duties normally accorded the office.
- b. Keep the minutes of all Membership and Board Meetings.
- c. Preserve in the books of the Association, the minutes of the proceedings of all such meetings.

- d. Serve as the Chairperson, Administrative committee.
- e. Prepare all Association correspondence and notices required by statute, by-laws and/or resolutions.
- f. Maintain a record of the names and address of all owners of property in the Arrowhead Beach Subdivision, the property owned by each, the status of each owners' annual maintenance assessment account and special assessment account.
- g. Maintain a record of all Associate and Honorary Memberships.
- h. Provide the Nominating Committee a listing of Association members (Owners of property) qualified to seek election to the Board of Directors and to vote in accordance with the provisions of Article V of the By-Laws.
- i. Prepare and send to all property owner members notices as to the amounts due the Association for their annual maintenance assessments and special assessments.
- j. Prepare and send to all Associate Members notices as to the amounts due the Association for their annual dues.
- k. Advise the Board of Directors as to the delinquencies in dues and assessments.
- l. Keep the Board of Directors informed as to the expiration dates of insurance policies.
- m. To receive and verify proxies.
- n. Perform such duties as delegated by the President and Board of Directors.

Section 4. Treasurer: The Treasurer shall:

- a. Have such powers and duties normally accorded the office.
- b. Maintain the books of account, in keeping with generally accepted accounting principles, belonging to the Association with a full and accurate account of all receipts and disbursements.
- c. Maintain custody and accounts of all Association monies, funds and securities and all accounts for any activities under the control of the Association.
- d. Deposit all monies, funds, securities, and other valuables in the name of the Association in such depositories as may be designated for the purpose by the Board of Directors.
- e. Report all vouchers and disbursements, account for all transactions, and report the financial condition of the Association at the monthly business meeting.
- f. Report the financial condition of the Association at the Annual Membership Meeting and at Special Membership Meetings.
- g. When required by the Board of Directors, deliver to the Secretary a bond in form, amount and surety or sureties satisfactory to the Board of Directors, conditioned for faithful performance of duties of the Office of Treasurer, and for the safe keeping of all papers, books, vouchers, monies and property of whatever kind in his/her possession or under his/her control belonging to the Association. The fee for such bond shall be paid for from funds of the Association.
- h. Serve as Chairperson, Finance Committee.
- i. Perform such other duties as delegated by the President and the Board of Directors.

ARTICLE X **MEMBERSHIP MEETINGS**

Section 1. Annual Membership Meeting: Beginning with the 1986 Annual Membership Meeting, the Annual Membership Meeting shall be held on the first Saturday in April, and every year thereafter on the first Saturday in April at Arrowhead Beach, Chowan County, North Carolina, at such time as the Board of Directors shall determine.

Section 2. Meeting Notice: The notice shall be delivered to each property owner by mail not less than ten (10) nor more than thirty (30) days before the date of the Meeting. When mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as

it appears on the records of the corporation, with postage prepaid.

- a. This meeting notice shall set out in reasonable detail the items of business to be brought before the membership for resolution. Items of business for each meeting shall be limited to those set forth in the meeting notice in order that those members submitting absentee ballots may have an opportunity to express their desires.

Section 3. Quorum: A quorum for conducting the Annual Membership Meeting shall consist of fifty (50) members present and/or by proxy who are in good standing in accordance with the provisions of Article V, Sections 1 and 2.

Section 4. Voting: Property owner members may cast their votes for the items of business to be resolved at the Annual Membership Meeting or a Special Membership Meeting in accordance with the Provisions of Article V, Sections 1 and 2.

- a. The Secretary shall provide a list of property owner members entitled to vote in accordance with the provisions of Article IV, Section 2 and Article V, Sections 1 and 2. Each ballot submitted shall be checked against the list, by the Nominating Committee, in order to validate the vote.
- b. Approval or disapproval of an item of business shall be by a majority of the valid votes cast, voting approval or disapproval, as represented by members present and absentee ballots.

Section 5. Membership Participation: The presiding officer shall provide each member present an opportunity to comment on any item of business under consideration by the membership.

- a. Members may submit in writing, delivered to the Secretary prior to the adjournment of the meeting, suggestions and recommendations to the Board of Directors for their consideration at the next regularly scheduled monthly business meeting.

Section 6. Order of Business. The order of business for the Annual Membership Meeting shall be in accordance with the following schedule:

- a. Call to order
- b. Invocation
- c. Pledge of Allegiance
- d. Roll Call
- e. Reading of the minutes of the previous Membership Meeting
- f. Reports of Committee Chairpersons/Directors.
- g. Reports of the Officers
- h. Old business
- i. New Business
- j. Presentation of items of interest by Property Owner members for the Board of Directors consideration.
- k. Election of Directors
- l. Benediction
- m. Adjournment

Section 7. Special Membership Meeting: Special Membership Meetings may be called, whenever Member voting is required, by the President, the Board of Directors, or whenever petitioned, in writing, by fifty (50) or more property owner members in good standing as defined in Article IV, Section 2 and Article V, Sections 1, 2 and 3.

- a. In the event the Annual Membership Meeting is not held on the day designated for the lack of a quorum or for any other reason, the Annual Membership Meeting shall be re-scheduled within 60 days as a Special Membership Meeting.
- b. Provisions for informing property owner members of a Special Membership Meeting shall be the same as set forth for the Annual Membership Meeting.
- c. Procedures for the conduct of business, voting, and membership participation shall be the same as set forth for the Annual Membership Meeting.

ARTICLE XI

DIRECTORS MONTHLY BUSINESS MEETING

Section 1. Monthly Business Meeting. The Board of Directors shall convene a monthly business meeting on the second Saturday of each month for the purpose of conducting the Association's business affairs.

- a. The Director's monthly business meetings shall be open to all property owner members.
- b. The Director's monthly business meetings shall be convened at the Association's Clubhouse, Arrowhead Beach, Chowan County, North Carolina, at such time as determined by the Board of Directors.

Section 2. Quorum. A quorum for conducting business at the monthly business meeting shall be five (5) Directors.

Section 3. Membership Participation. The presiding officer shall provide property owner members an opportunity to comment on any item of business under discussion or consideration by the Board of Directors.

- a. Upon completion of all items of business, property owner members shall be given an opportunity to bring to the Board of Directors any item of concern or interest to them for consideration by the Directors.

Section 4. Order of Business: The order of business for the monthly business meetings shall be as follows:

- a. Call to order
- b. Invocation
- c. Pledge of Allegiance
- d. Roll call Board of Directors
- e. Minutes of previous meeting
- f. Report of officers/committee chairpersons/directors
- g. Old business
- h. New business
- i. Items of interest to property owner members.
- j. Summary of action taken
- k. Benediction
- l. Adjournment

ARTICLE XII **ADMINISTRATION**

Section 1. Association Office. The Association shall establish and maintain an office at 600 Sioux Trail, Arrowhead Beach, Chowan County, North Carolina.

Section 2. Corporate Seal. The Board of Directors shall provide a corporate seal containing the name of the Association. The seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer.

Section 3. Fiscal Year. The fiscal year for the Association shall begin on the first day of May of each year. The commencement date for the fiscal year herein established shall be subject to change by the Board of Directors should practice subsequently dictate.

Section 4. Execution of Corporate Documents. With prior authorization of the Board of Directors, all instruments and documents shall be executed on behalf of the Association by either the President or Vice President.

Section 5. Payment of Association Obligations: All checks, notes drafts, and other orders for the payment of money to satisfy the Association's obligations shall be signed by two (2) officers of the Association. One of whom shall be the Treasurer. The signatures shall be original and not facsimiles.

- a. Authorized signatures for checks, notes, drafts, and other orders to satisfy the Association's obligations in addition to the signature of the Treasurer are:
 - 1. President
 - 2. Vice-President
 - 3. Secretary

Section 6. Association Records. The Association shall maintain correct and complete books and records of accounts and shall keep minutes of proceedings of its Membership Meetings, Board of Director Meetings, and Committee Meetings having any of the authority of the Board of Directors.

- a. A record shall be maintained providing the names and addresses of all property owners, associate members and honorary members.
- b. A file of the following legal documents shall be maintained:
 - 1. Articles of Incorporation,
 - 2. By-Laws
 - 3. Rules and Regulations
 - 4. Deeds
 - 5. Agreement of Transfer
 - 6. Assignment
 - 7. Bills of Sale
 - 8. Contracts
 - 9. Leases
 - 10. Legal Actions and Judgments

Section 7. Access to Association Records: The books and records of the Association may be inspected by a property owner member, or his agent or attorney, for any proper and reasonable purpose; however, access to the Association records shall be in accordance with the following established policy:

- a. A notice of intent to inspect must be submitted, in writing, to the Board of Directors at least five (5) working days prior to the desired date of inspection.
- b. The notice must specify with particularity which records are to be inspected.
- c. The notice must specify the purpose(s) for which the inspection is being conducted. A request considered to be arbitrary, capricious, or reckless conduct shall not be recognized.
- d. All records shall be inspected at the Association's office.
- e. At the discretion of the Board of Directors, or its agent, records may only be inspected in the presence of a Board member. Access must be made available within ten days for the request
- f. The property owner member(s) requesting access shall not disrupt the ordinary business activities of the office or its employees during the course of the inspection.
- g. No records may be removed from the office without the express written consent of the Board of Directors.
- h. When applicable, all costs of inspection shall be borne by the property owner member(s) requesting access. In the event, the property owner member(s) reviewing the records is desirous of making copies of the records, all costs of copying shall be incurred by the property owner member(s) requesting same.
- i. Consistent with the individual's right to privacy and applicable law, the following records will not be made available without the express written consent of the Board of Directors:
 1. Minutes of Executive sessions.
 2. Minutes of Administrative Hearings pertaining to the imposition of fines, late fees, or other punitive disposition.
 3. Any document, the disclosure of which would violate a constitutional or statutory provision of applicable public policy.
 4. Any document, the disclosure of which could, as determined by the Board of Directors, result in a discernible harm to the Association or any of its members.
 5. Personnel records
 6. Inter-office memoranda.
 7. Litigation files.
 8. Preliminary data, information or investigations which have not been formally approved by the Board of Directors, such as contractor bid prospects.
 9. Where disclosure may result in an invasion of personal privacy, breach of confidence, or privileged information.
 10. Where disclosure would unreasonably interfere with or disrupt the operation of the Association.
 11. Where access results in a private harm or damage that outweigh the right of access.
- h. A mailing list of property owner members, associate members or honorary members shall not be provided for commercial use.
- i. The Association is under no obligation for any additional information other than that which is required by law.

Section 8. Annual Maintenance Assessments. Annual Maintenance Assessments, as provided for in Article X of the Restrictive Covenants for the Arrowhead Beach Subdivision dated 1 April, 1996, become due on 1 May of each year and become delinquent (past due) on 16 June of each year. The Association shall make no adjustment or proration of the assessments. The Annual Maintenance Assessment shall be levied against all properties subject to the assessments.

Section 9. Special Assessments: In addition to the Annual Maintenance Assessments, additional assessments as authorized by the property owner members may be levied by the Association. Special Assessments may be authorized for the purpose of defraying, in whole or in part, the cost of any construction

or re-construction, unexpected repair or replacement of a described recreational area, park, clubhouse, or other recreational facilities, including the necessary fixtures and personal property related thereto. Authorization for such an assessment shall take place at the annual or special meeting and be approved by affirmative vote of two-thirds (2/3) of the property owner members, voting for the Special Assessment(s). The due date of the Special Assessment shall be fixed in the resolution authorizing the Special Assessments.

Section 10. Remedies for Non-Payment of Assessments.

If assessments or special assessment are not made on the date due and become delinquent the the Association shall have the right to file a claim of lien for such assessments, and to foreclose the lien, as provided in North Carolina General Statutes Sections 47F-1-101, 47F-3-107.1, and 47F-3-102. and Chapter 44A, Article 2, as amended.

Section 11. Obligation to Pay Assessments. Property Owner members must pay all assessments, fees, and interest charges regardless of any claim or offset, they may have or claim to have against the Association.

Section 12. Status of Assessment Account. The Association Secretary shall issue, upon request of a property owner member or purchaser, a certificate showing the status of the property owner's annual maintenance assessment account and special assessments account. Such certificate shall be conclusive proof that no past assessments are due and owing relative to the lots identified therein.

ARTICLE XIII
COMMITTEES

Section 1. Committee Organization. The Committee organization is established in order to provide an orderly manner for conducting the Association's business affairs and to involve the participation of as many property owner members as possible in the decision making process. These committees will be formed as necessary to ensure the most effective and efficient processes for conducting Association business. The Building Control committee must be a standing committee to execute the duties described in the restrictive covenants. The nominating committee is a required committee, but is not required to stand all year.

Board of Directors

Finance
Administrative
Park Operations
Public Works
Legal

Conservation and Ecology
Building Control
Long Range Planning
Nominating

Section 2. Committee Directors/Chairpersons. Except for the Nominating Committee, Committee Directors/Chairpersons shall be a member of the Board of Directors.

- a. The Vice-President of the Board of Directors shall serve as the Director of Long Range Planning.
- b. The Secretary of the Board of Directors shall serve as the Director of Administration.
- c. The Treasurer of the Board of Directors shall serve as the Director of Finance.

Section 3. Board of Directors Committee Assignments. Members of the Board of Directors shall serve as a Committee Director/Chairperson, Vice Director/Chairperson, or a Group Head.

Section 4. Committee Membership. The director/chairperson of each committee shall actively seek property owner members to serve on his/her committee.

- a. All committee appointments are voluntary.

- b. There are no term limits on volunteer appointments.
- c. No member, serving voluntarily as a Director/Chairperson or as a committee/group member shall receive compensation for such service.

Section 5. Finance Committee: The organization, duties, and responsibilities of the Finance Committee shall be as follows:

a. **Organization**

- 1. Finance Director – Treasurer
 - a. Budget Group
 - b. Audit Group

b. **Duties and responsibilities.**

- 1. Assist the Treasurer in the performance of his/her duties including budget and audit.
- 2. Monitor the Association’s financial situation and make recommendations to the Board of Directors for improving the soundness of the financial condition.
- 3. Establish and maintain bookkeeping and financial record keeping procedures for all programs involving financial transactions.
- 4. Insure all approved financial obligations are met in a timely manner.
- 5. Exercise oversight of all programs in which financial considerations are involved.
- 6. Insure that all corporate resolutions for the conduct of financial transactions are current; that is, contain proper signatures as approved by the Directors and executed by the Secretary.
- 7. Develop and manage a program for establishing reserve funds. The reserve funds shall be managed so as to provide the maximum return.
- 8. Recommend a Certified Public Accountant to conduct an annual audit, review or compilation of the Association’s financial condition.
- 9. Meet quarterly with the Treasurer to audit the Association’s financial condition.
- 10. Provide an annual report to the members. The report to be presented at the Annual Membership Meeting.
- 11. Prepare any other reports requested or reports deemed necessary by the Board of Directors.
- 12. Report to the property owner members the results of the annual audit, review or compilation as soon as available.
- 13. Oversee the implementation of any recommendations submitted by the accountant.

c. **Budget Group specific duties are:**

- 1. Develop, in coordination with other interested committees, the Association’s annual budget.
- 2. Submit a proposed operating budget for the next fiscal year to the Board of Directors at the December business meeting. At the January business meeting submit the final version of the proposed budget for review.
- 3. Monitor implementation of the budget and report to the Board of Directors the status of implementation. The reports shall include recommendations and conclusions.
- 4. Perform such other duties as requested.

d. **Audit Group specific duties are:**

- 1. Conduct a quarterly audit of the financial records.
- 2. Approve/concur in the Treasurer’s monthly report to the Board of Directors.
- 3. Submit an annual financial statement to the property owner members at the Annual Membership Meeting.
- 4. Perform such other duties as requested.

Section 6. Administrative Committee: The Organization, Duties and Responsibilities shall be as follows:

- a. **Organization.**
 - 1. **Director – Secretary**
 - a. Administrative Group
 - b. Membership Group
 - c. Information Group
- b. **Duties and responsibilities:**
 - 1. Assist the Secretary in the performance of his/her duties, specifically Administration, Membership and Information.
 - 2. Establish and maintain an administrative record keeping system.
 - 3. Prepare and maintain the minutes of all Association meetings.
 - 4. Maintain a current listing of all property owners. The listing to show the status of the property owner's assessment account and any special assessment account.
 - 5. Issue membership cards to all property owners whose maintenance assessment accounts are current.
 - 6. Provide the Legal Committee a listing of all property owners whose maintenance assessment accounts are in arrears.
 - 7. Prepare the Association's correspondence.
 - 8. Issue annual maintenance assessment notices to all property owners.
 - 9. Maintain a current listing of all Associate and Honorary Memberships.
 - 10. Issue annual dues notices to the Associate Members
 - 11. Submit recommendations for Honorary Memberships to the Board of Directors at the March Meeting.
 - 12. Prepare and issue a newsletter in accordance with a schedule established by the Board of Directors.
- c. Submit an annual report of activities to the members at the Annual Membership Meeting.
- d. Submit such other reports as required.
- e. Perform such other duties as requested.
- f. Submit all approved bills/expenditures to the Treasurer for payment.
- g. In cooperation with the Finance Committee develop an annual budget for administrative functions.
- h. Receive and verify proxies.
- i. **Administrative Group specific duties are:**
 - 1. Assist the Secretary in the performance of his/her administrative duties.
 - 2. Assist in maintaining a current listing of property owners.
 - 3. Assist in the preparation and mailing of the annual maintenance assessment notices.
 - 4. Assist in the preparation of correspondence.
 - 5. Assist in the preparation of reports.
- j. **Membership Group specific duties are:**
 - 1. Assist the Secretary in maintaining a current listing of all Associate Members and Honorary Members.
 - 2. Review applications for new Associate Members and submit recommendations to the Board of Directors.
 - 3. Submit recommendations for the Board of Directors for Honorary Membership.
 - 4. Assist in the preparation and mailing of the annual dues notices.
 - 5. Assist in the preparation of reports.
- k. **Information Group specific duties are:**
 - 1. Assist in the preparation and mailing of the newsletter.

2. Assist in the preparation and mailing of other information to property owners, Associate Members and Honorary Members.
3. Prepare address labels for the mailing of information to property owner members, Associate Members and Honorary Members.

Section 7. Park Operations Committee. When the committees are established, the organization, duties and responsibilities of the Park Operations Committee shall be as follows:

a. Organization:

1. Director - Board of Director Member
 - a. Park Operations
 - b. Bingo Operations
 - c. Snack Bar Operations
 - d. Community Affairs Group
 - e. Young People's Activity Group

b. Duties and responsibilities:

1. Supervise operation of the recreational facilities.
2. Maintain such records as necessary to determine the cost/profit/loss for operating the recreational facilities.
3. Submit approved bills/expenditures to the Treasurer for payment
4. Submit all receipts to the Treasurer for deposit
5. Supervise the contractual agreement for snack bar operations, park, attendants, and employees necessary for operation of the recreational facilities.
6. In cooperation with the Finance Committee, develop an annual budget for operating the recreational facilities.
7. In cooperation with the Public Works Director, develop a planned maintenance program for the recreational facilities.
8. Develop and submit to the Board of Directors a proposed annual operating schedule for the recreational facilities at the December business meeting. The proposed operating schedule shall include a plan for activities such as a swimming program, safe boating lessons, youth activities, adult activities, holiday programs, the sponsoring of youth clubs such as scout troops, and Beach Bingo games.
9. Develop and submit to the Board of Directors a proposed schedule of community action programs in conjunction with various Chowan County organizations.
10. From the Park Operations Committee members, form a welcoming committee to visit and offer assistance to new property owners and/or residents.
11. Propose to the Legal Committee changes to the rules and regulations for the use of the recreational facilities.
12. Provide report of activities at the Annual Membership Meeting and such other reports as required.
13. Perform such other tasks as required.

c. Park Operations Group specific duties are:

1. Develop a proposed annual operating schedule.
2. In cooperation with the Public Works Director, develop a proposed maintenance/improvement schedule for the park facilities.
3. Supervise park operations.
4. Supervise contractual agreements for park attendants and other park employees

d. Community Affairs Group specific duties are:

1. Develop a proposed schedule of community action programs.
 2. Form the Welcoming Committee and supervise its activities.
 3. Develop an annual schedule of activities
 4. In cooperation with the Administrative Committee, publish the annual operating schedule. The schedule to include a listing of planned activities.
 5. Supervise the activities and plans for the young people's activities group.
- e. **Young People's Activities Group specific duties are:**
1. Develop plans for young people's activities. Submit an annual plan for proposed activities to the Community Affairs Group.
 2. Supervise the execution of the approved schedule for young people's activities.
 3. Officers of the Group should attend the monthly business meeting of the Board of Directors.
- f. **Bingo Operations Group specific duties are:**
1. **Administration**
 - a. Ensure Bingo shall be conducted in compliance with federal, state and local legislation, including all accounting and reporting.
 - b. Report to the Board of Directors all pertinent information regarding Bingo on a monthly basis to include income, expenses, and all necessary information to meet federal, state, and local reporting requirements.

Section 8. Public Works Committee . The organization, duties and responsibilities of the Public Works Director shall be as follows:

a. **Duties and Responsibilities:**

1. Director, Public Works shall be the immediate supervisor of the Maintenance Manager and in the absence of a Maintenance Manager all Maintenance Employees.
2. Provide for approval to the Board of Directors a position or job description, list of qualifications and compensation recommendation for the Maintenance Manager.
 - a. Submit to the Board of Directors for approval, the proposed work schedule for the Maintenance Manager.
 - b. Approve and submit the Maintenance Manager's time sheets to the Treasurer for payment.
 - c. Submit to the Board of Directors for approval, employment agreements for maintenance manager's assistants including position description, list of qualifications and compensation recommendations
 - d. Submit to the Board of Directors for approval, the work schedule for maintenance Manager's assistants.
 - e. Approve and submit such other assistant's time sheets to the Treasurer for payment.
3. Be responsible for the routine maintenance of all Association properties and facilities.
4. In cooperation with other committees, prepare written short-term plans and specifications, obtain three written estimates for such work to be accomplished for the maintenance, repair, and improvements to the facilities and submit such plans, schedules and written estimates to the Board of Directors for approval.
5. For approval and funded projects issue contracts and/or purchase materials to accomplish the projects.
6. Approve and submit to the Treasurer for payment all bills, invoices, statements for materials, fuel, and repairs for the maintenance of property and facilities.
7. Monitor all contracts for compliance with approved plans. In the event minor changes are found to be necessary or desirable during construction, the Public Works Committee may approve the

changes provided no additional funds are required. Report such approved changes to the Board of Directors.

8. Maintain an inventory of all maintenance equipment.
9. Maintain plans for winterizing of facilities and for protecting the facilities when notified of approaching heavy weather or hurricane.
10. Schedule required maintenance and repair projects.
11. Provide an annual report of accomplishments and plans at the Annual Membership Meeting. Provide such other reports as required.
12. Perform other duties as required.

b. Building and Grounds Maintenance specific duties are:

1. Develop programs for the maintenance and repair of facilities.
 - a. Prepare schedules for accomplishing the repairs/maintenance projects.
 - b. Obtain estimates for accomplishing the repairs/maintenance project. If the repairs/maintenance cannot be completed by the Building and Grounds Maintenance Director, prepare written specifications for work to be completed, and obtain three (3) written bids for accomplishing the repairs/maintenance projects if the work is to be performed by an outside source.
 - c. Submit plans and written estimates (3) to the Directors for approval.
 - d. Monitor the accomplishment of approved projects. If, during the accomplishment of the maintenance/repair project it is found minor changes are necessary or desirable, approve the changes provided the changes can be accomplished within the authorized funds.
2. Approve and submit to the Treasurer for payment all bills, invoices and statements for approved projects.
3. Maintain an inventory of all maintenance equipment.
4. Maintain plans for winterizing the facilities and for protecting the facilities when notified of approaching heavy weather or hurricane.
5. Coordinate and schedule required maintenance and repair projects with other committees.

c. Planning specific duties are:

1. Develop short range plans, prepare specific written plans and specifications for bidding purposes, obtain (3) written estimates for such work being proposed and prepare schedules for the development of social and recreational facilities and properties of the Association.
2. Submit proposed plans, three (3) written estimates, schedules and contracts to the Board of Directors for approval and appropriate action.
3. Monitor all contracts for compliance with approved plans. In the event minor changes are found to be necessary or desirable during construction, the committee may approve the changes provided no additional funds are required. Report such changes to the Board of Directors.
4. Approve and submit to the Treasurer for payment all bills, invoices and statements for approved projects.

Section 9. Conservation and Ecology Committee: The organization, duties and responsibilities of the Conservation and Ecology Director shall be as follows:

a. Duties and Responsibilities

1. Establish and maintain programs to preserve and conserve the natural aspects of the common properties.

2. Establish and maintain programs to promote the conservation of the Chowan River and its tributaries.
3. Establish and maintain liaison with Federal agencies, the North Carolina Department of Natural Resources and Community Development and the Chowan County Officials responsible for programs to conserve and preserve the water and air resources in order to insure the Association's programs are in agreement with Federal, State and County programs
4. Establish and maintain liaison with North Carolina Wildlife and Fish agents in order to develop a bird sanctuary program within the Arrowhead Beach Subdivision.
5. Establish and maintain liaison with the North Carolina Division of Archives and History to develop a program for the identification and preservation of the archaeological resources within the Arrowhead Beach Subdivision.
 - a. All conservation and ecological activities engaged in by the Association shall relate to improving the member's understanding of the history of the area and to providing recreational activities for the members.
6. Develop an annual budget in support of the committee's activities.
7. Maintain an inventory of all equipment and chemicals used in the committee's work.
8. Submit to the Treasurer for payment all bills, invoices, and statements for materials purchased.
9. Provide an annual report of activities, accomplishments, and plans at the Annual Membership meeting. Provide such other reports as required.
10. Perform such other duties as required.

b. Conservation Group:

1. Establish and maintain the required liaison with local and state agencies to:
 - a. Maintain the subdivision as a Wildlife Game and Bird Sanctuary.
 - b. Maintain the water recreation area in the Chowan River adjacent to the recreational area.
 - c. Post signs in or near Indian Creek indicating a "Slow-No-Wake" zone.
 - d. Identify and preserve the archaeological resources found within the subdivision.

Section 10. Legal Committee

a. Duties and Responsibilities

1. Establish and maintain liaison with lawyer(s) and legal firm engaged by the Arrowhead Property Owners Board of Directors for all legal matters.
2. Shall serve as advisors to the Association and the Board of Directors, including By-laws, Neighborhood Watch, and Rules and Regulations.
3. Shall develop procedures to insure compliance with the provisions of the:
 - a. Agreement of Transfer with the American Central Corporation.
 - b. Assignment from American Central Corporation.
 - c. Quit Claim Deed of May 1974 from American Central Corporation.
 - d. Quit Claim Deed of August 1974 from the American Central Corporation.
 - e. Articles of Incorporation (Charter).
 - f. By-laws of the Corporation.
 - g. Rules and Regulations for the use of the recreational facilities.
 - h. Restrictive Covenants for the subdivision.
4. Shall organize, train and schedule the activities of the Neighborhood Watch Program.
5. Shall maintain liaison with State, County and City law enforcement officials.

6. Shall conduct periodic reviews of the By-laws, rules and regulations, and Declaration of Restrictions for possible changes based upon experience and legal requirements. Report recommendations for changes to the Board of Directors.
7. Working with the Administrative Committee, disseminate approved changes to the Bylaws, rules and regulations and the Declaration of Restrictions.
8. Submit an annual report of activities to the Annual Membership Meeting and such other reports as required.
9. Perform such other duties as required.
10. Vice-Chairperson, Legal Committee shall serve as Parliamentarian at all membership and Board of Directors meetings.

b. By-laws Group specific duties are:

1. Conduct periodic reviews of the By-laws for possible changes based upon experience and legal requirements.
2. Insure dissemination of the By-laws as appropriate.
3. Monitor the conduct of the Association's activities to insure compliance with the provisions of the By-laws.
4. Submit to the Board of Directors reports of possible violations of the By-laws and recommendations to prevent a similar violation in the future.

c. Rules and Regulations specific duties are:

1. Conduct periodic reviews of the rules and regulations for operating the facilities for possible change based upon experience.
2. Insure dissemination of the rules and regulations as appropriate.
3. Submit proposed changes to the rules and regulations to the Board of Directors for approval.
4. Monitor the effectiveness of compliance with the rules and regulations.
5. Submit to the Board of Directors reports of possible violations of the rules and regulations and recommendations to prevent future violations.

d. Neighborhood Watch Group specific duties are:

1. Organize the Neighborhood Watch Program for the subdivision.
2. Conduct training sessions for all members participating in the program.
3. Schedule neighborhood watch patrols.
4. Represent the property owner members at coordinating meetings of the Chowan County Neighborhood Watch Committee.
5. Maintain liaison with the Chowan County Sheriff's Department and other law enforcement agencies in the area.
6. Submit reports to the Board of Directors of incidents of vandalism, destruction of private property, Association property, traffic violations and other activities within the subdivision that could and would be detrimental to health, safety and welfare of the residents of the subdivision.
7. Provide recommendations to the Board of Directors as to what actions the Board of Directors should undertake to prevent the recurrence of such activities.
8. Perform such tasks as required.

Section 11. Nominating Committee. The organization, duties and responsibilities of the Nominating Committee shall be as follows:

- a. **Organization:** The Nominating Committee shall have no less than five (5) qualified property owner members appointed by the Board of Directors.

Chairperson

Property Owner
Committee Members

b. **Duties and Responsibilities:**

1. Ensure that a request for candidates for election to the Board of Directors is contained in the November Newsletter.
2. Using the list of property owner members provided by the Secretary, determine that all candidates are qualified to serve on the Board of Directors, in accordance with Article VII, Section 2.
3. Present a slate of qualified candidates for election to the Board of Directors at the January business meeting. The slate should contain at least as many candidates as there are known openings on the Board.
4. Ensure that a ballot is provided with the notice of the Annual Membership Meeting.
5. Establish procedures to insure delivery of all ballots to the Nominating Committee.
6. Count and verify all ballots returned. Verification will be accomplished using the list of property owner members provided by the Secretary.
7. Report results of the election to the members at the Annual Membership meeting. The report to include total number of ballots received and total ballots turned in at the meeting and the number of ballots not counted as the member casting the ballot was not qualified.
8. Ensure that there are ballots available at the Annual Membership Meeting for those qualified members who desire to cast their ballot and have not previously done so.
9. Members of the Association, as per Article IV, Section 2, may nominate other members of the Association as candidates for the Board of Directors. Such nominations shall be in writing, signed by the property owner members making them, and shall be placed in the hands of the Nominating Committee prior to the January business meeting of the Board of Directors. The members nominated must meet all requirements set forth in Article VII, Section 2.

Section 12. Long Range Planning Committee. When necessary, the organization, duties, and responsibilities of the Long Range Planning Committee shall be as follows:

a. **Duties and Responsibilities:**

1. Review and adjust the Purpose, Mission Statement, and Values for Arrowhead Property Owners Association.
2. In cooperation with each of the Directors/Chairpersons, develop long range plans for new facilities, the replacement of existing facilities and major improvements to existing facilities.
 - a. Evaluate and present any expected budgetary impact of executing against plans
 - b. Prepare specific written plans and specifications for bidding purposes.

Section 13. Building Control Committee: The organization, duties and responsibilities of the Building Control Committee shall be as follows:

- a. **Organization:** The Building Control Committee shall consist of three (3) members appointed by the Board of Directors. One of the appointed members shall be a Director who shall serve as chairman of the committee. The Committee chairman shall seek additional property owner members as deemed

necessary to carry out the committee's duties and responsibilities as set forth in the Restrictive Covenants for the Arrowhead Beach Subdivision.

Chairperson
Board of Director Member

Board of Directors
Appointee
Restrictive Covenants
Review Group

Board of Directors
Appointee
Compliance Review
Group

Group Members

Group Members

a. Duties and Responsibilities:

1. Shall be responsible for reviewing all plans and specifications for all structures to be constructed, erected, or placed in the subdivision to insure compliance with all provisions of the Restricted Covenants.
2. Shall be responsible for reviewing the provisions of the Restrictive Covenants to insure they are in compliance with legal authorities and judicial findings.
 - a. When deemed necessary, to make a change to clarify a provision or to bring a provision into compliance with a change in legal authorities or a judicial finding, recommend to the Board of Directors that a change should be submitted to the property owner members for approval.

Section 14. Additional Committees: The Board of Directors may establish or authorize the President to establish other committees as the Directors deem necessary to carry on the affairs of the Association.

- a. The Directors shall define the duties and responsibilities of such authorized committees.
- b. Standing Committees so established shall hold office at the pleasure of the Directors or until such time as the purpose for which the committee was formed has been accomplished. Approval shall be indicated by a majority vote of the property owner members voting, voting for approval.

ARTICLE XIV

USE OF THE SOCIAL AND RECREATIONAL FACILITIES AND PROPERTIES

Section 1. Use of Social and Recreational Facilities and Properties. Each member in good standing shall be entitled to the equal use and enjoyment of the social and recreational facilities and properties of the Association unless suspended for cause by action of the Board of Directors. Membership rights and privileges for the use and enjoyment of the social and recreational facilities and properties are subject to the conduct of each member in accordance with those reasonable standards of conduct determined from time to time by the Board of Directors to insure the equal use and enjoyment of the social and recreational facilities and properties by all members, their families and guests.

- a. Violation of the established standards of conduct or a violation of the rules and regulations for the use of the social and recreational facilities and properties may establish cause for suspending a member's rights and privileges for the use of the social and recreational facilities and properties per the written document created by Rules and Regulations. Such suspension of a property owner member, or a member of a

property owner's family, shall not relieve such property owner of the requirement to pay all annual maintenance assessments and special assessments.

Section 2. Responsibility. The Association and the Board of Directors assume no responsibility for any accident or injury resulting from the use of the social and recreational facilities and properties.

- a. All members, their families and guests use the social and recreational facilities and property at their own risk and sole responsibility.

Section 3 Claims. Members, their families and guests agree to make no claims against the Association and/or the Board of Directors for or on account of any injury, loss or damage to life, limb or property sustained in the use of social and recreational facilities and properties.

ARTICLE XV **AMENDMENTS**

Section 1. Procedure. These By-laws may be amended, corrected, or revised by a section or sections, or by an article or articles published by an erratum, or by a new issue of the By-laws.

Section 2. Approval of Amendments. Approval of amendments, corrections or revisions to these By-laws may be accomplished by a majority vote of the qualified property owner members voting on a proposed amendment, correction, or revision to these By-laws as an item of business at the Annual Membership Meeting or a Special Membership Meeting called to consider a proposed amendment, correction, or revision to the By-laws. Property owner members voting must be qualified to vote in accordance with the provisions of Article IV, Section 2, and Article V, Section 2.

ARTICLE XVI **DISSOLUTION**

Section 1. Dissolution. The Association may be dissolved only with the assent given, in writing, by two thirds (2/3) of all property owner members in good standing voting for dissolving the Association.

- a. Property Owner members voting must be qualified to vote in accordance with the provisions of Article IV, Section 2, and Article V, Section 2.
- b. A written notice of a Special Membership Meeting called for the purpose of acting upon a proposal to dissolve the Association shall be mailed to every property owner at least sixty (60) days in advance of the Special Membership Meeting. The notice shall set forth in reasonable detail the reasons for proposing to dissolve the Association.

Section 2. Disposition of Assets. Upon dissolution of the Association, disposition of assets shall be:

- a. All liabilities and obligations shall be satisfied or adequate provisions made therefor.
- b. All assets, both real and personal of the Association shall be conveyed and assigned to a nonprofit corporation, association, trust or other organizations to be devoted to the purposes similar to those for which the assets were required to be devoted by the Association.
- c. In the event such conveyance and assignment is refused, the assets, both real and personal shall be dedicated to the appropriate public agency to be devoted to the purposes similar to these for which the assets were required to be devoted by the Association.

ARTICLE XVII

EFFECTIVE DATE

Section 1. Membership Approval. These By-laws were presented to the property owner membership for comment and recommendation on October 11, 1975, and were approved by the Board of Directors on December 13, 1975, in accordance with the provisions of Article XII of the original By-laws. These By-laws were effective for guidance, and compliance on January 1, 1976.

Section 2. Change One. Change One was made in accordance with the requirements set forth by the U.S. Internal Revenue Service, in order to maintain a non-profit status for U.S. Tax purposes. The change was effective January 8, 1977.

Section 3. Change Two. Change Two was an administrative change to incorporate administrative and operating practices and to correct spelling and grammar errors. Changes included establishing the Planning Group and the Neighborhood Watch Group and established procedure for the Associate and Honorary Memberships. The changes were approved February 13, 1982, and were effective for compliance on approval.

Section 4. Change Three. Change Three was a change to establish administrative procedures for membership access to Association records and to reformat the By-laws in order to provide clarity when reviewing the By-laws. The changes were approved September 8, 1984, and were effective for compliance on approval.

Section 5. Change Four. Change Four established:

1. The annual Membership Meeting for the first Saturday in April beginning with the 1986 Annual Membership Meeting.
2. The Board of Director's Membership at nine members beginning with the election of members to the Board of Directors in 1986. The changes were approved by the membership at the May 1985 Annual Membership Meeting.

Section 6. Change Five. Change Five provided for:

1. Deleting reference to Campground Operations
2. Redefining the duties of the Vice-President. Established the Vice-President as Director, Long Range Planning Committee. Assigns the duty of Budget Coordinator to the Vice-President.
3. Established the Park Operations Committee.
4. The conduct of Beach Bingo Games within Park Operations Committee.
5. Establishing guidelines for volunteers.
6. These changes were approved by the Directors on August 14, 1999 and were effective for compliance on approval.

Section 7 Article X Change Six

Section 1 Annual Membership Meeting: The Annual Membership Meeting shall be held in April in conjunction with the monthly Arrowhead Beach Property Owners meeting. The meeting will be held at Arrowhead Beach , Chowan County, North Carolina at such time as the board of Directors shall determine. Approved by the Directors on December 12, 2009.

Section 8. Change Seven Change Seven provided for:

1. Article IV Section 2 Membership - added fines, penalties, and interest to payments necessary to access and use social and recreational facilities - approved by the Directors on November 14, 2015 and were effective for compliance on approval.

2. Article XII Section 10 Remedy for Non Payment added/updated NC General Statutes references - effective July 1, 2015
3. Article XIII Section 11 Standing Committees added – The Nominating Committee, including the Chairperson, shall be appointed by the Board of Directors in the month of October - approved by the Directors on November 14, 2015 and were effective for compliance on approval.

Section 9. Change Eight Change Eight reviewed the entire document with multiple changes:

1. Multiple Articles modified changing game and bird preserve and sanctuary to bird sanctuary only.
2. Article IV Section 2 Modified all committees other than building and nominating to be optional and removed organizational charts.
3. Article V Section 2 added definitions associated with voting
4. Article VII Section 2 added must be a resident to requirements for members of the board
5. Article VIII Section 2 added To avoid any conflict of interest, officers must not be directly related.
6. Article XII Committees – Major modifications removing the graphic organization charts and modifying committees to be established as needed rather than standing (excluding Nominating Committee and Building Control Committee)
7. Incorporated Change 7 into main body of the ByLaws.
 - a) Article IV Section 2 Membership
 - b) Article XIII Section 11 Standing Committee Nominating Committee
 - c) Article XII Section 10 Remedy for Non Payment added/updated NC General Statutes references - effective July 1, 2015 incorporated into main document

ARTICLE XVIII
A NON-STOCK, NON-PROFIT CORPORATION

Section 1. This Association professes to be a non-stock, non-profit corporation.

- a. Therefore, the corporation shall neither authorize or issue shares of stock.

Section 2. In the event of dissolution of the corporation, there will be no profit or financial benefit to any member of the Arrowhead Property Owners Association, Inc.

I certify that the above is a true copy of the Arrowhead Property Owners Association, Inc., By-laws.

Roberta C. Salak
Secretary
207 Powhatan Trail
Edenton NC 27932

Alfred M. Howard
President
304 Pocahontas Trail
Edenton NC 27932

STATE OF NORTH CAROLINA
Chowan County, to-wit

I, _____, a Notary Public in and for the City/County and State aforesaid, whose commission expires on the _____ day of _____, _____, do hereby certify that Alfred M. Howard and Roberta C. Salak, whose names are singed to the foregoing writing, have acknowledged the same before me in my City/County and State aforesaid.

Given under my hand and seal this _____ day of _____, 19____.

Notary Public

BY-LAWS REVISIONS

ARTICLE XII EFFECTIVE DATE

The provisions of these changes and corrections to the By-Laws, Conditions, Restrictions and Reservations are effective July 1, 2015. In Witness whereof the Arrowhead Property Owners Association, acting for and in the interest of the property owner members of record on July 1, 2015, causes this instrument to be executed by its President, and its corporate seal to be affixed and attested to by its Secretary, both duly authorized to act on the premises in behalf of said

Corporation, all as of the day of , 2015
Arrowhead Property Owners Association

President

Attest:

Secretary

I, a duly commissioned Notary Public in and for the said County and State, do hereby certify that came before me this day and acknowledged he/she is Secretary of the Arrowhead Property Owners Association, a corporation, and by authority given as the act of the corporation, the foregoing instrument was signed in its name by its President, and attested by himself/herself as its Secretary.

Witness my hand and Notarial Seal this day of , 2015

Notary Public

My commission expires Notary Seal Chowan County, North Carolina

Filed at o'clock am/pm

NORTH CAROLINA CHOWAN COUNTY

the foregoing certificate of , Notary Public Chowan County, State of North Carolina is certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the office of the Register of Deeds of Chowan County, North Carolina.

This day of , 2015 at o'clock am/pm

Register of Deeds

Verified and Recorded:

, 2015