

**ARTICLES OF INCORPORATION
OF
CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS'
ASSOCIATION, INC.**

Pursuant to Section 55A-2-02 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purposes of forming a nonprofit corporation.

1. **NAME.** The name of the corporation is

CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS'
ASSOCIATION, INC.

2. **PURPOSE.** The purposes and powers for which the Corporation is organized are as follows:

a. To operate and manage a condominium community named Clearwater on Country Club Condominium located at 4513 Country Club Road, Morehead City, Carteret County, North Carolina, 28557;

b. To undertake the performance of, and carry out the acts and duties incident to the administration of the operation and management of the Corporation as set out and contained in these Articles and the Declaration of Unit Ownership for Clearwater on Country Club Condominium (the "Declaration");

c. To make, establish and enforce reasonable rules and regulations governing the use of the Common Elements (as described in the Declaration), and other real and personal property which may be owned by the Corporation;

d. To make, levy and collect assessments against Owners of Units (as described in the Declaration); to provide the funds to pay for the common expenses of the Corporation as provided in the Declaration and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Association; to use said assessments to promote the recreation, acquisition, improvement and maintenance of the Common Elements, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, including but not limited to the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management, supervision thereof, the maintenance of insurance in accordance with the By-Laws, including the employment of attorneys and other professionals to represent the Corporation when necessary for such other needs as may arise;

e. To maintain, repair, replace, and operate the properties for which the Corporation is responsible;

f. To enforce by any legal means, the provisions of the Declaration, the By-Laws, and the rules and regulations for the use of the Corporation's properties;

g. To have all of the common law and statutory powers of a non-profit corporation under NCGS Chapters 55A and as an "Association" under NCGS Chapter 47C and also those powers as set out in the Declaration and all powers reasonably necessary to implement the purposes of the Corporation;

3. **MEMBERS.** The Corporation shall have members those persons defined in the Declaration.

4. **REGISTERED OFFICE AND AGENT.** The street address and county of the initial registered office of the corporation is 3100 Arendell Street, Morehead City, Carteret County, North Carolina 28557, and the name of the registered agent is Thomas S. Bennett, Jr.. The mailing address of the initial registered office is the same as above.

5. **PRINCIPAL OFFICE.** The street address and county of the principal office is 3100 Arendell Street, Morehead City, Carteret County, North Carolina 28557;

6. **INITIAL DIRECTORS.** The number of directors of the corporation may be fixed in the By-Laws. The number of persons constituting the initial board of directors shall be One (1). The names and address of the person who is to serve as the initial director until his successor is elected and qualified is:

NAME	ADDRESS
Thomas S. Bennett, Jr.	3100 Arendell Street Morehead City, NC 28557

7. **INDEMNIFICATION OF OFFICERS AND DIRECTORS.** To the fullest extent permitted by North Carolina General Statutes Section 55A-8-57(a) and all other applicable provisions of the NORTH CAROLINA NONPROFIT CORPORATION ACT, as the same now exists or may hereafter be amended, the Corporation shall indemnify all persons serving as officers or directors of the Corporation, or in both such capacities, against all liability and litigation expense, including but not limited to reasonable attorneys' fees, arising out of their status as such or their activities in any of the foregoing capacities, regardless of when such status existed or activity occurred and regardless of whether or not they are officers or directors of the Corporation at the time such indemnification is sought or obtained. Without limiting the generality of the foregoing indemnity, such persons may also recover from the Corporation all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification granted by this Paragraph. The provisions of this paragraph are in addition to and not in limitation of the power of the Corporation with respect to, and the rights of any officer, director, employee or agent of the Corporation to receive the benefits of, any other or further indemnification, insurance, elimination of liability or

other right or benefit which is either required by the NORTH CAROLINA NONPROFIT CORPORATION ACT or permitted thereby and duly adopted by the Corporation in accordance therewith.

8. **PERSONAL LIABILITY OF DIRECTORS.** The personal liability of each director of the Corporation is hereby eliminated to the fullest extent that elimination thereof is permitted by North Carolina General Statutes Section 55A-2-02(b)(4) and all other applicable provisions of the NORTH CAROLINA NONPROFIT CORPORATION ACT, as the same now exists or may hereafter be amended.

9. **EFFECTIVE TIME OF FILING.** Pursuant to North Carolina General Statutes Section 55A-1-23(a)(2), this document shall be effective at 12:00:01am on the date on which it is filed by the Office of the Secretary of State of North Carolina.

10. **TAX STATUS; DISTRIBUTIONS.**

a. The Corporation shall have all of the powers granted non-profit corporations under the laws of the State of North Carolina. Notwithstanding any other provision in these Articles, the Corporation hereby elects tax exempt status under § 528 of the Internal Revenue Code of 1986, as amended.

b. No Director, Officer or employee of or member of a committee of or person connected with the Corporation, or any other private individual, shall receive at any time any of the earnings or pecuniary profit from the operations of the Corporation. This shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as may be fixed by the Board of Directors from time to time. Further, no such person or persons shall be entitled to share in the distribution or winding up of the affairs of the Corporation, whether voluntary or involuntary.

In the event of a dissolution of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board may determine or as may be determined by a Court of competent jurisdiction, exclusively to an association organized for similar purposes as the Corporation.

11. **INCORPORATOR.** The incorporator shall perform the ministerial function of signing and submitting the Articles of Incorporation to the Office of the Secretary of State. The incorporator shall have no other power or duty regarding the corporation. The name and address of the incorporator is: John M. Harris, 304 North 35th Street, Morehead City, Carteret County, North Carolina 28557.

This the 27 day of April 2004.


John M. Harris, Incorporator

(SEAL)