

C201217200343

**ARTICLES OF INCORPORATION
OF
NAUTICAL CLUB PHASE 1 CONDOMINIUM ASSOCIATION, INC.**

Pursuant to N.C.G.S. § 55A-2-02, the undersigned does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

1. The name of the corporation is Nautical Club Phase 1 Condominium Association, Inc.
2. The purposes of the corporation are to serve as a unit owners' association, as described and contemplated in the North Carolina Condominium Act, Chapter 47C of the General Statutes of North Carolina (the "**Condominium Act**"), and to perform all of the purposes and duties indicated for the corporation in the Declaration of Condominium for The Nautical Club Phase 1 Condominium (as amended hereafter, the "**Declaration**") recorded in Book 1412, Page 248, in the office of the Register of Deeds of Carteret County, North Carolina. Capitalized terms used herein, defined in the Condominium Act or the Declaration and not otherwise defined herein, shall have the meanings given them in the Condominium Act or Declaration, as applicable.
3. In addition to any powers granted to the corporation under the laws of the State of North Carolina, the corporation shall have all the powers granted to the corporation in the Declaration and, except as expressly provided otherwise in the Declaration, all the powers granted to unit owners' associations under the Condominium Act, and shall have the full power and authority to do everything necessary and suitable or proper for the accomplishment of any of the purposes set forth above or the furtherance of any other power hereinbefore set forth, either alone or in connection with other entities, and as principal or agent, and to do every other act or thing, individually or appurtenant to, growing out of or connected with the aforesaid purposes and powers, or any of them.
4. The street and mailing address and county of the initial registered office of the corporation is:

150 Fayetteville Street, Box 1011
Raleigh, NC 27601

Wake County
5. The name of the initial registered agent is CT Corporation System.
6. The name and address of the incorporator is:

Spruillco, Ltd.
301 Fayetteville Street, Suite 1900
Raleigh, NC 27601

7. The corporation will have members. The qualifications for membership shall be as set forth in the Declaration.

8. The street and mailing address and county of the principal office of the corporation is:

6130 Harris Technology Boulevard
Charlotte, NC 28269

Mecklenburg County

9. Subject to N.C.G.S. § 55A-13-02(d), upon dissolution of the corporation, after all liabilities and obligations of the corporation have been paid, or adequate provisions made therefor, the corporation shall dispose of its remaining assets as follows:

(a) All excess or surplus membership dues, fees or assessments shall be distributed to the Members in proportion to the dues, fees or assessments collected from the Members.

(b) All other assets owned by the corporation shall be distributed to the Members in proportion to their respective interests, as determined pursuant to § 47C-2-118 of the Condominium Act.

10. No director of the corporation shall be personally liable for monetary damages for breach of any duty as a director except (i) acts or omissions occurring prior to the date of the effectiveness of these Articles of Incorporation, (ii) acts or omissions that the director at the time of the breach knew or believed were clearly in conflict with the best interests of the corporation, (iii) any liability under §55A-8-32 or §55A-8-33 of the North Carolina General Statutes or any successor provisions, or (iv) any transaction from which the director derived an improper personal financial benefit. As used herein, the term "improper personal financial benefit" does not include a director's reasonable compensation or other reasonable incidental benefit for or on account of his or her service as a director, trustee, officer, employee, independent contractor, attorney or consultant of the corporation.

The corporation shall indemnify to the full extent permitted under Chapter 55A of the North Carolina General Statutes all directors and officers of the corporation against liability and expenses in any proceeding arising out of their status as a director and/or officer of the corporation or their activities in the capacity of a director and/or officer of the corporation. However, the foregoing indemnification shall not apply to (i) acts or omissions that, at the time taken, the director or officer knew or believed to be clearly in conflict with the best interests of the corporation; or (ii) any activity from which the director or officer received an improper personal benefit. The corporation shall reimburse any director or officer for all reasonable costs, expenses and attorney's fees incurred in connection with the enforcement of such director's or officer's right to indemnification.

Notwithstanding the foregoing, if any provision of the North Carolina General Statutes is amended or enacted to permit further limitation, elimination or indemnification of the personal liability of a director or officer of the corporation, the personal liability of the directors and officers

of the corporation shall be limited, eliminated or indemnified to the fullest extent permitted by the applicable law.

This Section 10 shall not affect any provision permitted under the North Carolina General Statutes, these Articles of Incorporation and the corporation's bylaws or contract or resolution of the corporation indemnifying or agreeing to indemnify a director against personal liability.

Any repeal or modification of this Section 10 shall not adversely affect any limitation hereunder on the personal liability or indemnification of a director or officer with respect to acts or omissions occurring prior to such repeal or modification.

The directors and officers of the corporation are authorized to cause the corporation to purchase and maintain directors and officers insurance covering the acts of the directors and officers in their capacity as directors and officers of the corporation.

11. During the Executive Board Control Period (as defined in the Declaration), no amendment to these Articles of Incorporation shall be effective without the prior written consent of the Declarant (as defined in the Declaration).

12. The number of directors of the corporation may be fixed in the corporation's bylaws. The names and addresses of the initial directors of the corporation, who shall hold office until their successors are elected and qualified, are as follows:

Brian Gribble
6130 Harris Technology Boulevard
Charlotte, NC 28269

Robbie Patterson
6130 Harris Technology Boulevard
Charlotte, NC 28269

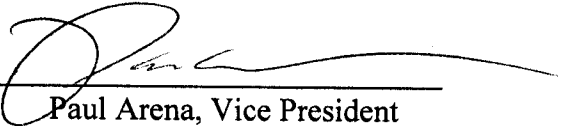
Joanne Scruggs
6130 Harris Technology Boulevard
Charlotte, NC 28269

13. Notwithstanding any other provisions of these Articles of Incorporation, the corporation hereby elects tax-exempt status under § 528 of the Internal Revenue Code of 1986. The corporation shall not carry on any activities prohibited by a corporation electing tax-exempt status under Internal Revenue Code § 528, or any corresponding sections or provisions of any future United States internal revenue law. It is further provided that no distributions of income of the corporation are to be made to the Members, directors or officers of the corporation; provided, however, that the Members of the corporation may receive a rebate of any excess dues and assessments previously paid.

14. These articles will be effective upon filing in the office of the Secretary of State.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this the 19th day of June, 2012.

Spruilco, Ltd., Incorporator

By: 
Paul Arena, Vice President