

Exhibit C

Bylaws

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BYLAWS OF NAUTICAL CLUB PHASE 1 CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
DEFINITIONS

1.1 Generally. Unless the context otherwise requires, terms used in these Bylaws shall have the meanings assigned to them in the North Carolina Nonprofit Corporation Act, to the extent defined therein, or the Declaration (as hereinafter defined), to the extent defined therein.

1.2 Specific Terms Defined. The terms set forth hereinafter in this Section 1.2 shall have the meanings indicated, unless otherwise expressly provided in these Bylaws. Capitalized terms used herein, defined in the Declaration and not otherwise defined herein shall have the meanings given them in the Declaration. Other terms may be defined elsewhere in these Bylaws.

1.2.1 The "Articles of Incorporation" shall mean the Articles of Incorporation for the Association filed with the North Carolina Secretary of State on June ____, 2012, as it may be amended.

1.2.2 The "Association" shall mean Nautical Club Phase 1 Condominium Association, Inc., a North Carolina nonprofit corporation.

1.2.3 The "Condominium Act" shall mean the North Carolina Condominium Act, Chapter 47C of the North Carolina General Statutes, as it may be amended.

1.2.4 The "Declaration" shall mean the Declaration of Condominium for The Nautical Club Phase 1 Condominium recorded in Book ____, page ____, in the office of the Register of Deeds of Carteret County, as it may be amended.

1.2.5 The "Non-Profit Act" shall mean the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes.

ARTICLE 2
OFFICES

2.1 Principal Office. The principal office of the Association shall be located at such place in the State of North Carolina as the Board of Directors may fix from time to time.

2.2 Registered Office. The registered office of the Association required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

2.3 Other Offices. The Association may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate or as the affairs of the Association may require from time to time.

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ARTICLE 3
MEETINGS OF MEMBERS

3.1 Place of Meetings. All meetings of Members shall be held at such place within Carteret County, North Carolina, as shall in each case be (i) fixed by the President, the Secretary, or the Board of Directors and designated in the notice of the meeting or (ii) agreed upon by a majority of the votes entitled to be cast by Members at the meeting.

3.2 Annual Meetings. The annual meeting of Members shall be held in January of each year on any day in that month as determined by the Board of Directors.

3.3 Substitute Annual Meeting. If the annual meeting is not held at the time designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 3.4. A meeting so called shall be designated and treated for all purposes as the annual meeting.

3.4 Special Meetings. Special meetings of the Members may be called at any time by the President, the vote of a majority of the Board of Directors, or by Members having at least twenty-five percent (25%) of the votes in the Association.

3.5 Notice of Meetings. Notice of any meeting of the Members shall be given as provided in § 47CF-3-108 of the North Carolina Condominium Act. When a meeting is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time or place is announced at the meeting before adjournment and if a new record date is not fixed for the adjourned meeting. However, if a new record date is fixed for the adjourned meeting (which must be done if the new date is more than one hundred twenty (120) days after the date of the original meeting), notice of the adjourned meeting must be given as provided in § 47C-3-108 of the Condominium Act to persons who are Members as of the new record date.

3.6 Waiver of Notice. Any member may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the member, and delivered to the Association for inclusion in the minutes or filing with the corporate records. A member's attendance, in person or by proxy, at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the member or his proxy at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member or his proxy objects to considering the matter before it is voted upon.

3.7 List of Members. Before each meeting of Members, the Secretary of the Association shall prepare an alphabetical list of the Members entitled to notice of such meeting. The list shall show the address of and number of votes held by each member. The list shall be kept on file at the principal office of the Association, or at a place identified in the meeting notice in the city where the

meeting will be held, for the period beginning two (2) business days after notice of the meeting is given and continuing through the meeting, and shall be available for inspection by any member, his agent or attorney at any time during regular business hours. The list shall also be available at the meeting and shall be subject to inspection by any member, his agent or attorney, at any time during the meeting or any adjournment thereof.

3.8 Quorum. Members may take action on a matter at a meeting of the Members only if a quorum of the Members exists. Except as otherwise provided in the Declaration, a quorum is present throughout any meeting of the Members if Members having at least twenty-five percent (25%) of the votes in the Association are present in person or by proxy at the beginning of the meeting. If business cannot be conducted at a meeting of the Members because a quorum is not present, the meeting may be adjourned to a later date by the affirmative vote of Members having a majority of the votes present at the meeting in person or by proxy. Subject to Section 3.5, at an adjourned meeting any business may be transacted that might have been transacted at the original meeting if a quorum exists.

3.9 Proxies. Members may vote either in person or by one or more proxies appointed in accordance with § 47C-3-110(b) of the Condominium Act.

3.10 Voting. Except as otherwise expressly provided in these Bylaws, the Declaration, the Articles of Incorporation, the Condominium Act or the Nonprofit Act, if a quorum exists at a meeting, action on a matter is approved if the votes cast favoring the action exceed the votes cast opposing the action.

3.11 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting if one or more written consents, describing the action so taken, shall be signed by all of the Members who would be entitled to vote upon such action at a meeting, and delivered to the Association for inclusion in the minutes or filing with the corporate records. If the Association is required by law to give notice to nonvoting Members of action to be taken by unanimous written consent of the voting Members, then the Association shall give the nonvoting Members, if any, written notice of the proposed action at least ten (10) days before the action is taken.

3.12 Minutes. Minutes of all meetings of the Members shall be kept in a businesslike manner, and shall be available for inspection and photocopying by Members and directors at all reasonable times.

ARTICLE 4
BOARD OF DIRECTORS

4.1 General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors. The Board of Directors shall for all purposes be considered to be the "executive board" of the Association, as such term is used in the Condominium Act.

4.2 Number and Qualifications. The Board of Directors will consist of three (3) members. Except as provided in § 47C-3-103(f) of the Condominium Act directors need not be residents of the State of North Carolina or Members of the Association.

4.3 Election. Except as provided in Section 4.6, the directors shall be elected at the annual meeting of Members. Those persons who receive the highest number of votes at a meeting at which a quorum is present shall be deemed to have been elected. Notwithstanding the foregoing, during the Executive Board Control Period, Declarant shall have the right to appoint all members of the Board of Directors, as provided in Section 3.7 of the Declaration.

4.4 Term of Directors. Each initial director shall hold office until the first Members' meeting at which directors are elected, or until such director's death, resignation or removal. The term of every other director shall expire at the next annual Members' meeting following the director's election or upon such director's death, resignation or removal. The term of a director elected to fill a vacancy expires at the next Members' meeting at which directors are elected. A decrease in the number of directors does not shorten an incumbent director's term. Despite the expiration of a director's term, such director shall continue to serve until a successor shall be elected and qualifies or until there is a decrease in the number of directors. Any director appointed by Declarant shall hold office until the first to occur of: (a) the expiration of the Executive Board Control Period; or (b) the removal of such director from office by Declarant.

4.5 Removal. Any director may be removed at any time with or without cause at a meeting of the Members at which a quorum is present by the vote of Members holding at least sixty-seven percent (67%) of the votes of the Members present and entitled to vote at the meeting. If any directors are so removed, new directors may be elected at the same meeting. Notwithstanding the foregoing, during the Executive Board Control Period, Declarant shall have the right to remove any and all members of the Board of Directors, including but not limited to the exclusive right to remove any director appointed by Declarant, and such removal may be at any time, with or without cause, as provided in Section 3.7 of the Declaration.

4.6 Vacancies. Vacancies in the Board of Directors shall be filled as provided in § 55A-8-11 of the Nonprofit Act. Notwithstanding the foregoing, during the Executive Board Control Period, Declarant shall have the right to fill vacancies on the Board of Directors, as provided in Section 3.7 of the Declaration.

4.7 Chairman of Board. There may be a Chairman of the Board of Directors elected by the directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

4.8 Reimbursement of Expenses. The Board of Directors may provide for the payment or reimbursement of any or all expenses incurred by them in connection with their services. The Board of Directors shall not receive compensation for their services.

ARTICLE 5
MEETINGS OF DIRECTORS

5.1 Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of Members. In addition, the Board of Directors may provide, by resolution, the time and place, within the State of North Carolina, for the holding of additional regular meetings.

5.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or by any two directors. Such a meeting shall be held in the State of North Carolina, unless otherwise agreed or waived in writing by all directors.

5.3 Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least two (2) days before the meeting, give or cause to be given notice thereof by the usual means of communication. Such notice need not specify the purpose for which the meeting is called. Any duly convened regular or special meeting may be adjourned by the directors to a later time without further notice.

5.4 Waiver of Notice. Any director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the director entitled to the notice and delivered to the Association for inclusion in the minutes or filing with the corporate records. A director's attendance at or participation in a meeting waives any required notice of such meeting unless the director at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

5.5 Quorum. The Board may take action on a matter at a Board meeting only if a quorum of the directors exists. A quorum is present throughout any meeting of the Board if a majority of the number of directors fixed by or pursuant to these Bylaws is present in person or by proxy at the beginning of the meeting. If business cannot be conducted at a Board meeting because a quorum is not present, the meeting may be adjourned to a later date by the affirmative vote of a majority of the directors present at the meeting in person or by proxy.

5.6 Manner of Acting. Except as otherwise provided in the Articles of Incorporation, these Bylaws, the Condominium Act, the Nonprofit Act or the Declaration, the affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

5.7 Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (a) he objects at the beginning of the meeting, or promptly upon his arrival, to holding it or to transacting business at the meeting, or (b) his dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) he files written notice of his dissent or abstention with the presiding officer of the meeting before its adjournment or with the Association immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a director who votes in favor of the action taken.

5.8 Action Without Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and included in the minutes or filed with the corporate records.

5.9 Minutes. Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner, and shall be available for inspection and photocopying by Members and directors at all reasonable times.

ARTICLE 6 OFFICERS

6.1 Officers of the Association. The officers of the Association shall consist of a President, a Secretary and a Treasurer, and such Vice-Presidents, Assistant Secretaries and Assistant Treasurers as may from time to time be appointed by or under the authority of the Board of Directors. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

6.2 Appointment and Term. The officers of the Association shall be appointed by the Board of Directors or by a duly appointed officer authorized by the Board of Directors to appoint one or more officers or assistant officers. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or the appointment of his successor. Notwithstanding the foregoing, Declarant shall have the right to appoint all officers during the Executive Board Control Period, as provided in Section 3.7 of the Declaration.

6.3 Compensation of Officers. The compensation of all officers of the Association shall

be fixed by or under the authority of the Board of Directors, and no officer shall serve the Association in any other capacity and receive compensation therefor unless such additional compensation shall be duly authorized. The appointment of an officer does not itself create contract rights.

6.4 Removal; Vacancies. Any officer may be removed by the Board at any time with or without cause, but such removal shall not itself affect the officer's contract rights, if any, with the Association. The Board may fill any vacant officer's position at any time. Notwithstanding the foregoing, during the Executive Board Control Period Declarant shall have the right to remove officers, including but not limited to the exclusive right to remove any officer appointed by Declarant, and such removal may be at any time, with or without cause, as provided in Section 3.7 of the Declaration. Further, during the Executive Board Control Period Declarant shall have the right to fill any vacant officer's position at any time, as provided in Section 3.7 of the Declaration.

6.5 Resignation. An officer may resign at any time by communicating his resignation to the Association, orally or in writing. A resignation is effective when communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date that is accepted by the Association, the Board of Directors (or Declarant, during the Executive Board Control Period) may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. An officer's resignation does not affect the Association's contract rights, if any, with the officer.

6.6 President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He shall, when present, preside at all meetings of the Members. He shall sign any deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and, in general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall prepare, execute, certify and record any amendments to the Declaration on behalf of the Association.

6.7 Secretary. The Secretary shall: (a) keep the minutes of the meetings of Members, of the Board of Directors, and of all committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) maintain and authenticate the records of the Association and be custodian of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) prepare or cause to be prepared member lists prior to each meeting of Members as required by law; (e) attest the signature or certify the incumbency or signature of any officer of the Association; and (f) in general perform all duties incident to the office of secretary and such other duties as from time to time may be prescribed

by the President or by the Board of Directors.

6.8 Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such depositories as shall be selected in accordance with the provisions of Section 7.4; (b) maintain appropriate accounting records as required by law; (c) prepare, or cause to be prepared, annual financial statements of the Association that include a balance sheet as of the end of the fiscal year and an income and cash flow statement for that year, which statements, or a written notice of their availability, shall be mailed to each member within 120 days after the end of such fiscal year; and (d) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be prescribed by the President or by the Board of Directors.

6.9 Vice Presidents. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President(s) in the order of their length of service as such, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. They shall perform such other duties as may be prescribed by the President or Board of Directors.

6.10 Assistant Secretaries. In the absence of the Secretary or in the event of his death, inability or refusal to act, the Assistant Secretary(ies) in the order of their length of service as Assistant Secretary, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be prescribed by the Secretary, the President or the Board of Directors.

6.11 Assistant Treasurers. In the absence of the Treasurer or in the event of his death, inability or refusal to act, the Assistant Treasurers in the order of their length of service as such, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. They shall perform such other duties as may be prescribed by the Treasurer, the President or the Board of Directors.

ARTICLE 7 CONTRACTS, LOANS AND DEPOSITS

7.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

7.2 Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority