

C-0427914

FILED
10:30am
MAY 27 1997

97 142 5070

ARTICLES OF INCORPORATION
OF
SCOTTS HILL BLUFF
HOMEOWNERS ASSOCIATION
A NON-PROFIT CORPORATION

EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

The undersigned, JEFFREY R. SMERKO, a natural person of the age of eighteen (18) years or more hereby forms a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina entitled "Non-Profit Corporation Act", and the several amendments thereto, and to that end does hereby set forth:

ARTICLE I

NAME

The name of the Corporation is the SCOTTS HILL BLUFF HOMEOWNERS ASSOCIATION (hereinafter referred to as the "Association").

ARTICLE II

DURATION

This period of duration of the Association shall be perpetual.

ARTICLE III

PURPOSE AND POWERS

The Association does not contemplate a pecuniary gain or profit to its members, and the purposes for which the Association is organized are:

(a) To manage, maintain, operate, care for and administer condominium units within the SCOTTS HILL BLUFF, a planned unit development established in accordance with of the General Statutes of North Carolina upon certain property located in New Hanover and Pender Counties, North Carolina by means of declarations of covenants, restrictions and easements for SCOTTS HILL BLUFF which has been recorded in the New Hanover and Pender Counties, North Carolina Public Registries.

(b) To undertake the performance of the acts and duties incident to the administration of the operation and management of SCOTTS HILL BLUFF in accordance with the terms, provisions, conditions and authorization contained in the Articles of Incorporation, the By-Laws of the Association and the Declaration

en F. Siegel
ORNEY AT LAW
A STATION
EASTWOOD ROAD
SUITE 5
ON, NC 28403

and to do any and all other lawful things and acts that the Association from time to time, in its discretion, may deem to be necessary for the benefit of the members of the Association; and

(c) To exercise all powers provided in Chapter 55A of the General Statutes of North Carolina in furtherance of the above stated purposes.

ARTICLE IV

FINANCE

The Association is not organized for pecuniary profit, nor shall it have any power to issue Certificates of stock or pay dividends, and no part of the net earnings or assets of the Association shall be distributed, upon dissolution or otherwise, to any member, director or officer of the Association.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

(a) Each person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants on record to assessment by the Association. The foregoing is not intended to include persons or entities who had an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Unit which is subject to assessment by the Association.

(b) There shall be one class of members in the Association as provided for in the Declaration.

(c) The members of the Association shall have the right to vote for the election and removal of directors and upon such other matters with respect to which the right to vote is given to members under the Declaration or under the provisions of Chapter 55A of the General Statutes of North Carolina, the voting rights of the members being more particularly described in the Declaration and the By-Laws attached hereto.

ARTICLE VI

REGISTERED OFFICE AND INITIAL AGENT

The address of the initial registered and principal office of the Association is Scotts Hill Bluff Homeowners Association, c/o JEFFREY R. SMERKO, 105 QUAIL RIDGE ROAD, WILMINGTON, NC 28409, NEW HANOVER COUNTY, and the initial registered agent of the Association at such address is JEFFREY R. SMERKO.

ARTICLE VII

BOARD OF DIRECTORS

The business and conduct of the Association shall be regulated by a Board of Directors who need not be members of the Association and who shall be elected in the manner and for the terms provided in the By-Laws. The number of the directors constituting the initial Board of Directors shall be three, and the name and address of the person who is to serve as the initial director until the selection of his successors is:

<u>NAME</u>	<u>ADDRESS</u>
THOMAS H. WRIGHT, III	P. O. BOX 9009 WILMINGTON, NC 28402
STEVEN E. NIEMEYER	1430 COMMONWEALTH DRIVE WILMINGTON, NC 28403
JEFFREY R. SMERKO	105 QUAIL RIDGE ROAD WILMINGTON, NC 28409

ARTICLE VIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every officer and every director of this Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding to which he is a party, or in which he may become involved, by reason of his being or having been an officer or director of this Association, whether or not he is an officer or director at the time such expenses are incurred, except in such cases wherein the officers or directors are judged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, in the event of any claim for reimbursement or indemnification hereunder based upon settlement by the officer or director seeking such reimbursement or indemnification, indemnification herein shall only apply if the Board of Directors approve such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than one hundred percent (100%) of the voting members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the

Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to an organization to be devoted to such similar purposes.

ARTICLE X

AMENDMENTS

Any amendment or amendments to these Articles of Incorporation shall require the assent of the members with a vote of at least one hundred percent (100%) of the voting members.

ARTICLE XI

INCORPORATOR

The name and address of the incorporator is as follows:
JEFFREY R. SMERKO, 105 QUAIL RIDGE ROAD, WILMINGTON, NORTH CAROLINA 28409.

IN TESTIMONY WHEREOF, the undersigned has set his hand and affixed his seal, this the 19TH day of MAY, 1997.

 (SEAL)
JEFFREY R. SMERKO

C-0427914

FILED
10:30am
MAY 27 1997

ARTICLES OF INCORPORATION
OF
SCOTTS HILL BLUFF
HOMEOWNERS ASSOCIATION
A NON-PROFIT CORPORATION

EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

97 142 5070

The undersigned, JEFFREY R. SMERKO, a natural person of the age of eighteen (18) years or more hereby forms a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, and to that end does hereby set forth:

ARTICLE I

NAME

The name of the Corporation is the SCOTTS HILL BLUFF HOMEOWNERS ASSOCIATION (hereinafter referred to as the "Association").

ARTICLE II

DURATION

This period of duration of the Association shall be perpetual.

ARTICLE III

PURPOSE AND POWERS

The Association does not contemplate a pecuniary gain or profit to its members, and the purposes for which the Association is organized are:

(a) To manage, maintain, operate, care for and administer condominium units within the SCOTTS HILL BLUFF, a planned unit development established in accordance with of the General Statutes of North Carolina upon certain property located in New Hanover and Pender Counties, North Carolina by means of declarations of covenants, restrictions and easements for SCOTTS HILL BLUFF which has been recorded in the New Hanover and Pender Counties, North Carolina Public Registries.

(b) To undertake the performance of the acts and duties incident to the administration of the operation and management of SCOTTS HILL BLUFF in accordance with the terms, provisions, conditions and authorization contained in the Articles of Incorporation, the By-Laws of the Association and the Declaration

Steven F. Siegel
ATTORNEY AT LAW
COURT HOUSE STATION
100 EASTWOOD ROAD
SUITE 5
ROSELAND, NC 28403

and to do any and all other lawful things and acts that the Association from time to time, in its discretion, may deem to be necessary for the benefit of the members of the Association; and

(c) To exercise all powers provided in Chapter 55A of the General Statutes of North Carolina in furtherance of the above stated purposes.

ARTICLE IV

FINANCE

The Association is not organized for pecuniary profit, nor shall it have any power to issue Certificates of stock or pay dividends, and no part of the net earnings or assets of the Association shall be distributed, upon dissolution or otherwise, to any member, director or officer of the Association.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

(a) Each person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association. The foregoing is not intended to include persons or entities who had an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.

(b) There shall be one class of members in the Association as provided for in the Declaration.

(c) The members of the Association shall have the right to vote for the election and removal of directors and upon such other matters with respect to which the right to vote is given to members under the Declaration or under the provisions of Chapter 55A of the General Statutes of North Carolina, the voting rights of the members being more particularly described in the Declaration and the By-Laws attached hereto.

ARTICLE VI

REGISTERED OFFICE AND INITIAL AGENT

The address of the initial registered and principal office of the Association is Scotts Hill Bluff Homeowners Association, c/o JEFFREY R. SMERKO, 105 QUAIL RIDGE ROAD, WILMINGTON, NC 28409, NEW HANOVER COUNTY, and the initial registered agent of the Association at such address is JEFFREY R. SMERKO.

ARTICLE VII
BOARD OF DIRECTORS

The business and conduct of the Association shall be regulated by a Board of Directors who need not be members of the Association and who shall be elected in the manner and for the terms provided in the By-Laws. The number of the directors constituting the initial Board of Directors shall be three, and the name and address of the person who is to serve as the initial director until the selection of his successors is:

<u>NAME</u>	<u>ADDRESS</u>
THOMAS H. WRIGHT, III	P. O. BOX 9009 WILMINGTON, NC 28402
STEVEN E. NIEMEYER	1430 COMMONWEALTH DRIVE WILMINGTON, NC 28403
JEFFREY R. SMERKO	105 QUAIL RIDGE ROAD WILMINGTON, NC 28409

ARTICLE VIII
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every officer and every director of this Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding to which he is a party, or in which he may become involved, by reason of his being or having been an officer or director of this Association, whether or not he is an officer or director at the time such expenses are incurred, except in such cases wherein the officers or directors are judged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, in the event of any claim for reimbursement or indemnification hereunder based upon settlement by the officer or director seeking such reimbursement or indemnification, indemnification herein shall only apply if the Board of Directors approve such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE IX
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than one hundred percent (100%) of the voting members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the

Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to an organization to be devoted to such similar purposes.

ARTICLE X

AMENDMENTS

Any amendment or amendments to these Articles of Incorporation shall require the assent of the members with a vote of at least one hundred percent (100%) of the voting members.

ARTICLE XI

INCORPORATOR

The name and address of the incorporator is as follows:
JEFFREY R. SMERKO, 105 QUAIL RIDGE ROAD, WILMINGTON, NORTH CAROLINA
28409.

IN TESTIMONY WHEREOF, the undersigned has set his hand and affixed his seal, this the 19TH day of MAY, 1997.



JEFFREY R. SMERKO (SEAL)