

**Recorded September 29, 1987, Book 022, Page 877  
Amendments adopted September 29<sup>th</sup>, 2002 and November 9<sup>th</sup>, 2003 and filed with  
Secretary of State, December 15<sup>th</sup>, 2003**

**ARTICLES OF INCORPORATION  
OF  
SEVEN LAKES WEST LANDOWNERS ASSOCIATION, INC,**

The undersigned natural person of the age of eighteen (18) years or more hereby forms a nonprofit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Nonprofit Corporation Act," and the several amendments thereto, and to that end do hereby set forth:

**ARTICLE I**

**NAME**

The name of the corporation is SEVEN LAKES WEST LANDOWNERS' ASSOCIATION, INC, (hereinafter referred to as the "Association").

**ARTICLE II**

**DURATION**

The period of duration of the Association shall be perpetual.

**ARTICLE III**

**PURPOSES AND POWERS**

The purpose of the Association is to represent the property owners that are members of the Association and to protect property values by undertaking such activities, duties and responsibilities as may from time to time be necessary to achieve those purposes. Such activities, duties and responsibilities shall include but not be limited to the following:

- (a) Direct and administer the affairs of the Association;
- (b) Collect, account for, and expend dues' and any other funds collected from the property owners and any other sources as from time to time become available to the Association;
- (c) Own, lease, or otherwise control any Association property for the purpose of the Administration;
- (d) To undertake the performance of the acts and duties incident to the administration of the operation and management of the Association property and those other matters generally involving lot owners in accordance with the terms, provisions, conditions and authorization contained in these Articles of Incorporation and the By-laws of the Association; and
- (e) 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, present or future, of a fee interest in any lot (excluding the developer who is the successor to the declarant in the Restrictive Covenants filed in Deed Book 449, Page 662)

which is subject to the Declaration of Restrictive Covenants as shown in Deed Book 449, Page 662 of the Moore County, North Carolina, Registry, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold 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 lot which is subject to the Restrictive Covenants

**(b)** In addition to those members included as members in Article V(a) above, the following persons may become Members:

1. The Developer as defined in the Master Declaration of Restrictive Covenants recorded in Record Book 1292, Page 557, Moore County Registry, (hereinafter the "Master Declaration") may create additional lots in areas of land now owned by the Developer located in the Seven Lakes West Community as defined in Exhibit A of the Master Declaration. Purchasers of said additional lots may become members of the Association upon the sale of a lot by the Developer with similar Restrictive Covenants to those set forth in Article V(a) above and acceptance by the Association of the lot(s) for inclusion by an affirmative vote of at least two-thirds ( $\frac{2}{3}$ ) of the Association Board of Directors. The Board may impose such conditions relative to membership and require execution of such restrictive covenants, easements and conditions as to insure that dues are collected in a similar manner to those lots included pursuant to Article V(a) above and the property is maintained in a manner similar to that of its current membership.

2. The Association may by an affirmative vote of at least two-thirds ( $\frac{2}{3}$ ) of its Board of Directors agree to accept a lot or lots for addition to membership provided the lot or lots is located in the Seven Lakes West Community as defined in Exhibit A of the Master Declaration. The Board may impose such conditions relative to membership and require execution of such restrictive covenants, easements and conditions as to insure that dues are collected in a similar manner to those lots included pursuant to Article V (a) above and the property is maintained in a manner similar to that of its current membership.

3. The Association may merge with other nonprofit homeowners associations located in the Seven Lakes West Community as defined in Exhibit A of the Master Declaration and acquire members and jurisdiction over lots in this manner.

**(c)** The members in 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 By-laws. The owner of each lot shall have one vote per lot.

**(d)** There shall be one class of members in the Association.

## **ARTICLE VI**

### **REGISTERED OFFICE AND INITIAL AGENT**

The address of the initial registered office of the Association is Box 2074 Seven Lakes, West End, Moore County, North Carolina 27376, and the name of the initial registered agent of the Association at such address is Richard J. Fellingham.

## **ARTICLE VII**

### **BOARD OF DIRECTORS**

The business and conduct of the Association shall be regulated by a Board of Directors, all of the members of which shall be members of the Association, who shall be elected in the manner and for the terms as provided in the By-laws of the Association. The number of directors constituting the initial Board of Directors shall be eight; and the names and addresses of the persons who are to serve as the initial directors until the selection of their successors are:

T. Clyde Auman

Address Route I, Box 224

	West End, North Carolina 27376
Robert F. Helms	3198 Owens Circle, P. O. Box 587 West End, North Carolina 27376
Richard J. Fellingham	4165 McCracken, Box 2074 Seven Lakes West End, North Carolina 27376
Susan T. McKenzie	3328 Giles Point, Box 577 Seven Lakes West End, North Carolina 27376
Robert Lockwood	3189 Owens Circle, P.O. Box 613 West End, North Carolina 27376
Harvey W. Reed	67 Brown Bark, P. O. Box 559 West End, North Carolina 27376
Grace C. Kirkpatrick	3309 Wagoner Court, Box 2148 Seven Lakes West End, North Carolina 27376
Jack L. Dumbleton	4140 Owens Circle, P.O. Box 644 West End, North Carolina 27376

#### **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 the 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 interests 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 two-thirds (2/3) of each class of 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 any nonprofit corporation, association, trust or other 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 at least two-

thirds (2/3) of the votes entitled to be cast by members present or represented by proxy at a duly called meeting.

**ARTICLE XI**  
**INCORPORATOR**

The name and address of the Incorporator is Robert S. Thompson, 235 E. Pennsylvania Avenue, Post Office Box 540, Southern Pines, Moore County, North Carolina 28387.

**ARTICLE XII**

Notwithstanding any provision contained in these Article of Incorporation to the contrary, to the fullest extent permitted by the North Carolina Nonprofit Corporation Act as it currently exists or may hereafter be amended, no person who is serving or who has served as a director of the corporation shall be personally liable for monetary damages for breach of any duty as a director. No amendment or repeal of this article, nor the adoption of any other amendment to the these Articles of Incorporation inconsistent with this article, shall eliminate or reduce the protection granted herein with respect to any matter that occurred prior to such amendment, repeal of adoption.

IN TESTIMONY WHEREOF, the undersigned has set his hand and seal, this the 18th day of September, 1987.

S/S Robert S. Thompson \_\_\_\_\_ (SEAL)

Robert S. Thompson

STATE OF NORTH CAROLINA  
COUNTY OF MOORE

I Barbara June Davis, Notary Public, do hereby certify that ROBERT S. THOMPSON personally appeared before me this day and acknowledged the due execution of the foregoing Articles of Incorporation.

Witness my hand and notarial seal, this 18<sup>th</sup> day of September, 1987.

S/S Barbara June Davis \_\_\_\_\_

Notary Public

My Commission Expires:  
May 23, 1990