

FILED

9:00 AM

MAY 10 1994

ARTICLES OF INCORPORATION

OF

EFFECTIVE

LAKE JEANETTE RECREATION ASSOCIATION, INC. RUFUS L. EDMISTEN  
SECRETARY OF STATE  
NORTH CAROLINA

94 124-5089

The undersigned natural person of the age of eighteen (18) years or more, does hereby execute these Articles of Incorporation pursuant to 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 does hereby make, sign and acknowledge these Articles of Incorporation, and to that end does hereby set forth:

ARTICLE I

The name of the corporation is Lake Jeanette Recreation Association, Inc., hereinafter called the "Corporation."

ARTICLE II

The principal and registered office of the Corporation is located at 3101 N. Elm Street, Suite 220, Greensboro, Guilford County, North Carolina 27408.

ARTICLE III

C. Richard Routh, whose address is 3101 N. Elm Street, Suite 220, Greensboro, Guilford County, North Carolina 27408, is hereby appointed the initial Registered Agent of this Corporation.

ARTICLE IV

This Corporation does not contemplate pecuniary gain or profit to the members thereof and no part of the Corporation's net income shall inure to the benefit of any of its officers, directors, or members or any other private individual. The purposes and objects of the Corporation shall be to provide for (i) the operation and maintenance of the real property and recreational facilities and amenities located thereon which are described in Exhibit "A" attached hereto, and (ii) the operation, maintenance and preservation of such additional property, facilities and amenities as may hereafter be brought within the jurisdiction of the Corporation for any such purposes (the "Property"); and to undertake the performance of the acts and duties incident to the administration of the operation and management of the Property in accordance with the terms, provisions, conditions and authorizations contained in these Articles and in the Membership Plan for Lake Jeanette Swim and Tennis Club (the "Plan"), as amended from time to time, and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said Property.

## ARTICLE V

The Corporation shall have the following powers:

1. The Corporation shall have all of the powers and privileges granted to non-profit corporations under the law pursuant to which this Corporation is chartered, and all of the powers and privileges which may be granted unto said Corporation under any other applicable laws of the State of North Carolina.

2. The Corporation shall have all of the powers reasonably necessary to implement and effectuate the purposes of the Corporation, including but not limited to the following:

(a) To make and establish reasonable rules and regulations governing the use of the Property.

(b) To affix, levy and collect such Membership Fees, annual dues, charges and assessments from Members of the Corporation as provided in the Plan and in the Bylaws of this Corporation, including the right to affix, levy and collect such fees and charges for the purposes of acquiring, operating, leasing, managing and otherwise trading and dealing with such property, whether real or personal, which may be necessary or convenient in the operation and management of the Property and in accomplishing the purposes set forth in the Plan.

(c) To construct, maintain, repair, replace, operate and manage the Property, including the right to reconstruct improvements after casualty and to make further improvement of the Property and to make and enter into any and all contracts necessary or desirable to accomplish said purposes.

(d) To contract for the management of the Property and to delegate to such contractor all of the powers and duties of the Corporation except those which may be required by the Bylaws or by the Plan to have approval of the Board of Directors of the Corporation.

(e) To acquire (by gift, purchase or otherwise), own, hold, and improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real and personal property in connection with the affairs of the Corporation.

(f) To borrow money and, subject to any restrictions contained in the Plan or Bylaws, upon the consent by vote or written instrument of a majority of the votes entitled to be cast, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real



or personal property as security for money borrowed or debts incurred.

(g) To dedicate, sell, or transfer all or any part of the Property to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, sale or transfer shall be effective unless it has been approved by two-thirds (2/3) of the votes entitled to be cast, and an instrument properly executed by the Corporation has been recorded; provided, however, that this provision shall not prevent the Corporation from granting easements and permits and relocating easements without a vote of the Members.

(h) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of Members voting a majority of the votes entitled to be cast.

(i) To enforce the provisions of the Plan, these Articles of Incorporation and the Bylaws of the Corporation which may be hereafter adopted, and any rules and regulations governing the Property.

(j) To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Corporation pursuant to the Plan.

#### ARTICLE VI

The Corporation shall have three types of memberships:

PERMANENT MEMBER: A Permanent Member shall be the named owner of a Permanent Membership Certificate. A Permanent Member shall be entitled to one (1) vote.

ANNUAL MEMBER: An Annual Member shall be the owner of an Annual Membership Certificate. An Annual Member shall have no voting rights.

DEVELOPER MEMBER: The Developer Member shall be Cornwallis Development Co., its designated successors or assigns ("Cornwallis"). The Developer Member shall be entitled to three (3) votes for each Permanent Membership Certificate which has never been issued to a Permanent Member. The maximum number of Permanent Membership Certificates on which the Developer Member's vote shall be based shall be as set out in the Plan, as amended from time to time. The Developer Membership shall cease on the happening of either of the following events, whichever happens earlier:

(a) when the Developer has sold all of the lots in Lake Jeanette Development as they may be shown on a Master Plan, as it may be amended from time to time; or,

(b) December 31, 2015.

The Permanent, Annual and Developer Members are sometimes hereinafter collectively referred to as the "Members."

#### ARTICLE VII

The Corporation shall have perpetual existence.

#### ARTICLE VIII

The Corporation shall be operated by the president of the Corporation assisted by the vice president, secretary and treasurer and, if any, the assistant secretaries and assistant treasurers, subject to the direction of the Board of Directors. The Board of Directors may employ a managing agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Property and the affairs of the Corporation, and any such person or entity may be so employed without regard to whether such person or entity is a Member of the Corporation, a director or officer of the Corporation or an entity affiliated with a Member of the Corporation, as the case may be.

#### ARTICLE IX

The affairs of the Corporation shall be managed by a Board of five (5) directors who need not be members of the Corporation. The number of directors may be changed by amendment of the Bylaws of the Corporation. The members of the Board of Directors of the Corporation shall be elected by the Members at the Annual Meeting; provided, however, that during such time as Cornwallis remains the Developer Member as set forth herein, Cornwallis shall have the absolute right to appoint, in its sole discretion, five (5) members of the Board of Directors. In the event that the total number of the Board of Directors is enlarged during such time as Cornwallis is the Developer Member, Cornwallis shall have the right to appoint a majority of the members of the Board of Directors.

The members of the initial Board of Directors shall serve until their designated successors are elected and qualify. Should a vacancy occur in the initial Board of Directors, such vacancy shall be filled by Cornwallis. Any person appointed to fill such a vacancy shall serve for the unexpired term of the predecessor, or until his successor is elected and qualified.



—

•

C

C. Richard Routh

Conrad Hicks

Larry Barnes, Jr.

Betty Thornburg

Betty Smith

## ARTICLE XII

Q

ARTICLE XIII

000000 104004

Corporation. 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 XIV

An amendment or amendments to these Articles of Incorporation shall require the assent of two-thirds (2/3) of the votes entitled to be cast.

#### ARTICLE XV

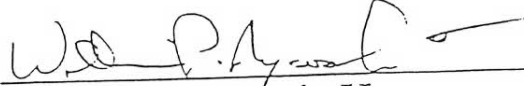
The Corporation may be dissolved with the assent given in writing and signed by voting Members holding not less than two-thirds (2/3) of the votes entitled to be cast. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, trust or other organization to be devoted to such similar purposes.

#### ARTICLE XVI

The name and address of the incorporator of this Corporation is:

Mr. William P. Aycock II  
1500 Renaissance Plaza  
230 North Elm Street  
Greensboro, Guilford County, North Carolina 27401

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of North Carolina, I the undersigned, being the incorporator of this Corporation, have executed these Articles of Incorporation, this the 13<sup>th</sup> day of April, 1994.

  
\_\_\_\_\_  
William P. Aycock II (SEAL)

STATE OF NORTH CAROLINA  
COUNTY OF GUILFORD

This is to certify that on this 13th day of April, 1994, before me, a Notary Public, personally appeared William P. Aycock II, who, I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed for the use and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal this the 13th day of April, 1994.

Sue Hobbs  
NOTARY PUBLIC

My Commission Expires:

January 21, 1998

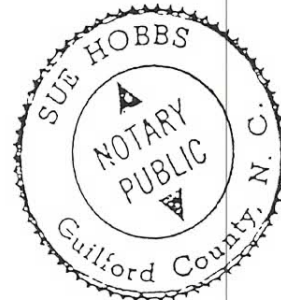




EXHIBIT "A"

BEGINNING at a point in the southern margin of the right of way of Turnstone Trail as shown on Plat Book 108, Page 123 and re-recorded in Plat Book 111, Page 2, Guilford County Registry, said point being located the following courses and distances from the northeastern intersection of Turnstone Trail and North Elm Street as shown on Plat Book 108, Page 121 and re-recorded in Plat Book 111, Page 47; along a curve to the right having a radius of 20 feet and a chord bearing and distance of North 25° 59' 50" West 27.69 feet to a point; North 17° 48' 33" East 20.48 feet to a point; along a curve to the right having a radius of 410.00 feet and a chord bearing and distance of North 45° 33' 32" East 381.80 feet to a point; along a curve to the left having a radius of 855 feet and chord bearing and distance of North 71° 44' 23" East 46.83 feet to the point and place of BEGINNING, said point also being the proposed northwestern corner of proposed Lot 59, of Cornwallis Development Co. Future Lots Phase Two, as shown on Plat Book 108, Page 123 and re-recorded in Plat Book 111, Page 2, Guilford County Registry; thence from said point of BEGINNING South 23° 11' 27" East 277.31 feet to a point; thence South 50° 04' 48" West 100.63 feet to a point; thence South 73° 20' 21" West 28.14 feet to a point; thence North 85° 47' 41" West 82.23 feet to a point; thence South 85° 27' 38" West 51.81 feet to a point; thence South 85° 11' 44" West 33.71 feet to a point; thence North 76° 29' 42" West 103.40 feet to a point; thence North 11° 30' 38" East 68.79 feet to a point; thence North 24° 30' 17" East 79.19 feet to a point; thence North 41° 27' 41" East 58.25 feet to a point; thence North 45° 14' 13" East 52.84 feet to a point; thence North 67° 07' 09" East 33.58 feet to a point; thence North 11° 42' 04" East 34.84 feet to a point in the southern margin of the right of way of Turnstone Trail; thence with the southern margin of the right of way of Turnstone Trail along a curve to the left having a radius of 410.00 feet and a chord bearing and distance of North 68° 59' 41" East 61.68 feet to a point; thence continuing with the southern margin of the right of way of Turnstone Trail along a curve to the right having a radius of 855.00 feet and a chord bearing and distance of North 71° 44' 23" East 46.83 feet to the point and place of BEGINNING.