

First Amendment to the Bylaws  
Of  
Ocean Club Estates Property Owners  
Association, Inc.

NOW COMES Sunset Beach Holdings II, LLC, the sole Director for the Ocean Club Estates Property Owners Association, Inc. ("Ocean Club"), and pursuant to the authority vested in it by Section 9.3 of the Bylaws for Ocean Club, makes the following amendments to Ocean Club's Bylaws:

**Article III Directors, Section 3.2 Number and Qualifications**, is hereby amended and replaced with the following:

The number of directors of the Corporation shall be one (1); provided, however, that a decrease in the number of directors shall not shorten the term of any director in office at the time of such decrease. During the period of Declarant Control as specified in the Covenants, Reservations, and Restrictions of Ocean Club Estates Subdivision, recorded in Book 3775, at Page 861 of the Brunswick County Registry, Sunset Beach Holdings II, LLC, or its successors and assigns, shall have the right to appoint all directors of the Corporation. After the period of Declarant Control, "at large directors" shall be elected by the members among the members of the Corporation in good standing. Directors representing the Corporation's Challenge, Girls Classic and Boys Classic Divisions shall be appointed by the President upon the recommendation of the governing bodies of those Divisions. The President shall appoint the director representing the Recreational Division. Further, during the period of Declarant Control, Sunset Beach Holdings II, LLC, or its successors and assigns, shall have the unilateral right to increase or decrease the number of directors of the Corporation.

**Article III Directors, Section 3.3 Terms of Directors**, is hereby amended and replaced with the following:

During the period of Declarant Control as specified in the Covenants, Reservations, and Restrictions of Ocean Club Estates Subdivision, recorded in Book 3775, at Page 861 of the Brunswick County Registry, the term of the at large directors of the Corporation shall be one (1) year. During the period of Declarant Control, at large directors may serve unlimited consecutive terms. After the period of Declarant Control, the terms of the directors of the Corporation shall be one (1) year. In the event of an increase or decrease in the number of at large directors, the additional or eliminated at large directors shall be so classified that all classes of at large directors remain or become as nearly equal in number as may be. At large directors may not be elected for consecutive terms as at large directors, but may be elected to additional terms separated by a one (1) year abeyance in service as an at large director.

**ARTICLE IX General Provisions, Section 9.4 Fiscal Year**, is hereby amended and replace with the following:

The fiscal year of the Corporation shall be from January 1<sup>st</sup> of each year through December 31<sup>st</sup> of the same calendar year.

All other terms of the Bylaws shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned certifies that the foregoing First Amendment to the Bylaws has been adopted in accordance with the terms of the Bylaws and the North Carolina Nonprofit Corporation Act this the 20 day of May, 2020.

**SUNSET BEACH HOLDINGS II, LLC**


**BY: Zailant, LLC Manager**

**By: Jane Dean, LLC its Manager**

By:   
**Francisco Zarate, Manager**

City/County of Virginia Beach  
Commonwealth of Virginia

The foregoing instrument was acknowledged before me this 20 of may, 2020  
by Francisco Zarate

Notary public signature   
Notary registration number 7787691  
My commission expires 11/30/2022

Amber Kay Russell  
NOTARY PUBLIC  
Commonwealth of Virginia  
Reg. #7787691  
My Commission Expires 11/30/2022