

## EXHIBIT "A"

### RULES AND REGULATIONS OF DOCK OWNERSHIP AT TATER KNOB

The following rules and regulations apply to any one of the dock owners (the "Dock Owners") who at any time own all or part of one of the eleven (11) boat docking locations on the beach property at Tater Knob leased by the TATER KNOB PROPERTY OWNERS ASSOCIATION, INC. ("the ASSOCIATION") from Duke Energy. It does not apply to any Tater Knob property owner who owns his or her own dock located at his or her own property in Tater Knob. For purposes of this document, Tater Knob property owner shall include the spouse of such property owner and/or any natural person beneficially owning substantially all of the interest in such property through a trust, corporation, estate or other entity, providing such beneficial owner is a resident at Tater Knob.

In order to ensure a fair and equitable right to future dock ownership for all Tater Knob property owners, the docks cannot be sold outright, and/or leased out, and/or deeded to anyone by the present or future Dock Owners. Instead the rules outlined in the AGREEMENT BETWEEN ASSOCIATION & DOCK OWNERS (the "AGREEMENT") attached hereto as EXHIBIT "B" shall be followed.

1. Each Dock Owner will pay an equal share of the Duke Energy lease fee per year to the ASSOCIATION in consideration for allowing his/her dock to be on the Tater Knob beach property and for any usage of water and electricity by his/her dock.

2. Any costs incurred for the repair and maintenance of the docks and/or capital improvements to the docks shall be paid for by the Dock Owners (each dock incurring 1/11th of the cost). From time to time, upon majority vote of the Dock Owners, each Dock Owner shall pay his/her pro rata share of such additional funds into the Reserve Fund as may be required or appropriate to maintain the dock property in good condition.

3. Each current Dock Owner(s) agrees to sell his/her dock for the amount of \$7,275.00, subject to the following sentence, in accordance with the terms of the AGREEMENT. The price of the docks will be increased to reflect capital improvements and reserves held for repair and/or replacement, as determined by the Dock Owners.

4. A boat shall be defined as any vessel required to be registered with the North Carolina Wildlife Resources Commission.

5. Joint ownership of a boat outside a family is permitted as long as it is with another Tater Knob Property Owner. When such joint ownership occurs, the Dock Owner must inform the Commodore, and the non- Dock Owner must execute the Tater Knob License, Release & Indemnity Agreement. When that joint boat owner's name comes to the top of the WAITING LIST, he/she has the option to decline purchase of a newly available dock (thus making the dock available for another person on the Waiting LIST) and acquire the right to purchase his/her Joint Boat Owner's dock when it becomes available at the then price of Docks as provided in paragraph 3 above.

6. Joint ownership of docks may only occur if two or more individual Dock Owners decide to become joint owners of one dock. Each dock, regardless of number of owners, has 1 vote at Dock Owners' Meetings.

7. Each Dock Owner agrees not to lease and/or otherwise profit from his dock ownership except as provided for in paragraph 3 above. No commercial use of the Docks shall be permitted provided that a Dock Owner may collect a pro-rata share of actual expenses (but not capital improvements) from a person who jointly owns just a boat with him.

8. Each Dock Owner agrees not to allow any renter of his Tater Knob property to use the docks at any time.

9. When one of the Dock Owners no longer owns a boat, or sells his/her Tater Knob property, or the property is deeded or transferred through death, by operation of law or otherwise (except for a transfer of such property to the spouse of such Dock Owner), or to any trust, corporation, estate, or other entity in which such Dock Owner retains a substantially all beneficial interest, or voluntarily wishes to give up his/her dock; such Dock Owner agrees to vacate his dock in accordance with the terms of the AGREEMENT and shall be entitled to receive the proceeds of the sale of such dock to a new Dock Owner. This rule shall not apply if a Dock Owner sells his present boat with the intent of purchasing a new boat or purchases a different property on Tater Knob. The time period to purchase a new boat shall not exceed one year.

10. Dock Owners agree to keep their boat at their dock. If a Dock Owner fails to place his/her boat at his/her dock for 12 consecutive months, the Commodore will notify in writing that he/she will be considered to voluntarily have given up his/her dock, and it will be offered for sale to the next person on the WAITING LIST.

11. Each Dock Owner agrees to purchase and keep in effect at all times appropriate liability insurance.

12. Each Dock Owner agrees to hold the other Dock Owners harmless for any damages, monetarily or otherwise, caused by himself and/or his family members and/or guests during usage of the docks.

These rules may be changed from time to time by a majority vote of the Dock Owners at any given time.

(07/08/2023)