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STATE OF SOUTH CAROLINA)
) AMENDED AND RESTATED
COUNTY OF BEAUFORT) BYLAWS OF
) Stones Throw Villas
) Horizontal Property Regime I
) Stones Throw Council of Co-Owners, Inc.
)

THESE Amended and Restated bylaws of Stones Throw Horizontal Property Regime I, which entity has been incorporated as a South Carolina nonprofit corporation under the name and style Stones Throw Council of Co-Owners, Inc., are hereby substituting for Exhibit "D" to the master deed heretofore recorded on May 27, 1975 in Book 728 at Page 1608 of the official records for Beaufort County.

In witness whereof we execute this document in our respective capacities as elected officers and directors of the regime.

Stones Throw HPR I
Stones Throw Council of Co-Owners, Inc.
By: [Signature]
President
Witness Susan A. Carlson
Witness [Signature]
Secretary [Signature]

ACKNOWLEDGEMENT

BEAUFORT COUNTY SC- ROD
BK 02775 PGS 1252-1274
DATE: 10/16/2008 04:44:07 PM
INST # 2008064566 RCPT# 564385

STATE OF SOUTH CAROLINA
BEAUFORT COUNTY

I, Melissa J. Fenstermaker do hereby certify that Karl Henry Jansen, and Gordon Jensen, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 15 day of September, 2008.

[Signature]
Notary Public of South Carolina
My Commission Expires: _____
My Commission Expires
October 29, 2014

**AMENDED AND RESTATED BYLAWS
OF STONES THROW COUNCIL OF CO-OWNERS, INC.**

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**AMENDED AND RESTATED BYLAWS
OF STONES THROW COUNCIL OF CO-OWNERS, INC.**

The following Amended and Restated Bylaws ("Amendment") of Stones Throw Council of Co-Owners, Inc. ("Association") is made this ____ day of _____, 2008, and shall be effective upon recording in the official records for Beaufort County, South Carolina.

RECITALS

WHEREAS, Valley Forge Construction Associates No. 1, Inc. conveyed certain real property with improvements thereof by Master Deed establishing Stones Throw Villas Horizontal Property Regime I, said Master Deed being dated March 14, 1975, and recorded May 27, 1975, in Book 228, Page 1608 in the official records for Beaufort County, South Carolina; and

WHEREAS, the Master Deed identifies the entity charged with governance as "Stones Throw Council of Co-Owners" an unincorporated association; and

WHEREAS, in accordance with Article II, Section 6 of the Master Deed, the Stones Throw Council of Co-Owners created a non-profit corporation in accordance with the laws of South Carolina as the legal entity responsible for the operation, management and governance of Stones Throw Horizontal Property Regime I; and

WHEREAS, attached to the Master Deed are bylaws which articulate the rights and duties of the Members and the Association; and

WHEREAS, The bylaws provide for amendment by action of the Members at a duly convened meeting held for such purpose provided the amendment is approved by Members representing at least two-thirds (2/3) of the total interest in Common Elements (Article 12 of the Master Deed) and 2/3 of the total value of the Property as shown in the Master Deed (Article VI of the bylaws); and

WHEREAS, at a duly noticed and convened annual meeting of the Association held June ____, 2008, at which a quorum was present, upon motion made, seconded and approved by a vote of Members representing the requisite two-thirds (2/3) the following Amended and Restated Bylaws of Stones Throw Council of Co-Owners, Inc. were adopted.

NOW, THEREFORE, the following Amended and Restated Bylaws are adopted and shall replace and supersede the bylaws presently in effect from and after the recording of this Amendment and its distribution to all Owners currently of record of Stones Throw Villas Horizontal Property Regime I. The Association shall thereafter be operated, managed and subject to governance as provided herein.

**ARTICLE I.
PLAN OF UNIT MEMBERSHIP**

Section 1. HORIZONTAL PROPERTY REGIME. The Property (as used herein "Property" means and includes the land, the buildings, all improvements and structures thereon) located in Beaufort County, South Carolina, known as STONES THROW VILLAS HORIZONTAL PROPERTY REGIME I, which, by Master Deed was submitted to the provisions of the Horizontal Property Act of South Carolina. The Property is identified in Article II of the Master Deed.

Section 2. ASSOCIATION. In conjunction with the creation of the above described Horizontal Property Regime I an unincorporated association referred to in the Master Deed as the "Council of

Members” and/or “Council” was charged with responsibility for operation and management of the Property. The unincorporated association prior to the date of this Amendment was incorporated as Stones Throw Council of Co-Owners, Inc., a South Carolina non-profit corporation. The provisions of these Bylaws are applicable to the Property and the Association (identified in the Master Deed as the “Regime”) and are adopted for the purpose of administering the affairs of the Association in accordance with the terms of the Governing Documents as defined below.

Section 3. DEFINITIONS. For convenience, certain words in this Amendment have been assigned definitions. All defined terms shall, however, be construed in conjunction with similar definitions used in the Master Deed. The following specific definitions have been utilized:

- (a) “Act” shall mean the Horizontal Property Act of the State of South Carolina, as amended from time to time.
- (b) “Association” shall mean the “Council of Owners” and/or “Council”.
- (c) “Board of Directors” and/or “Board” shall mean the “Board of Administrators” as defined in the Master Deed.
- (d) “Bylaws” shall mean solely these Amended and Restated Bylaws.
- (e) “Governing Documents” shall mean the Act, the Master Deed, these Amended and Restated Bylaws, the of South Carolina Non Profit Corporation Act of 1994, and the Rules of Conduct as amended from time to time.
- (f) “Majority Vote” shall be a vote in excess of 50% of the percentages assigned to Units in the Master Deed.
- (g) “Member(s)” shall have the same meaning as “Owner(s)” and/or “Villa Owner(s)”.
- (h) “Property” shall mean the “condominium property” and specifically Stones Throw Villas Horizontal Property Regime I as defined in Article II of the Master Deed.
- (i) “Property Manager” shall mean the individual or entity engaged by the Association at compensation established by the Board to perform such duties and services as the Board shall authorize.
- (j) “Remote Communication” shall mean communication via electronic means, conference telephone, video conference, the Internet, or such other means by which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis.
- (k) “Rules of Conduct” shall mean all guidelines, rules and regulations for the use of and conduct upon the Property as adopted from time to time in accordance with these Bylaws.
- (l) “Super Majority Vote” shall mean a vote in excess of 66.67% of the percentages assigned to the Units in the Master Deed.
- (m) “Unit(s)” shall have the same meaning as “Villa(s)”.
- (n) “Unit Owner” shall have the same meaning as “Villa Owner” and/or “Unit Member”.

Section 4. APPLICATION OF GOVERNING DOCUMENTS. All present and future Owners, tenants and any other person who may have an interest in or a right to use Units and/or facilities within the Property in any manner are subject to the Governing Documents. The mere acquisition of title or right of possession of a Unit creates the obligation to comply with the provisions of all Governing Documents including but not limited to the Rules of Conduct.

ARTICLE II.
MEMBERSHIP AND VOTING PROVISIONS

Section 1. MEMBERSHIP. Membership in the Association shall be limited to Unit Owners. Transfer of Unit ownership, either voluntarily or by operation of law, shall terminate membership in the Association and membership shall become vested in the transferee. If Unit ownership is vested in more than one person, then all of the persons with an ownership interest in the Unit shall be Members eligible to hold office, attend meetings, etc., but, the vote applicable to a Unit shall be cast by a designated "Voting Member". If ownership of a Unit is vested in a legal entity, the entity may designate an individual officer or employee of the corporation as its "Voting Member".

Section 2. MEMBER LIABILITY LIMITATION. As provided in S.C. Code §27-31-290, the liability of a Member is limited to the amounts for which the Member is assessed from time to time in accordance with the Governing Documents.

Section 3. VOTING.

- (a) Each Unit shall have only one "Voting Member". Votes may be in-person, by written ballot or by proxy, provided that the written ballot or proxy is received and recorded with the Secretary of the Association prior to commencement of the meeting at which the vote is to occur.
- (b) The Board of Directors will designate an Inspector of Elections for annual or special meetings who will certify the ballots cast and proxies exercised.
- (c) Voting shall be on a percentage basis and the percentage of the vote to which each Voting Member is entitled is the percentage assigned to the Voting Member's Unit in the Master Deed.
- (d) A Majority Vote by Voting Members present either in person or by proxy at a meeting at which a quorum is present shall be binding and shall decide any question unless the Governing Documents require a Super Majority Vote.
- (e) A Super Majority Vote shall be required for the following:
 - (1) Amendments to the Master Deed;
 - (2) Amendments to these Bylaws;
 - (3) Any other action which by the terms of any of the Governing Documents in excess of a "Majority Vote" is required.

Section 4. QUORUM. The presence in person or by proxy of Voting Members holding an excess 50% of the total percentage of the votes allocated to Members in accordance with the percentages assigned in the Master Deed shall constitute a quorum.

Section 5. PROXIES. A Member may appoint a proxy to vote for the Member by signing an appointment form either personally or by an attorney-in-fact. A proxy is effective when received by the secretary or Property Manager of the Association and shall remain effective for eleven (11) months unless a different time period is stated on the appointment form. However, no appointment may exceed three (3) years. An appointment of a proxy is revocable by a Member in any of the manners specified in S.C. Code §33-31-724.

Section 6. FAIR VOTING PROCEDURES. The following shall be considered minimum standards to assure fair voting procedures:

- (a) All proxies shall be available for inspection prior to and during a meeting so that a reasonable opportunity is afforded to challenge and count proxies.
- (b) All mailed ballots and all proxies cast at a meeting must be tallied and announced at the time the votes on an election or issue are counted and tallied.
- (c) The vote count on each issue shall be announced before adjournment of the meeting.
- (d) If request is made by a Voting Member prior to call of the question, a secret ballot must be used.

ARTICLE III. MEETINGS OF THE MEMBERSHIP

Section 1. ANNUAL MEETINGS. An annual meeting of the Association shall be held at the call of the President once a year during the month of June or at such other date as is established by a Majority Vote of the Members. At the annual meeting of the Association, there shall be an election by ballot for the Board of Directors in accordance with the requirements of these Bylaws. The Members shall also transact such other business of the Association as may properly come before them.

Section 2. PLACE OF MEETING. Meetings of the Association shall be at such place, convenient to the Members, as may be designated by the Board.

Section 3. NOTICE OF MEETINGS. It shall be the duty of the secretary to mail or cause to be mailed by the Property Manager a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held to each Member of record at least fifteen (15), but not more than forty-five (45) days prior to such meeting. The mailing of a notice to the last known address of the Member as reflected on the records of the Association shall be considered notice served.

Section 4. WAIVER OF NOTICE. A Member may waive any notice requirement provided however, the waiver must be in writing and be delivered to the Secretary or Property Manager. Waiver may be by Remote Communication. Attendance at a meeting constitutes waiver of objection to lack of notice or defective notice unless the Member, at the beginning of the meeting objects to holding the meeting or transacting business. Objection to consideration of an item of business not within the scope of notice is waived unless objection is raised when the matter is first presented at the meeting.

Section 5. ORDER OF BUSINESS. The order of business at all annual meetings of the Association shall be as follows:

- (a) Roll call;
- (b) Proof of Notice of Meeting or Waiver of Notice;
- (c) Approval of Minutes of Preceding Meeting;
- (d) Reports of Officers;
- (e) Reports of Committees;
- (f) Election of Inspectors of Election;
- (g) Election of Directors;

- (h) Unfinished Business;
- (i) New Business.
- (j) Open forum.
- (k) Adjournment.

The order of business at a special meeting of the Association shall include items (a) and (b) above and those items specified in the notice of meeting.

Section 6. SPECIAL MEETINGS. Special meetings of the Members may be called by resolution of the Board, at the request of a majority of the Directors, or upon a petition signed by a majority of Members and presented to the secretary. A notice of any special meeting shall state its time and place and the purpose for the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 7. ADJOURNED MEETING. If an annual or special meeting of the Association cannot be organized because a quorum has not attended, the Voting Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. Upon the reconvening of said meeting a quorum shall be constituted if Voting Members holding at least twenty-five (25%) percent of the total percentages allocated to Members in the Master Deed are present.

Section 8. JUDICIALLY ORDERED MEETINGS. (S.C. Code §33-31-160 and 33-31-703). If for any reason it is impracticable or impossible for the Association to call or conduct a meeting of its Members in the manner prescribed herein, then upon petition of a Member, the Beaufort County Court of Common Pleas may order that such a meeting be called or that a written ballot be prepared and distributed in such a manner as the Court finds fair and equitable under the circumstances. The order issued may prescribe the manner of giving notice and the requirements for a quorum and the percentage of vote needed for approval. No business shall be conducted except as specified in the Order.

Section 9. ACTION BY WRITTEN CONSENT. Action of the Association may be approved by the Members without a meeting of the Members if the action is approved in writing by a Super Majority Vote. Action by Written Consent may be executed in counterparts. The Written Action must describe with particularity the action taken. The record date of the action is the date the first Member signed the consent. Written notice of the action as approved shall be given to all Members and shall be effective ten (10) days after mailing to the last known address of the Members as reflected on the records of the Association.

**ARTICLE IV.
BOARD OF DIRECTORS:
SELECTION, TERM OF OFFICE AND INDEMNITY**

Section 1. NUMBER AND QUALIFICATION. The affairs of the Association shall be governed by a Board of Directors comprised of five (5) persons. For purpose of this Article, "person" shall include an individual Member, or an individual designated by a corporation or other legal entity that is a Unit Owner. In the case of a non-individual Unit Owner, an instrument designating the authorized individual must be presented to the secretary or Property Manager.

Section 2. TERM OF OFFICE. The term of office of each Director shall be for three (3) years and terms shall be staggered such that no more than two (2) Directors will be elected for full terms at any

annual meeting. The Directors of the Association currently seated shall continue to serve their respective terms until successor(s) have been elected and seated pursuant to these Bylaws.

Section 3. VACANCIES AND REMOVAL. Vacancies on the Board of Directors caused by reason other than removal by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they constitute less than a quorum; and each person so elected shall serve only to the next annual meeting of the Association at which a Director will be elected to complete the unexpired portion of the term of the vacating Director. At any annual or special meeting of the Association duly noticed and called any one or more of the Directors may be removed with or without cause by a Majority Vote and a successor elected to immediately fill the vacancy thus created. No Director shall continue to serve on the Board if during his/her term of office the Director ceases to qualify as a Voting Member of the Association.

Section 4. COMPENSATION. No Director shall receive any compensation from the Association for acting as a Director or attending meetings of the Board. This provision shall not, however, preclude the Board from contracting in a commercially reasonable manner with a Director to provide specific services to the Association..

Section 5. DIRECTOR LIABILITY AND DIRECTOR INDEMNITY. No Director shall be liable to the Members for any mistake of judgment, negligence or otherwise, except for their own individual gross negligence or willful misconduct. The Members and the Association shall indemnify and hold harmless each of the Directors against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless such contract shall have been made in bad faith or contrary to the provisions of the Governing Documents. It is intended that liability of any Director shall be limited to such percentage of the total liability as the Director's interest as a Member bears to the interest of all Members under the Master Deed. Indemnity for Directors shall apply to all loss, cost or expense reasonably incurred in connection with any action, suit or proceedings to which the Director may be made a party by reason of being or having been a director or officer of the Association, except as to matters where he/she shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct.

ARTICLE V. BOARD OF DIRECTORS: POWERS, DUTIES AND RECORDS

Section 1. GENERAL POWERS AND DUTIES. The Board shall have the powers and duties necessary for administration of the affairs of the Association including all powers set forth in S.C. Code§33-31-302 and may take such action as authorized by the Governing Documents and not by the Governing Documents reserved to the Association and/or individual Members.

Section 2. SPECIFIC POWERS AND DUTIES. In addition to and not in limitation of duties imposed by the Governing Documents or by Resolution of the Association, the Board shall be responsible for the following:

- (a) Compliance with all of the terms and conditions of the Governing Documents.
- (b) Care and upkeep of the Property including its common elements.
- (c) Establishment and distribution of the annual budget. The annual budget shall provide for funding of current operating expenses, periodic maintenance, repair and replacement of improvements to the common elements and shall provide for funding reasonable reserves for anticipated future needs of the Association. The proposed budget shall be distributed

to all Members of the Association not less than thirty (30) days in advance of its effective date and at least thirty (30) days in advance of the Association's annual meeting.

- (d) Levy, collect and enforce lien rights for assessments levied including specifically assessments due under Article VIII.
- (e) Engagement, dismissal and supervision of personnel necessary for maintenance and operation of the Property and fulfillment of responsibilities of the Association including specifically engagement of a Property Manager and, as required, legal counsel, accountants and other professionals. Engagement shall be solely by contract and no individual or entity engaged by the Association shall be deemed an employee of the Association.
- (f) Contracting for repairs caused by any natural disaster, deterioration or man-made change, the cost of which is to be paid from budgeted amounts, reserve accounts or by special assessment.
- (g) Obtaining insurance coverage for the Property, pursuant to the provisions hereof and the provisions of the Master Deed.
- (h) Granting or relocating easements and entering into license and lease agreements and/or granting other rights in the common elements provided they are not inconsistent with the general right of enjoyment of common elements afforded all Members by the Master Deed.
- (i) Making of repairs, additions and improvements to, or alterations of, the common elements and such other and additional repairs and maintenance of the Property as may be the responsibility of the Association.
- (j) To establish and promulgate Rules of Conduct relating to use and enjoyment of and conduct within the Property, including specifically the Units, the common elements and the limited common elements.
- (k) To establish, assess and collect fines and take such action as is necessary to secure for the benefit of all Members compliance with the Rules of Conduct.
- (l) Requiring, if deemed appropriate by the Board, that any person or entity handling or responsible for Association funds furnish adequate fidelity bonds. The premium(s) for such bond(s) shall be paid by the Association.

Section 3. EMERGENCY POWERS. At any time that an emergency exists because of a catastrophic event, the Board may adopt, amend, or repeal any Bylaws to be effective only during the emergency and for such reasonable times thereafter as is required to restore the Association to normal functions. The provisions of S.C. Code §33-31-207 and 3-31-303 shall be applicable. The emergency Bylaws, which are subject to amendment and repeal by the Members, may provide for special procedures for managing the Association during the emergency including: calling a meeting of the Board, quorum requirements for meetings; and description of substitute Directors. All provisions of the Bylaws that are consistent with the emergency Bylaws shall remain in full force and effect. Action taken pursuant to the emergency Bylaws shall be binding upon the Association and may not be used to impose liability upon a Director, officer, or the Property Manager for actions taken in good faith.

Section 4. RECORDS. The Property Manager under direction of the Board or the Board shall keep detailed records of Association and Board action including receipts and expenditures affecting the Association. Records including invoices and the records of payments involved for the current year and two (2) prior years shall be available for examination by any Member during reasonable business hours. All requests to inspect records shall be in writing, shall set forth a purpose; and shall specify a date and time for inspection not earlier than five (5) business days after the date the request is delivered to the Property Manager. Records older than two (2) years shall be made available only upon a clear and convincing statement of the need therefore and reasonable time to recover the records. Records of receipts and expenditures need be retained for no more than five (5) years. Records of Board action and minutes of Association meetings shall be archived permanently.

Section 5. AUDITS. A review and/or audit of the accounts and financials of the Association shall be made at least bi-annually by an independent accounting firm and the Board shall report

**ARTICLE VI.
BOARD OF DIRECTORS:
MEETINGS AND NOTICE**

Section 1. REGULAR MEETINGS. Regular meetings of the Board may be held at such time and place as shall be determined from time to time, by a majority of the Board, but at least six (6) such meetings shall be held each fiscal year.

Section 2. SPECIAL MEETINGS. Special meetings of the Board may be called by the President or may be called on written request of at least two Directors. Special meetings may be informal and except as may be restricted by the South Carolina Non-profit Corporation Act, as amended and enacted from time to time, a special meeting of the Board may be conducted by Remote Communication.

Section 3. ELECTRONIC MEETINGS. Except as may be restricted by the South Carolina Non-Profit Corporation Act, as amended and enacted from time to time, the Board may conduct a meeting and take action by Remote Communication. The number of Directors participating in the meeting by Remote Communication must be sufficient to constitute a quorum. A record of the action taken by Remote Communication shall be documented promptly in the records of the Association.

Section 4. ACTION WITHOUT MEETING. Any action required or permitted to be taken at a meeting of the Board, may be taken without a meeting if the action is taken by all Directors. A written action by the Board may be affirmed by one or more Directors by Remote Communication. Any written action taken without a meeting must be documented promptly in the Association records.

Section 5. BOARD QUORUM. At all meetings of the Board, a simple majority of the Directors shall constitute a quorum for the transaction of business, and the act of the majority of the Directors participating in a meeting at which a quorum is present shall be the act of the Board. If at any meeting of the Board, there is less than a quorum present, the majority of the Directors present may adjourn the meeting from time to time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 6. BOARD MEETINGS OPEN TO MEMBERS. Except as otherwise provided in this Section, meetings of the Board of Directors shall be open to all Members. No notice need be given to Members if: (i) the date, time and place of meeting were announced at a previous board meeting; or (ii) the date, time and place of meeting was posted in a location accessible to Members and designated by the Board from time to time; or (iii) if an emergency requires immediate consideration of a matter by the Board. Meetings may be closed to Members or the Board may adjourn to "private executive session" to

discuss the following: (a) personnel matters; (b) pending or potential litigation, arbitration or other potentially adversarial proceedings between Members, the Board or the Association and Members, (c) other matters in which any member may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or otherwise protect the position of the Board or Association or the privacy of a Member or occupant of a Unit; or (d) alleged criminal activity arising within the Property and/or the Association if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize any investigation of the alleged activity.

Section 7. NOTICE.

- (a) **Notice of Regular Meetings.** Notice of regular meetings of the Board shall be given by the secretary or by the Property Manager to each Director.
- (b) **Notice of Special Meetings.** Special meetings of the Board may be called by the President on five (5) days notice, or may be called on written request and five (5) days notice by two (2) Directors.
- (c) **Form of Notice.** Whenever a meeting notice is required to be delivered to Directors, it will be sufficient if it states the date, time and place of the meeting, and includes any other information expressly required by these Bylaws and/or the South Carolina Non-Profit Corporation Act. Meeting notices to Directors may be sent by mail, electronic facsimile transmission (fax), electronic mail or other means consented to by the Director to whom the notice is to be given. If sent by fax, it shall be effective upon receipt at the receiving terminal having the intended recipient's fax number shown in the Association records. If sent by electronic mail, notice shall be effective when directed to the electronic mail address which the Director has designated to receive notice. If notice is given by posting on an electronic network on which the Director has consented to receive notice, notice shall be effective twenty-four (24) hours after posting. If sent by other means (including telephone), notice is effective when received by the Director.
- (d) **Waiver of Notice.** Before or at any meeting of the Board, any Director may, in writing, orally or by electronic means waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board, whether personally or by Remote Communication, shall be a waiver of the time, place and purpose. If all Directors whether personally present or by Remote Communication are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**ARTICLE VII.
OFFICERS**

Section 1. DESIGNATION. The principal officers of the Association shall be a president, a vice president, a secretary and a treasurer, all of whom shall be elected by and from the Board. The Board may appoint such other officers as, in their judgment, may be necessary.

Section 2. ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board immediately following the annual meeting of the Association and shall hold the office at the pleasure of the Board.

Section 3. REMOVAL OF OFFICERS. Upon vote of a majority of the Directors, any officer may be removed either with or without cause, and a successor appointed at any regular meeting of the Board or at any special meeting of the Board called for such purpose. No officer shall continue to serve as such if, during the term of office, he/she ceases to qualify as a Voting Member.

Section 4. PRESIDENT. The president shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board and shall have all of the general powers and duties which are usually vested in the office of president of a non-profit corporation, including but not limited to the power to appoint committees from among the Members from time to time as may be appropriate to assist in the conduct of the affairs of the Association.

Section 5. VICE PRESIDENT. The vice president shall take the place of the president and perform such duties when the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Board shall appoint some other Director to do so on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed by the Board.

Section 6. SECRETARY. The secretary shall keep or cause to be kept through the Property Manager, minutes of all meetings of the Board and the minutes of all meetings of the Association; shall have charge of all books and papers as the Board may direct; and shall, in general, perform all duties incident to the office of the secretary usually vested in the office for a non-profit corporation. Specific responsibilities of the secretary may be delegated to the Property Manager by Resolution of the Board.

Section 7. EXECUTION OF DOCUMENTS. The president and secretary are authorized to execute all documents which the Association may from time to time be required to execute.

Section 8. TREASURER. The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts for all receipts and disbursements in books belonging to the Association; shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board; shall in general, perform all duties incident to the office of the treasurer usually vested in the office for a non-profit corporation. Specific responsibilities of the treasurer may be delegated to the Property Manager by Resolution of the Board.

ARTICLE VIII. ASSESSMENTS

Section 1. COMMON EXPENSE ASSESSMENTS. All Members shall be obligated to pay assessments to meet all common expenses, which shall include, among other things, liability insurance premiums and insurance premium(s) to cover repair and reconstruction work in case of a hurricane, fire, earthquake, flood and other hazards. The common expenses also include such amounts as the Board may deem proper for the operation and maintenance of the Property and any authorized additions. Common expense may include without limitation, amounts for general working capital, for general operating reserve, for a reserve fund for replacements and capital improvements, and to fund any deficit in the common expenses for any prior year. No less than thirty (30) days prior to the annual meeting, the Board shall furnish all Members with a copy of the budget for the next fiscal year and shall likewise advise them of the amount of the common charges payable by all Members, respectively. Common expenses are assessed annually and may be paid in equal monthly installments, on the first day of each month.

Section 2. SPECIAL ASSESSMENTS. In addition to the annual common expense assessments levied as provided in this Article, the Board may, in its discretion, levy special assessment at such other and additional times as, in its judgment, are required for the proper management, maintenance, repair and

operation of the Association and the Property. Special assessments shall be due and payable as determined by the Board.

Section 3. ASSESSMENTS AGAINST FEWER THAN ALL UNITS. Uniformity of assessment is intended and required by the Governing Documents. However, upon request of 100% of Owners to be affected the Association may comply with their request and may assess and collect as a common expense an expenditure which benefits fewer than all of the Units solely against the Units of the requesting Owners. In that case, the common expense shall be allocated equitably among the Units of the requesting Owners.

Section 4. ASSESSMENTS ATTRIBUTABLE SOLELY TO A SINGLE UNIT OR MEMBER. In furtherance of the Association obligation to assure assessment of Association expense fairly and equitably among the Owners certain costs and expenses which may be incurred by the Association are attributable to and will be charged and assessed solely to the individual Unit and the Owner responsible.

- (a) **Willful/negligent Act Assessment.** In the event the need for maintenance or repair is due to the willful or negligent acts of an Owner or the Owner's family, guests, tenants or invitees, the cost of such maintenance or repair due to such act or neglect shall be the personal obligation of the Owner and shall be assessed against such Owner's Unit and shall be added to and become part of the current annual assessment against that Unit and, at the option of the Board, shall be payable in full with the next monthly installment of the then current annual assessment, or divided equally over the remaining months for the then current annual assessment payable with and in addition to the monthly installments of the then current annual assessment.
- (b) **Pass through Assessment.** If the Association is assessed a cost or a fine of any nature from the Town of Hilton Head and/or Beaufort County due to the acts of neglect of an Owner or the Owner's family, guests, tenants or invitees, the cost or fine so assessed shall be the personal responsibility of the Owner assessed against such Owner's Unit and shall be added to and become a part of the current annual assessment against that Unit. At the option of the Board, it shall be payable in full with the next monthly installment of the then current annual assessment, or divided equally over the remaining months for the then current annual assessment and payable with and in addition to the monthly installments. This provision is intended to apply to instances in which the Town of Hilton Head and/or Beaufort County charges the Association for costs and/or fees associated with violations of the Rules of Conduct and/or applicable ordinances.
- (c) **Transfer Assessment.** Unit Owners shall notify the Association secretary or the Property Manager of any transfer of title by sale or otherwise of a Unit within ten (10) days following the date a transfer occurs. Notification of transfer shall be accompanied by a transfer fee equal to two (2) months of the annual budgeted common expense applicable to the transferred Unit. Exempt from the transfer fee however, are transfers among family members and/or entity owners and transfers by an Owner into trust or other entity primarily for estate planning purposes.
- (d) **Rules of Conduct Assessment.** Fines and costs assessed for violation of Rules of Conduct by an Owner or attributable to a Unit Owner through the acts of the Unit Owner's guests or tenants shall be the personal obligation of the Owner and shall be added to and become a part of the current assessment against the Owner's Unit payable in full with the next monthly installment of the then current annual assessment.

Section 5. ASSESSMENTS TO REMAIN IN EFFECT UNTIL NEW ASSESSMENTS MADE. The omission by the Board of Directors before the expiration of any year, to fix the applicable assessments for the next year, shall not be deemed a waiver or modification in any respect of the provisions of the Master Deed and Bylaws nor as release of any Member from the obligation to pay the assessment fixed for the preceding year which shall continue until a new assessment is fixed. No Member may exempt themselves from liability for assessments by waiver of the use or enjoyment of any of the common elements or by abandonment of the Member's Unit.

Section 6. ACCELERATION OF ASSESSMENT INSTALLMENTS UPON DEFAULT. If a Member is in default in the payment of an installment upon any assessment, the Board may accelerate the remaining monthly installments for the fiscal year upon thirty (30) days notice to the Member and the entire unpaid balance of the assessment for the fiscal year shall be due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of notice of acceleration to the Member.

Section 7. PERSONAL LIABILITY OF MEMBER. All amounts assessed in accordance with this Article VIII are the personal obligation of the Member assessed.

Section 8. DEFAULT IN PAYMENT OF ASSESSMENTS. The Board shall take prompt action to collect any assessment due which remains unpaid for more than thirty (30) days from its due date for payment. In the event of default by any Member in paying the installment the Member shall be obligated to pay a late charge of \$25.00 plus 1.5% on the delinquent amount per month on such unpaid assessment from the due date thereof, together with all expenses, including attorney's fees, incurred in collecting such assessments. The Board on behalf of the Association shall have the right and duty to seek recovery of assessments together with interest and expenses, including attorney's fees, in an action to recover the same brought against such Member, or by foreclosure of the lien on the Member's Unit in the manner provided in Section VIII, Section 6 of the Master Deed or in any other manner authorized by the Act and such other statutory authority available to the Association under South Carolina law.

ARTICLE IX. OWNER OBLIGATIONS

Section 1. DISCLOSURE STATEMENT. A requesting Unit Owner shall pay or cause to be paid to the Association a reasonable fee to fulfill a request by any purchaser, Member, encumbrancer or prospective encumbrancer of the Unit with a written statement of all unpaid assessments attributable to the Unit. The purchaser's liability thereafter shall be limited to the amount as set forth in such statement.

Section 2. INSURANCE BY UNIT OWNERS. Each Member shall be responsible for obtaining, at the Member's sole expense, insurance covering the personal property, wall coverings, decorations, and furnishings within their own Unit and all additions and improvements to the Unit. Each Member shall also be responsible for obtaining, at their own expense, insurance covering their liability for injuries within their Unit and for personal injury or property damage caused to or upon the common elements or to another Unit created by their actions or by an incident occurring within such Member's Unit. All such insurance policies shall include provisions waiving (i) any right of the insurer to subrogation claims against the Association and against individual Unit Members, as well as their agents, servants, employees, and guests; and (ii) any right of the insurer to contribution or proration because coverage is provided under a master hazard policy. Evidence of required insurance coverage shall be provided to the Board through the Property Manager.

Section 3. NOTICE OF MORTGAGEE. A Member who mortgages the Member's Unit shall notify the Board through the Property Manager, if any, or the President if there is no Property Manager of the name and address of the mortgagee. Provided such information is furnished, the Board shall give

reasonable advance written notice to all mortgagees from which it has received a written request upon the occurrence of any condemnation loss or casualty loss which affects a material portion of the Property or any Unit encumbered by a first mortgage held, insured, or guaranteed by the mortgagee. A written request by mortgagee must identify the name and address of the Owner, insurer or guarantor and the Unit.

Section 4. TRANSFER OF UNITS. All Members shall notify the Association through the Property Manager of any transfer of title by sale or otherwise of their Unit within ten (10) days following the date the transfer occurs. Said notice shall include such information and be in the form that the Board shall prescribe from time to time. Payment of the applicable transfer assessment (Article VIII, Section 4(c)) applicable to the Unit must accompany the notice.

Section 5. LIABILITY OF OWNER FOR ACTS OF TENANTS AND GUESTS. Each Owner shall be liable and shall be assessed for the expense of any maintenance, repair or replacement of portions of and/or improvements to the Property which are rendered necessary by acts or omissions of the Owner's tenants or guests and the Owner shall be personally liable for all fines and costs imposed as a result of conduct in violation of the Rules of Conduct by tenants or guests of the Owner.

Section 6. GRANT OF RIGHT OF ENTRY. In accordance with Article IX, Section 4 of the Master Deed, a right of access to each Unit for performing installations, alterations or repairs which cannot otherwise be affected without entry of the Owner's Unit and in cases of an emergency. This right of entry shall be limited to the Property Manager or an alternate person designated by the Board but shall be construed to authorize immediate entry in case of an emergency originating in or threatening the Unit, whether or not the Unit Owner is present.

Section 7. WATER CHARGES AND SEWER RENTS. Although water is supplied to all Units and the common elements through one or more meters and is a common expense, conservation of water through proper maintenance of plumbing within the Units is the responsibility of each Owner.

Section 8. ELECTRICITY. Each Owner shall be responsible for electricity consumed or used in the Owner's Unit and applicable limited common elements. Electricity serving common elements (exclusive of limited common elements) is separately metered and bills for electricity consumed in such portions of the Property are budgeted as a common expense.

Section 9. CO-OPERATION WITH ASSOCIATION OPERATIONS. Persistent and willful interference with the operation of the Association will not be permitted. While it is acknowledged that all Members have the right to voice opinions as to the operation of the Association and the right of dissent if that is their stance, no Member will be permitted to act in such manner as to unreasonably interfere in the operations of the Association. By way of example and not by way of limitation, no Member, except as specifically authorized by the Board or Property Manager will give instructions to any workman engaged to perform services for the Association. Should any Member wish to influence the activities of workmen the only permitted channels shall be through the Property Manager or a Director. One of the principal characteristics of a condominium is that individual preferences are subordinated to the will of the majority as expressed by and through the Board of Directors. The authority of the Directors is established in the Master Deed and Bylaws. When, in the sole discretion of the Directors, any Member persistently and unreasonably interferes with the authority of Directors, suit may be commenced by the Directors to enjoin such interference. In any suit brought to enjoin interference with the authority of the Directors, the Association shall be entitled to recover its attorney's fees and costs from the offending Member upon establishing that a prima facie case has been made. A prima facie case will be shown where the actions of any Member other than in a duly called meeting are perceived to be so disruptive to the reasonable operation of the Association as to constitute as nuisance. Where a court of competent jurisdiction issues a temporary injunction after a hearing a prima facie case will have been established.

ARTICLE X.
MAINTENANCE AND REPAIR RESPONSIBILITIES

Section 1. MAINTENANCE AND REPAIR OF LIMITED COMMON ELEMENTS. The Unit's limited common elements shall be kept free of debris and all other accumulation and the Owner of such Unit shall make all repairs and shall have responsibility for all maintenance of the Unit's limited common elements. No alteration shall be made to the limited common elements without the written consent of the Board.

Section 2. MAINTENANCE AND REPAIR OF UNITS. Each Unit Owner shall perform maintenance and repair work within the Owner's Unit which if omitted, would affect the Property in its entirety or a part of the Property belonging to another Owner, and shall expressly be responsible for the damages and liabilities that failure to do so may engender.

Maintenance and repair of internal installations of the Units such as water, light, gas, power, , telephone, air conditioners, sanitary installations, interior doors, windows, patio doors, lamps, and all other accessories belonging to the Units and within the Unit and/or its limited common elements shall be maintained and repaired at the expense of the Unit Owner.

Section 3. MAINTENANCE AND REPAIR OF COMMON ELEMENTS. All maintenance, repair and replacement to the common elements as defined in the Master Deed, shall be the responsibility of the Association (except as provision is otherwise made by these Bylaws) and shall be allocated to all the Unit Owners as a common expense, unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which such case expense shall be charged and assessed as provided in Article VIII, Section 4(a).

Section 4. STRUCTURAL CHANGES. A Member shall not make structural modifications within their Unit without approval by the Board in writing. The Board shall have the obligation to answer within thirty (30) days from the actual receipt of sufficient information to permit appropriate review any proposal for structural change and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification. Work undertaken without an application having been made and approved will subject the Member to such damages as the Board determines is reasonably required to ultimately restore the structural integrity of the Unit.

Section 5. LIMITATION OF LIABILITY. Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable for injury or damage caused by a latent condition within the Property, nor for injury or damage caused by the elements or individual Owners and/or third parties.

Section 6. EXTERIOR CHANGES. No material changes or additions to the exterior of the Unit or to the Unit's limited common elements are permitted without prior written approval of the Board. The Board may approve minor additions to landscaping and other exterior changes or additions which in its sole discretion will not interfere or conflict with the overall scheme and appearance of the Property. If any changes as described herein are approved by the Board, the Member requesting such change shall have sole financial responsibility for the cost of such change and the incurred costs, if applicable, of the maintenance and repair arising from the change. The Board may include any additional maintenance cost in the common expense assessment for the Unit in question in the manner provided in Article VIII, Section 3.

**ARTICLE XI.
RULES OF CONDUCT**

Section 1. RULES OF CONDUCT. In order to assure the peaceful and orderly use and enjoyment of the Units, limited common elements, common elements and any facilities or services made available to Unit Owners, tenants and guests, the Board shall from time to time adopt, modify, and revoke in whole or in part such reasonable rules and regulations, to be called Rules of Conduct, governing the conduct of persons on the Property as it may deem appropriate. All Rules of Conduct, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Member and shall be binding upon all Members and all occupants of the Units and all other persons lawfully on the Property. Rules of Conduct shall include but are not limited to the following general standards:

- (a) Residents shall exercise reasonable care to avoid unnecessary noise or the use of musical instruments, radios, televisions and amplifiers in a manner that may disturb other residents.
- (b) No person shall:
 - (1) Post any advertisements or posters of any kind in or on the Property except as authorized by the Board.
 - (2) Dispose of trash or garbage except within the receptacles for disposal provided for such purpose.
 - (3) Act so as to interfere unreasonably with the peace and enjoyment of the Property by residents of other Units.
 - (4) Maintain any pets which cause distress to Members through barking, biting, scratching or damaging of Property.
 - (5) Park on the common elements (including designated parking areas) any inoperative or unlicensed vehicles. A vehicle shall be deemed to be inoperative if the vehicle has not moved in a period of fourteen (14) consecutive days and the Property Manager has not been given prior written notice of the reason therefore or prior written notice has been given and the Property Manager determines in its sole discretion that the reason given is not inconsistent with the objective of providing fair and equal parking privileges to all lawful occupants of Units.
 - (6) Install wiring for electrical or telephone installations, television or radio antennae, air conditioning fixtures, or similar objects outside of its Unit or which protrudes through the walls or roof of a Unit except as authorized by the Board.
- (c) All ordinances of the Town of Hilton governing conduct up on public property within the Town of Hilton Head are incorporated by reference and shall be applicable to conduct upon the common elements of the Property.

Section 2. ABATEMENT AND ENJOINMENT OF VIOLATIONS. The violation of any Rule of Conduct adopted by the Board or the breach of any Bylaws contained herein, or the breach of any provision of the Master Deed, shall give the Board the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition, that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of such breach and to recover the

cost of either enforcement, including attorneys fees, and until such expense is recovered it shall be a lien upon said Unit which shall be collected in the same manner as common expenses; (c) and levy fines in such sum as shall, in the discretion of the Board, deter further violation.

Section 3. CONFLICT. In the event of any non-reconciled conflict between the Rules of Conduct adopted, or from time to time amended, and the Governing Documents the latter shall prevail. If any non-reconciled conflict should exist or hereafter arise with respect to the interpretation of a Rule of Conduct or its enforcement resolution shall be in the manner provided in Article XIV, Section 4.

Section 4. MEMBERS OVERRIDE. Any Rule of Conduct adopted by the Board may be rescinded or modified by a Majority Vote of the Members at a meeting of the Members at which a quorum is present. Additional rules proposed by Members may also be adopted in a similar manner.

ARTICLE XII. INSURANCE AND RECONSTRUCTION

Section 1. COVERAGE. The Board of Directors shall obtain and maintain the insurance coverage as required by Article X of the Master Deed in forms and amounts as may reasonably be determined without prejudice of the right of Members to obtain additional individual insurance at their own expense.

Section 2. PREMIUMS. All premiums for insurance policies purchased in accordance with this Article XII shall be assessed as a common expense.

Section 3. RECONSTRUCTION. In the event of casualty loss or damage to the Property, the Board of Directors shall be responsible for implementation of the procedures for reconstruction and repair as set forth in Article XI of the Master Deed.

ARTICLE XIII. OCCUPANCY AND USE OF UNITS

Section 1. OCCUPANCY RESTRICTION. All Units shall be utilized for residential purposes only. This shall expressly include the right of the Member to rent such Unit to others for residential uses. If a Member of a Unit is a corporation, partnership, trust or other legal entity, the entity shall designate in writing to the Board or management the name(s) of the person(s) who will occupy the Unit. No Member shall permit occupancy by more persons than are shown below. Should the occupancy be allowed to exceed the stated limits the Association may issue a notice of right to cure. If the number of occupants is not reduced within ten (10) days or if reduced and then exceeded at any time the Association may enforce this Section 1 through injunction and shall be entitled to recover its reasonable attorney's fees and costs.

(a) One Bedroom Units:

- (1) Long Term (14 days or more)-Not to exceed 3 adult occupants**
- (2) Short Term (less than 14 days)-Not to exceed 4 occupants**
- (3) Resident Owner-Not to exceed 3 adult occupants**

(b) Two Bedroom Units:

- (1) Long Term (14 days or more)-Not to exceed 4 occupants.**
- (2) Short Term (less than 14 days)-Not to exceed 6 occupants.**
- (3) Resident Owner-Not to exceed 4 adult occupants.**

(c) **Three Bedroom Units:**

- (1) Long Term-(14 days or more)-Not to exceed 6 adult occupants.
- (2) Short Term-(less than 14 days)-Not to exceed 8 occupants.
- (3) Resident Owner-Not in excess of 6 adult occupants.

Section 2. LEASES. No Unit Member may lease their Unit except by complying with the provisions of this Section and Rules of Conduct as may from time to time be adopted for leasing of Units. The lease of any Unit within the Property shall be for a use consistent with the provisions of the Bylaws and shall provide that the terms and conditions of all Governing Documents shall be complied with by the tenant. The lease shall be in writing and shall provide that the Association shall have the power to terminate such lease, and bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of default by the tenant an obligation in the Governing Documents including specifically violations of the Rules of Conduct. All cost and expense incurred by the Association upon exercise of its rights under this Section 2 shall be the personal obligation of the Owner and shall be assessed against the Owner's Unit in accordance with Article VIII, Section 4.

**ARTICLE XIV.
COMPLIANCE AND REMEDIES**

Section 1. COMPLIANCE. Each Owner and every occupant of the Units shall be governed by and comply with the provisions of the Governing Documents including specifically, the Rules of Conduct and such amendments thereto as may be made from time-to-time. A failure to comply shall entitle the Association to the relief set forth in this Article, in addition to all rights and remedies authorized elsewhere by the Governing Documents.

Section 2. ENTITLEMENT TO RELIEF. Legal relief may be sought by the Association against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Governing Documents. However, no Owner may withhold any Assessments payable to the Association, nor take or omit other action in violation of the Governing Documents as a measure to enforce such Owner's position or for any other reason.

Section 3. REMEDIES. In addition to any other remedies or sanction, expressed or implied, administrative or legal, the Board, acting on behalf of the Association shall have the right, but not the obligation, to implement any one or more of the following actions against Owners and/or their tenants and guests, who violate the provisions of the Governing Documents:

- (a) Commence legal action for damages or equitable relief in any court of competent jurisdiction.
- (b) Impose reasonable fines, penalties, or charges for each violation of the Governing Documents including specifically the Rules of Conduct and assess for recovery of the same as an assessment in the manner provided in Article VIII.
- (c) Suspend the rights of an offending Owner, tenant or occupant and their guests to use any common element amenities; provided, that the suspension of use rights shall not apply to limited common elements or those portions of the common elements providing utilities service and access to the Unit. Suspension shall be limited to periods of default by such Owner(s) and occupant(s) in their obligations under the Governing Documents, and for up to thirty (30) days thereafter, for each violation.

- (d) Restore any portions of any common elements, Unit or limited common elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests in violation of the Governing Documents. The cost of such restoration shall be against the responsible Owner and the Owner's Unit may be assessed in the manner provided in Article VIII.
- (e) Exercise the rights granted the Association in accordance with Article XI, Section 2.
- (f) Foreclose any lien arising under the provisions of the Governing Documents in accordance with South Carolina law and the Governing Documents.

Section 4. RIGHTS TO HEARING. Before the imposition of any of the remedies authorized by this Article XIV the Board shall, upon written request from the alleged offender, grant to the alleged offender an opportunity for a fair and equitable hearing. The alleged offender shall be given notice of the nature of the alleged violation and the right to a hearing before the Board and at least ten (10) days within which to request a hearing. The hearing shall be scheduled by the Board and held within forty-five (45) days following receipt of the hearing request. At least ten (10) days prior written notice of the hearing date shall be given to the alleged offender. If the alleged offender fails to timely request a hearing or to appear at the hearing, then the right to a hearing shall be deemed waived and the Board shall take such action as it deems appropriate. The decision of the Board and the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten (10) days following the hearing, if not delivered at the hearing.

Section 5. COSTS OF PROCEEDING AND ATTORNEY FEES. With respect to any collection measures, or any measures or action, legal, administrative, or otherwise, taken to enforce the provisions of the Governing Documents, the Association may assess the Unit owned by the violator with any expenses in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorneys' fees, and interest on the delinquent amounts owed to the Association. Expenses shall also include any collection or contingency fees or costs charged to the Association by a collection agency or other entity acting on behalf of the Association in collecting any delinquent amounts owed to the Association. All fees and costs shall be the personal obligations of the Owner and shall be a lien against the Owner's Unit.

Section 6. ENFORCEMENT BY OWNERS. The provisions of this Section shall not limit or impair the independent rights of other Owners to enforce the provisions of the Governing Documents.

Section 7. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP. The termination of membership in the Association shall not relieve or release any former Owner from any liability or obligations incurred under or in any way connected with the Association and/or the Property during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former Owner and Member and/or the Owner's Unit arising out of or in any way connected with such ownership and membership, and the covenants and obligations created by the Governing Documents.

ARTICLE XV. AMENDMENTS

Section 1. REQUIREMENTS FOR AMENDMENTS. Except where a greater percentage is expressly required, either herein, in the Master Deed or by the Act, these Bylaws may be amended only by a Super Majority Vote at a meeting called for that purpose or acting pursuant to or by an "Action by Written Consent" as provided in Article III, Section 9.

ARTICLE XVI.
MISCELLANEOUS MATTERS

Section 1. GENDER; NUMBER. The use of the masculine gender includes the feminine gender, and when the context requires, the use of the singular includes the plural.

Section 2. DEFINITIONS. The definitions contained in Article III and elsewhere in the Master Deed shall be applied consistent with defined terms used herein.

Section 3. CAPTIONS. The captions contained in these Bylaws are inserted as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision of the Bylaws.

Section 4. INVALIDITY. The invalidity of any provision of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 5. CONFLICT. These Bylaws are intended to be in compliance with the requirements of the Act and consistent with the Master Deed. In the event of any irreconcilable conflict between these Bylaws and the provisions of the Act, the provisions of the Act shall control. It is also intended that these Bylaws will be construed consistent with the Master Deed. In the event of an irreconcilable conflict, the Master Deed will control.

Section 6. WAIVER. No restriction, condition, obligations, or covenant contained in these Bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the violations or breaches thereof which may occur.

Section 7. VARIANCES. The Board may, in its sole discretion, grant variances from the requirements contained in these Bylaws and/or the Rules of Conduct adopted pursuant to these Bylaws on a case by case basis; provided, that the variance sought (i) involves unique circumstances, (ii) is reasonable, (iii) does not impose an undue hardship upon other Members, (iv) does not violate any governmental law, ordinance, code or regulation, and (v) does not interfere with the use and enjoyment of the Property by other Unit Owners. The granting of such variance by the Board does not nullify or otherwise affect the Board's right to require strict compliance with the requirements on any other occasion; nor shall the granting of any variance set any precedent. The decision of the Board denying an application for variance will be final and shall not be subject to appeal.

Section 8. FISCAL YEAR. The fiscal year for the Association shall begin on the 1st day of July of each year provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with any provisions and regulations from time to time proscribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable.

Section 9. MEMBER NOTICE TO THE ASSOCIATION. Each Member shall be provided with the address and telephone number of the Property Manager and any notice or other communication from a Member to the Association and/or the Board shall be deemed given upon receipt by the Property Manager in person, by mail, telefax, or by Remote Communication.

Section 10. CONSENT TO JURISDICTION. Each Member consents to the personal jurisdiction of the State of South Carolina and agrees that any litigation shall be venued in Beaufort County South Carolina and each Member specifically waives any argument that the venue and forum is not convenient.

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