

EXHIBIT "G"

BYLAWS

OF

TRADEWINDS AT SHELTER COVE OWNERS ASSOCIATION, INC.

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BYLAWS
OF
TRADEWINDS AT SHELTER COVE OWNERS ASSOCIATION, INC.

Article I
General

Section 1. Applicability. These Bylaws provide for the self-government of Tradewinds at Shelter Cove Owners Association, Inc., in accordance with provisions § 27-31-10, *et seq.* of the South Carolina Code of Laws, 1976, as may be amended from time to time, the Articles of Incorporation filed with the Secretary of State and the Master Deed for Tradewinds at Shelter Cove Horizontal Property Regime, recorded in the RMC Office for Beaufort County, South Carolina ("Master Deed").

Section 2. Name. The name of the corporation is Tradewinds at Shelter Cove Owners Association, Inc. ("Association").

Section 3. Definitions. The terms used herein shall have their generally accepted meanings or such meanings as are specified in Paragraph 2 of the Master Deed.

Section 4. Membership. An Owner of a Unit shall automatically become a member of the Association upon taking title to the Unit and shall remain a member for the entire period of ownership. As more fully provided below, a member's spouse or Domestic Partner may exercise the powers and privileges of the member. If title to a Unit is held by more than one (1) Person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) vote per Unit. Membership does not include Persons who hold an interest merely as security for the performance of an obligation and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to the Unit and shall be transferred automatically by conveyance of that Unit and may be transferred only in connection with the transfer of title.

Section 5. Entity Members. In the event an Owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust, manager of a limited liability company or representative of such other legal entity shall be eligible to represent such entity or entities in the affairs of the Association, including, without limitation, serving on the Board of Directors of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity or entities which are the Owner, and termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy will be filled in accordance with these Bylaws.

Section 6. Voting. Each Unit shall be entitled to one (1) weighted vote, which vote shall be weighted according to the percentage interests set forth in Exhibit "B" to the Master Deed, which vote may be cast by the Owner, the Owner's spouse or Domestic Partner, or by a lawful proxy as provided below. When more than one (1) Person owns a Unit, the vote for such Unit shall be exercised as they determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Unit.

If only one (1) co-owner attempts to cast the vote for a Unit, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for such Unit. In the event of disagreement between or among co-owners and an attempt by two (2) or more of them to cast such vote or votes, such Persons shall not be recognized and such vote or votes shall not be counted. No Owner shall be eligible to vote, either in person or by proxy, or to act as a proxy for any other member if that Owner is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the Owner has had its voting rights suspended for the infraction of any provision of the Master Deed, these Bylaws, or any rule of the Association. If the voting rights of an Owner have been suspended, that Owner shall not be counted as an eligible vote for purposes of establishing a majority or a quorum.

Section 7. Majority. As used in these Bylaws, the term "majority" shall mean fifty-one percent (51%) or more of the basic value of the Regime, in accordance with the percentages set forth on Exhibit "B" of the Master Deed. Unless otherwise specifically stated, the words "majority vote" mean fifty-one percent (51%) or more of those voting in person or by proxy. Except as otherwise specifically provided in the Declaration or these Bylaws, all decisions shall be by majority vote.

Section 8. Purpose. The Association shall have the responsibility of administering the Regime, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Regime and performing all of the other acts that may be required to be performed by the Association pursuant to the Act, the South Carolina Nonprofit Corporation Act of 1994 and the Master Deed. Except as to those matters which the Act, the Master Deed or the South Carolina Nonprofit Corporation Act of 1994 specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

Section 9. Electronic Documents and Electronic Signatures.

(a) Electronic Documents. Whenever these Bylaws require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an Electronic Document.

(b) Electronic Signatures. Whenever these Bylaws require a signature, an Electronic Signature satisfies that requirement only if: (1) the signature is easily recognizable as a Secure Electronic Signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (2) the Board reasonably believes that the signatory affixed the signature with the intent to sign the Electronic Document, and that the Electronic Document has not been modified since the signature was affixed.

(c) Verification and Liability for Falsification. The Board may require reasonable verification of any Electronic Signature or Electronic Document. Pending verification, the Board may refuse to accept any Electronic Signature or Electronic Document that, in the Board's sole discretion, is not clearly authentic. Neither the Board nor the Association shall be liable to any Member or any other Person for accepting or acting in reliance upon an Electronic Signature or Electronic Document that the Board reasonably believes to be authentic. Any Member or Person who negligently, recklessly or intentionally submits any falsified Electronic Document or an unauthorized Electronic Signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees and expenses incurred as a result of such acts.

Article II
Meetings of Members

Section 1. Annual Meetings. The regular annual meeting of the members shall be held during the fourth quarter of each year with the date, hour, and place to be set by the Board of Directors. No annual meeting of the Association shall be set on a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called for any purpose at any time by the President or Secretary, by request of any two (2) members of the Board of Directors, or upon written petition of Owners holding at least five percent (5%) of the Total Association Vote. Any such written petition by the members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special meeting for the purpose stated in the petition setting the date, time and location of the meeting (which is not required to be the date, time or location requested in any petition submitted to the Association), and the Secretary shall send notice of the meeting in accordance with these Bylaws. Any special meeting called pursuant to written petition shall be set within thirty (30) days of the date of the petition. If a special meeting is not called within such thirty (30) day period, the Person signing the written petition may set the time and the place of such special meeting and give notice pursuant to Section 3 below.

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail or deliver to the record Owner of each Unit or to the Units a notice of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting and at least ten (10) days (or if notice is sent by other than first class mail or registered mail, thirty (30) days) prior to each special meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting shall state the time and place of the meeting and if any of the following items will be considered at such annual meeting, the notice shall also state such purpose: director conflict of interest; indemnification of officers, employees or agents; amendment of the Articles by directors and members; amendment of the Bylaws by directors and members; articles of merger; sale of assets other than in the regular course of activities; dissolution by incorporators, dissolution by directors and members; removal of directors; amendment to the Articles or Bylaws terminating members or redeeming or canceling membership (and if such amendment is to be considered, the notice to members proposing the amendment shall include one statement of up to five hundred (500) words opposing the proposed amendment if the statement is submitted by any five (5) members or members having three percent (3%) or more of the voting power, whichever is less, not later than twenty (20) days after the Board has voted to submit the amendment to the members for their approval. The production and mailing costs must be paid by the Association. If any Owner wishes notice to be given at an address other than his or her Unit, the Owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered proper service of notice.

Section 4. Waiver of Notice. Waiver of notice of meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in a signed writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by proxy, shall be deemed waiver by such Owner of notice of the time, date, and place thereof, or particular matter not described in the notice unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order or objects to considering the matter when it is presented. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such

meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. Quorum. Except as may be provided elsewhere in the Act, the presence of Owners, in person or by proxy, entitled to cast twenty-five percent (25%) of the Total Association Vote shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Owners whose voting rights have been suspended pursuant to the Master Deed or these Bylaws shall not be counted as eligible votes toward the quorum requirement.

Section 6. Adjournment. Any meeting of the Owners may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business that could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required if the new date, time or place is announced at the meeting prior to adjournment.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, U.S. mail or facsimile transmission to any Board member or the property manager and are effective when received by the Secretary. Proxies may be revoked only by written notice signed by the member and delivered to the Secretary, except that: (a) the presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting; and (b) a later dated proxy shall automatically be deemed to invalidate any previously give proxy. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy. Proxies shall be valid for a period of eleven (11) months, unless the proxy expressly provides for another time period, provided that, no proxy is valid for more than three (3) years from the date of its execution. The death or incapacity of the member appointing a proxy does not affect the right of the Association to accept the proxy's authority unless the Secretary receives notice of such death or incapacity prior to the exercise of the authority by the proxy.

Section 8. Members' List for Voting.

(a) After fixing a "Record Date" (as hereinafter defined) for a notice of a meeting, the Association shall prepare an alphabetical list of the names of all its members who are entitled to notice of the meeting. The list must show the address and number of votes each member is entitled to vote at the meeting. The Board shall prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting but not entitled to notice of the meeting. This list must be prepared on the same basis and be part of the list of members. As used herein, "Record Date" shall mean the close of business on the business day preceding the day on which the meeting is held, unless a date is fixed by the Board.

(b) The list of members must be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning the day after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the Association's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A member, a member's agent, or member's attorney is entitled on written demand to inspect and, subject to

the limitations of Sections 33-31-1602(c) and 33-31-1605 of the South Carolina Nonprofit Corporation Act of 1994, to copy the list, at a reasonable time and at the member's expense, during the period it is available for inspection.

(c) The Association shall make the list of members available at the meeting, and any member, a member's agent, or member's attorney is entitled to inspect the list at any time during the meeting or any adjournment.

(d) If the Association refuses to allow a member, a member's agent, or member's attorney to inspect the list of members before or at the meeting, or copy the list as permitted by subsection 8(b), the court of common pleas of the county in which the Association's principal office is located in South Carolina or, if none in South Carolina, its registered office is located on application of the member, may summarily order the inspection or copying at the Association's expense and may postpone the meeting for which the list was prepared until the inspection or copying is complete and may order the Association to pay the member's costs, including reasonable counsel fees, incurred to obtain the order.

(e) Unless a written demand to inspect and copy a membership list has been made under subsection 8(b) before the membership meeting and the Association improperly refuses to comply with the demand, refusal or failure to comply with this Section does not affect the validity of action taken at the meeting.

(f) A member may inspect and copy the membership list only if: (i) his demand is made in good faith and for a proper purpose; (ii) he describes with reasonable particularity his purpose; and (iii) the list is directly connected with his purpose.

Section 9. Action Taken Without a Meeting. In the Board's discretion, any action that may be taken by the Association members at any annual, regular, or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.

(a) Ballot. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

The Board may deliver ballots and consent forms by personal delivery, U.S. Mail, facsimile transmission, e-mail, or other electronic means. Owners shall deliver their vote by ballot or consent form by whatever means is specified by the Board.

All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iii) specify the time by which a ballot must be received by the Board in order to be counted. A written ballot may not be revoked. The Association shall maintain such ballots in its file for at least three (3) years.

(b) Written Consent. Approval by written consent shall be valid only when the number of written consents setting forth the actions taken is received and equals or exceeds the requisite voting power

required to pass such action at a meeting held on the date that the last consent is executed; provided however, in no event less than eighty percent (80%) of the Total Association Vote, and if such action is consented to by the Declarant, if required. Executed written consents shall be included in the minutes or filed with the Association's records. If an action of the members is approved by written consent hereunder, the Board shall issue written notice of such approval to all members who did not sign written consents. Membership approval shall be effective ten (10) days after written notice is issued; provided, however, if the consent is to an amendment to the Master Deed or Bylaws which must be recorded, the effective date shall be no earlier than the date of recording of such amendment.

Section 10. Order of Business. At all meetings of the Association, Roberts Rules of Order (latest edition) shall govern when not in conflict with the Master Deed, these Bylaws or the Articles of Incorporation, unless the Owners present at a particular meeting vote to suspend Robert's Rules at that meeting.

Article III Board of Directors

A Composition and Selection

Section 1. Composition and Eligibility. The affairs of the Association shall be governed by a Board of Directors. Except for directors appointed by the Declarant hereunder, the directors shall be Owners or spouses or Domestic Partners of such Owners; provided, however, no Owner and his or her spouse or Domestic Partner may serve on the Board at the same time, and no co-owners may serve on the Board at the same time. No persons shall be eligible to be elected to or continue to serve on the Board of Directors if they are shown on the books and records of the Association to be more than thirty (30) days delinquent in the payment of any assessment or charge by the Association. Directors shall not be eligible to serve more than three (3) consecutive two (2) year terms without first resigning from the Board for a time period which shall be the lesser of: (a) one (1) year; or (b) the period of time from the end of one (1) annual meeting of the Association to the beginning of the next annual meeting of the Association.

Section 2. Directors Appointed by the Declarant. Notwithstanding anything to the contrary herein, Declarant shall have exclusive authority to appoint and remove directors and officers until the earlier of: (1) three (3) years after the recording of the Master Deed, (2) unless Declarant at that time has an unexpired option to add Additional Property, sixty (60) days after one hundred percent (100%) of the Units have been conveyed to Owners, or (3) the surrender in writing by Declarant of the authority to appoint and remove officers and directors of the Association.

Section 3. Number of Directors and Term of Office. During the Declarant Control Period, the Board shall consist of three (3) directors. After termination of the Declarant Control Period, the Association shall call a meeting to be held at which Owners shall elect three (3) directors. If such meeting is not the annual meeting, the directors elected shall serve until the next annual meeting. At the first annual meeting after Declarant has surrendered control of the Association, the two (2) directors receiving the highest number of votes shall be elected for terms of two (2) years each and remaining director shall be elected for terms of one (1) year. At each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 4. Removal of Members of the Board of Directors. During the Declarant Control Period, the Declarant may remove a director without cause by delivering written notice to such director and the presiding officer of the Board or the president or secretary. Such removal is effective when the notice is effective, unless the notice specifies a future date. After expiration of the Declarant Control Period, at any annual or special meeting called for the purpose of removing of a director of the Association duly called, any one (1) or more Board members, except for directors appointed by Declarant hereunder, may be removed with or without cause by the minimum number of votes required for removal under Section 3331-808 of the South Carolina Nonprofit Corporation Act of 1994, to elect said director and a successor may then and there be elected to fill the vacancy thus created. A director elected by the Board may be removed without cause by the vote of two-thirds (2/3) of the directors then in office; however, a director elected by the Board to fill a vacancy of a director elected by the members may be removed without cause by the members, but not the Board. Further, any director who is more than thirty (30) days past due in the payment of any assessment or charge shall be automatically removed from the Board of Directors, even if the director subsequently pays the amount owed, and the vacancy shall be filled as provided in Section 5 below. Any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings may be removed by the vote of a majority of the other directors. Any director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 5. Vacancies. Except for a vacancy of a director appointed by the Declarant, which may only be filled by the Declarant, vacancies in the Board caused by any reason, except the removal of a director by a majority of the Total Association Vote or by Declarant, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office until the next annual meeting. Notwithstanding anything to the contrary herein, any director who is an officer, director or other designated agent of an entity member and whose position becomes vacant for any reason, may be replaced by the entity who is the Owner unless there has been a transfer of ownership of the Unit, in which case, the vacancy shall be filled by the remaining directors, even if less than a quorum at any meeting of the directors.

Section 6. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a majority of the Total Association Vote. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors. Directors also may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed, not to exceed a value of One Hundred Dollars (\$100) per calendar year. For purposes hereof, reasonable food and beverages purchased for Board meeting shall not be considered compensation.

Section 7. Director Conflicts of Interest.

(a) A conflict of interest transaction is a transaction with the Association in which a director of the Association has a direct or indirect conflict. For purposes of this Section, a director has an indirect interest in a transaction if: (i) another entity in which the director has a material interest or in which the director is a general partner is a party to the transaction; or (ii) another entity of which the director is a director, officer, or trustee is a party to the transaction.

(b) A conflict of interest transaction is not voidable or the basis for imposing liability on the director if the transaction (i) was fair to the Association at the time it was entered into; (ii) the material facts of the transaction and the director's interest were disclosed or known to the Board or a committee of the

Board and the Board or committee authorized, approved, or ratified the transaction; or (iii) the material facts of the transaction and the director's interest were disclosed or known to the members and they authorized, approved, or ratified the transaction. Notwithstanding anything herein, the directors, during the period of Declarant control, shall be authorized on behalf of the Association to enter into contracts with the Declarant and its affiliates as set forth in Paragraph 19(g) of the Master Deed.

(c) For purposes of subsection 7(b)(ii), a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors on the Board or on the committee who have no direct or indirect interest in the transaction, but a transaction may be authorized, approved, or ratified under this Section by a single director. If a majority of the directors on the Board who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this Section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsection 7(b)(ii) if the transaction is otherwise approved as provided in subsection 7(b).

(d) For purposes of subsection 7(b)(iii), a conflict of interest transaction is authorized, approved, or ratified by the members if it receives a majority of the votes entitled to be counted under this subsection 7(d). Votes cast by or voted under the control of a director who has a direct or indirect interest in the transaction, and votes cast by or voted under the control of an entity described in subsection 7(a)(i), may not be counted in a vote of members to determine whether to authorize, approve, or ratify a conflict of interest transaction under subsection 7(b)(iii). The vote of these members, however, is counted in determining whether the transaction is approved under other provisions of the South Carolina Nonprofit Corporation Act of 1994. A majority of the voting power, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection 7(d) constitutes a quorum for the purpose of taking action under this Section.

Section 8. Nomination. Nomination for election to the Board shall be made from the floor at the meeting. The Board also may appoint a nominating committee to make nominations prior to the meeting.

Section 9. Elections. All members of the Association eligible to vote shall be entitled to cast their entire vote for each directorship to be filled. There shall be no cumulative voting. The directorships for which elections are held shall be filled by that number of candidates receiving the most votes. Voting for election of Board members shall be by written ballot (unless dispensed by unanimous consent at such meeting at which such voting is conducted).

B. Meetings.

Section 1. Regular Meetings. Regular meetings of the Board may be held on such date and at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every six (6) months. The newly elected Board shall meet within ten (10) days after each annual meeting of the membership. Notwithstanding the foregoing, during the Declarant Control Period, the Board shall not be required to hold regular meetings.

Section 2. Special Meetings. Special meetings of the Board may be called by the President on two (2) days notice to each director given by regular first class or electronic mail, in person, by telephone, or by facsimile transmission, which notice shall state the date, time, and place of the meeting. Special meetings of the Board shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 3. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall also constitute a waiver of notice by him or her of the date, time and place of such meeting, unless such director, upon arriving at the meeting or prior to the vote on a matter not noticed in conforming with the South Carolina Nonprofit Corporation Act of 1994, objects to lack of notice and does not thereafter vote for or assent to the objected action. If all directors are present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.

Section 4. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. A majority of directors shall constitute a quorum for the transaction of business. If a quorum is present when a vote is taken, the affirmative vote of a majority of the directors present is the act of the Board, unless otherwise provided by these Bylaws or the South Carolina Nonprofit Corporation Act of 1994. One (1) or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other.

Section 5. Open Meetings. Board meetings need not be open to all members. However, if the Board permits members to attend Board meetings, then members other than directors may not participate in the discussion or deliberation unless expressly so authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session. The Board may order the removal of any meeting guest who, in the Board's opinion, either disrupts the conduct of business at the meeting or fails to leave the meeting upon request after an announcement of reconvening in executive session.

Section 6. Action Without a Meeting. Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if a majority of the directors consent to such action in writing, sent via hand delivery, regular first class or electronic mail or facsimile. Such consents must describe the action taken and be signed by no fewer than a majority of the directors and such consents shall be filed with the minutes of the Board of Directors. An action taken pursuant to this Section shall be effective when the last director signs the consent, unless, the consent specifies a different effective date.

C. Powers and Duties.

Section 1. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Regime and may do all such acts and things as are not by the Act, the Master Deed, the Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following, in the way of explanation, but not limitation:

(a) preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the Common Expenses;

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment;

(c) providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility as set forth in Paragraph 17 of the Master Deed;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair, and replacement of the Common Elements, Association property, and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a financial depository or institution which it shall approve, or otherwise investing the proceeds in accordance with any limitations set forth in South Carolina law, and using the proceeds to administer the Association;

(f) making and amending rules and regulations and imposing sanctions for violation thereof, including, without limitation, monetary fines;

(g) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Elements in accordance with the other provisions of the Master Deed and these Bylaws, after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Master Deed, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Act and the Master Deed, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not directly chargeable to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred; and

(m) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts, owners associations, or other associations or corporations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 2. Management Agent. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such

duties and services as the Board of Directors shall authorize. The Board shall use reasonable efforts in any management contract to provide for termination of such contract by the Association with or without cause and without penalty, upon no more than thirty (30) days written notice. No management contract shall have a term in excess of one (1) year.

Section 3. Borrowing. Except as may be set forth in Paragraph 18 of the Master Deed, the Board of Directors shall have the power to borrow money for the purpose of maintenance, repair, restoration, or improvement of the Common Elements and facilities, and for other purposes, with the approval of a majority of the Total Association Vote.

Section 4. Liability and Indemnification of Officers, Directors and Committee Members. The Association shall indemnify every officer, director, and committee member (including directors, officers, and committee members appointed by Declarant during the Declarant Control Period) that conducted himself or herself in good faith, and in the case of a criminal proceeding had no reasonable cause to believe his or her conduct was unlawful, and reasonably believed (i) in the case of conduct in his or her official capacity with the Association, that his conduct was in its best interest; and (ii) in all other cases, that his or her conduct was at least not opposed to its best interests. The foregoing indemnification shall be valid against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon such officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer, director or committee member, whether or not such person is an officer, director or committee member at the time such expenses are incurred subject to the limitations herein. The Board must make a determination of whether the director has met the standard of conduct in the preceding sentence prior to indemnifying such officer, director or committee member. Such determination shall be made by: (i) the Board by majority vote of a quorum consisting of directors not at the time parties to the proceeding; (ii) if a quorum cannot be obtained as outlined above, by majority vote of a committee duly designated by the Board, in which designation directors who are parties may participate, consisting solely of two (2) or more directors not at the time parties to the proceeding; (iii) by special legal counsel pursuant to Section 33-31-855(b)(3) of the South Carolina Nonprofit Corporation Act of 1994; or (iv) by members of the Association. Authorization of indemnification and evaluation as to reasonableness of expenses must be made in the same manner as the preceding sentence, except that if the determination is made by special legal counsel, such authorization and evaluation must be made by those entitled under Section 33-31-855(b)(3) of the South Carolina Nonprofit Corporation Act of 1994 to select counsel. Directors who are partners to the proceedings may not vote on the determination.

If the Association indemnifies or advances expenses to a director pursuant hereto in connection with a proceeding by or in the right of the Association, the Association shall report the indemnification or advance in writing to the members with or before the notice of the next meeting of members. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer, director or committee member in the performance of his or her duties, except for his or her own individual willful misfeasance or malfeasance. The Association, in determining whether to indemnify a director, officer or committee member, shall not impute knowledge to said director, officer or committee member from any source whatsoever, rather, any such determination shall be based on the actual knowledge of the director, officer or committee member. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors and committee members may also be members of the Association), and the Association shall indemnify and

forever hold each such officer, director or committee member free and harmless against any and all liability to others on account of any such contract or commitment. Notwithstanding anything contained herein to the contrary, the Association may not indemnify a director (i) in connection with a proceeding by or in the right of the Association in which the director was adjudged liable to the Association; or (ii) in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his or her official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by the director. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member or former officer or director may be entitled. The Association shall maintain, as a Common Expense, adequate general liability and, if obtainable, officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in the Master Deed.

D. Committees.

Section 1. Architectural Control Committee. After termination of the Declarant Control Period, the Board shall establish an Architectural Control Committee for the purpose of establishing and maintaining architectural standards in the Regime as provided in the Master Deed; provided that such committees shall have two (2) or more members.

Section 2. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize; provided that such committees shall have two (2) or more members.

Section 3. Service on Committees. Unless otherwise provided in these Bylaws or in the resolutions authorizing a particular committee, the members of any committee shall be appointed by the Board and shall serve at the pleasure of the Board of Directors. Any committee member may be removed or without cause at any time and with or without a successor being named. A Committee may not (i) authorize distributions; (ii) approve or recommend to members dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Association's assets; (iii) select, appoint, or remove directors to fill vacancies on the Board or any of its committees; or (iv) adopt, amend, or repeal the Articles of Incorporation or Bylaws.

Article IV Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all or any of which may be the same person. A Vice President may be elected at the discretion of the Board.

Section 2. Election of Officers. The Association officers shall be elected annually by the Board at the first Board meeting following each annual meeting of the members and shall hold office at the pleasure of the Board and until a successor is elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4. Vacancies. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

Section 5. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Act of 1994, including, but not limited to, the power to appoint committees from among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 6. Vice President. The Vice President, if any, shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 7. Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and authenticate records of the Association and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under South Carolina law.

Section 8. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements (such account shall be in chronological order and shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred), for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided in the Master Deed. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to a management agent.

Section 9. Other Officers. Other offices may be created by the Board, and the Board members that hold such offices shall have such titles and duties as are defined by the Board.

Section 10. Agreements, Contracts, Deeds, Leases, Etc. Except during the Declarant Control Period, all agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Article V Rule Making and Enforcement

Section 1. Authority and Enforcement. The Regime shall be used only for those uses and purposes set out in the Master Deed. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Units and the Common Elements; provided, copies of all such rules and regulations shall be furnished to all Owners and Occupants. Any rule or regulation may be repealed by the affirmative vote or written consent of a majority of the Total Association Vote and the consent of the Declarant during the Declarant Control Period, at an annual or special meeting of the membership. Every Owner and Occupant shall comply with the Master Deed, Bylaws and rules and regulations of the Association, and any lack of compliance therewith shall entitle the Association and, in an appropriate case, one (1) or more aggrieved Owners, to take action to enforce the terms of the Master Deed, Bylaws or rules and regulations.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Unit, and to suspend an Owner's right to vote or to use the Common Elements for violation of any duty imposed under the Master Deed, these Bylaws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board to limit ingress and egress to or from a Unit. In the event that any Occupant of a Unit violates the Master Deed, Bylaws, or a rule or regulation and a fine is imposed, notice of such violation shall be sent to the Owner and Occupant, and the fine shall first be assessed against such Occupant; provided, however, if the fine is not paid by the Occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association, and the fine shall be an assessment and a lien against the Unit until paid. The failure of the Board to enforce any provision of the Master Deed, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 2. Fining and Suspension Procedure. The Board shall not impose a fine, suspend the right to vote or suspend the right to use the Common Elements (provided, however, if an Owner is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association, suspension of the right to vote and the right to use the Common Elements shall be automatic; provided further, however, suspension of common utility services shall require compliance with the provisions of Paragraph 10(c)(v) of the Master Deed, where applicable), unless and until the Association has sent or delivered written notice to the violator as provided in subsection (a) below. Any such fine or fines may be effective or commence upon the sending of such notice or such later date as may be set forth in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge such fine under subsection (b) below.

(a) **Notice.** If any provision of the Master Deed or Bylaws or any rule or regulation of the Association is violated, the Board shall send the violator written notice identifying the violation and fine(s) and the suspension being imposed and advising the violator of the right to request a hearing before the Board to challenge the violation, fine(s), or suspension or to request reconsideration of the fine(s) or suspension. Fines may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine. In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the violator. Suspensions shall be effective pursuant to Section 33-31-621 of the South Carolina Nonprofit Corporation Act of 1994.

(b) **Hearing.** If a written request for hearing is received from the violator within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the violator a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time.

Section 3. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Master Deed, the Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, towing of vehicles that are in violation of the parking rules and regulations or performing maintenance on any Unit upon a failure by the Owner to so do) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 2 of this Article. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

The Association or its duly authorized agent shall have the power to enter a Unit or upon any portion of the Common Elements to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Master Deed, the Bylaws, or the rules and regulations; provided, however, written notice shall be given to the Owner of the Unit at least two (2) days prior to the time that any items of construction are altered or demolished. All costs of self-help, including reasonable attorneys' fees, shall be assessed against the violating Owner and shall be collected as provided herein for the collection of assessments.

Article VI
Miscellaneous

Section 1. Notices.

(a) Method of Giving Notice. Unless otherwise prohibited in these Bylaws, all notices, demands, bills, statements, or other communications shall be in writing and shall be given via:

- (i) Personal delivery to the addressee; or
- (ii) United States mail, first class, postage prepaid; or
- (iii) Electronic mail; or
- (iv) Facsimile; or

(v) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

(b) Addressee. Notice sent by one of the methods described in subparagraph (a) above shall be deemed to have been duly given:

(i) If to an Owner, at the address, electronic mail address or facsimile number which the Owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Unit of such Owner;

(ii) If to an Occupant, at the address, electronic mail address or facsimile number which the Occupant has designated in writing with the Secretary or, if no such address has been designated, at the address of the Unit occupied; or

(iii) If to the Association, the Board or the managing agent, at the postal address, facsimile or electronic mail address of the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary. The Secretary shall promptly provide notice to all Owners of any such change in address.

Section 2. Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Master Deed.

Section 3. Captions. The captions herein are inserted only 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 thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year of the Association may be set by Board resolution, and, in the absence thereof, shall be the calendar year.

Section 6. Financial Audit. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board and a financial statement prepared. However, after having received the Board's financial statement review at the annual meeting, the Owners may, by a Majority of the Total Association Vote, require that the accounts of the Association be audited as a Common Expense by an independent accountant. Such statement shall be made available to the holder, insurer, or guarantor of any first mortgage on a Unit upon submission of a written request and must be available within one hundred twenty (120) days of the Association's fiscal year end. If an audited financial statement by an independent accountant is not required, a mortgage holder may have an audited statement prepared at its own expense.

If annual financial statements are reported upon by a public accountant, the accountant's report must accompany them. If not, the statements must be accompanied by the statement of the president or Person responsible for the Association's financial accounting records (i) stating that Person's belief as to whether the statements were prepared on the basis of generally accepted accounting principles, and if not, describing the basis of preparation, and (ii) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

Section 7. Repair and Reconstruction. If, for any reason, the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair, as determined by the Board, the additional costs shall be assessed against the Owners in accordance with Paragraph 12 of the Master Deed.

Section 8. Conflicts. The duties and powers of the Association shall be those set forth in the Act, the South Carolina Nonprofit Corporation Act of 1994, the Master Deed, these Bylaws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Act, the South Carolina Nonprofit Corporation Act of 1994, the Master Deed, these Bylaws, or the Articles of Incorporation, then the provisions of the Act, the South Carolina Nonprofit Corporation Act of 1994, as may be applicable, the Master Deed, the Articles of Incorporation and these Bylaws, in that order, shall prevail, and each Owner of a Unit, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

Section 9. Amendment. Except where a higher vote is required for action under a particular provision of the Master Deed or Bylaws, in which case such higher vote shall be necessary to amend, these Bylaws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding two-thirds (2/3) of the Total Association Vote. Any amendment to add, change, or delete a greater quorum for members must be adopted under the quorum then in effect or proposed to be adopted, whichever is greater. Any amendment to add, change, or delete a voting

requirement must be adopted by the same vote and classes of members required to take action under the voting requirements then in effect or proposed to be adopted, whichever is greater. Any amendment that fixes a greater quorum or voting requirements for the Board may be amended or repealed only by the members, if the members originally adopted such quorum or voting requirements. Notwithstanding the foregoing, any amendment to the Bylaws shall require the written consent of Declarant until the later of the following: (a) the date upon which the Declarant no longer owns any Unit at Tradewinds at Shelter Cove Horizontal Property Regime; (b) the date upon which the Declarant Control Period expires; or (C) ten (10) years after the date on which the Master Deed is recorded in the RMC Office for Beaufort County, South Carolina, whichever period of time is longer. Moreover, no amendment shall become effective until it is certified by the President and Secretary of the Association and recorded in the RMC Office for Beaufort County, South Carolina. Any amendment duly certified and recorded shall be conclusively presumed to have been duly adopted in accordance with the Master Deed and Bylaws. Owners whose voting rights have been suspended pursuant to the Master Deed or these Bylaws shall not be counted as eligible votes toward the amendment requirement.

Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the amendment's effective date. No action to challenge any such amendment may be brought after such time.

Notwithstanding the foregoing, Declarant or the Board of Directors, without the necessity of a vote from the Owners, may amend these Bylaws to correct any scrivener's errors, comply with any applicable state or federal law, and/or to bring the Regime into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA") pursuant to federal law.

Section 10. Books and Records.

(a) The Association shall:

(i) keep as permanent records minutes of all meetings of its members and Board, a record of all actions taken by the members or directors without a meeting, and a record of all actions taken by committees of the Board as authorized by Section 33-31-825(d) of the South Carolina Nonprofit Corporation Act of 1994;

(ii) maintain appropriate accounting records;

(iii) maintain a record of its members in a form that permits preparation of a list of the name and address of all members, in alphabetical order, showing the number of votes each member is entitled to cast;

(iv) maintain its records in written form or in another form capable of conversion into written form within a reasonable time; and

(v) keep a copy of the following records at its principal office:

(A) its Articles or restated Articles of Incorporation and all amendments to them currently in effect;

- (B) its Bylaws or restated Bylaws and all amendments to them currently in effect;
- (C) resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and obligations of members;
- (D) the minutes of all meetings of members and records of all actions approved by the members for the past three years;
- (E) all written communications to members generally within the past three years, including the financial statements furnished for the past three years under Section 33-31-1620 of the South Carolina Nonprofit Corporation Act of 1994;
- (F) a list of the names and business or homes address of its current directors and officers; and
- (G) its most recent report of each type required to be filed by it with the Secretary of State of South Carolina under the South Carolina Nonprofit Corporation Act of 1994.

(b) All members of the Association and any holder of a first Mortgage shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member or mortgagee wishes to inspect and copy:

- (vi) its Articles or restated Articles of Incorporation and all amendments to them currently in effect;
- (vii) its Bylaws or restated Bylaws and all amendments to them currently in effect;
- (viii) resolutions adopted by either its members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
- (ix) resolutions adopted by either its members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of members or any class or category of members;
- (x) the minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;
- (xi) all written communications to members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;
- (xii) a list of the names and business or home addresses of its current directors and officers; and
- (xiii) its most recent annual report delivered to the Secretary of State.

(c) A member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the member wishes to inspect and copy only if the member's demand is made in good faith and for a proper purpose that is reasonably relevant to the member's legitimate interest as a member; the member describes with reasonable particularity the purpose and the records the member desires to inspect; the records are directly connected with this purpose:

(i) excerpts from minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Association, minutes of any meeting of the members, and records of action taken by the members or the Board without a meeting, to the extent not subject to inspection under subsection 9(a);

(ii) accounting records of the Association; and

(iii) the membership list only if for a purpose related to the member's interest as a member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Association; used for any commercial purpose; or sold to or purchased by any person.

The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the Member.

Notwithstanding anything to the contrary, the Board may limit or preclude member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other members. Minutes for any Board or Association meetings do not become effective and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.

Return to:

Cross-reference to:

Book 02312, Page 2268

MORTGAGEE CONSENT, APPROVAL AND SUBORDINATION

BB&T ("Mortgagee"), being the owner and holder of a SECURITY DEED recorded in Book 02312 Page 2268 in the RMC Office for Beaufort County, South Carolina (the "Security Instrument") approves that certain Master Deed for Tradewinds at Shelter Cove Horizontal Property Regime (the "Master Deed") which is to be recorded with this Consent; and

Mortgagee does hereby expressly subordinate to the Master Deed all right, title, interest and lien of the undersigned created under and by virtue of the Security Instrument with respect to the property described in and subject to the Master Deed or hereafter made subject to the Master Deed in accordance with the terms thereof. Except as set forth herein, the Security Instrument shall otherwise remain in full force and effect and shall not be subordinated to any other lien or encumbrance.

IN WITNESS WHEREOF, the undersigned has executed this Mortgagee Consent, Approval and Subordination this 16TH day of JUNE, 2006.

Signed, sealed, and delivered this 16TH MORTGAGEE: B. Martin Fahsel
day of JUNE, 2006.

[Signature]
Witness

By: B MARTIN FAHSEL
Title: SENIOR VICE PRESIDENT

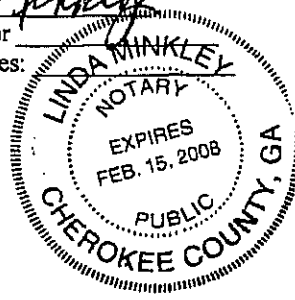
[CORPORATE SEAL]

[Signature]
Witness
STATE OF GEORGIA)
COUNTY OF COBB)

ACKNOWLEDGEMENT

I, a Notary Public in and for the County and State aforesaid, certify that B MARTIN FAHSEL SENIOR VICE PRESIDENT of BB&T, personally appeared before me this day and acknowledged the execution of the foregoing Consent on behalf of _____.

WITNESS my hand and official stamp or seal this 16TH day of JUNE, 2006.

Linda Minkley
NOTARY PUBLIC for _____
My commission Expires: _____


CONSENT OF GREENWOOD DEVELOPMENT CORPORATION

THIS CONSENT is made the day stated below, by GREENWOOD DEVELOPMENT CORPORATION.

WITNESSETH

WHEREAS, Greenwood Development Corporation (hereinafter referred to as the "Master Declarant"), recorded that certain Declaration of Covenants, Conditions, and Restrictions Running with Certain Land of Greenwood Development Corporation in Beaufort County, South Carolina, and provisions for membership in the Shelter Cove Harbor Company, A South Carolina Non-Profit Corporation, dated February 22, 1982, and recorded in Deed Book 342, Page 1726, in the Beaufort County, South Carolina records (such instrument as amended, is hereinafter referred to as the "Master Declaration");

WHEREAS, Section 4-13 of the Master Declaration provides that no Horizontal Property Regime shall be established on the Property until all legal documents associated therewith have been approved by Master Declarant; and

NOW, THEREFORE, pursuant to the powers retained by Master Declarant under the Master Declaration, Master Declarant hereby consents to that certain Master Deed for Tradewinds at Shelter Cove, which is to be recorded with this Consent.

IN WITNESS WHEREOF, the undersigned has executed Consent this 8TH day of AUGUST, 2006.

Signed, sealed, and delivered this 8th day **GREENWOOD DEVELOPMENT CORPORATION** of August, 2006.

Dwight C. Kennedy
Witness

By: Charles W. Pigg
Title: Vice President

Carolyn J. Randall
Witness

Attest: Ronald T. Cole
Title: Vice President

[CORPORATE SEAL]

STATE OF South Carolina)
)
COUNTY OF Greenwood)

ACKNOWLEDGEMENT

I, a Notary Public in and for the County and State aforesaid, certify that Charles W. Pigg, Vice President of Greenwood Development, personally appeared before me this day and acknowledged the execution of the foregoing Consent on behalf of Greenwood Development Corp.

WITNESS my hand and official stamp or seal this 8th day of August, 2006.

Carolyn J. Randall
NOTARY PUBLIC for South Carolina
My commission Expires: February 4, 2008