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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
STILLPOINTE COMMUNITY ASSOCIATION**

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Exhibit A	Property Description
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This Declaration of Covenants, Conditions and Restrictions for Stillpointe Community Association, Inc. is made this 13th day of July, 2020, by **Oakland Developers, LLC**, (“Declarant”), a South Carolina limited liability company.

WITNESSETH

WHEREAS, Declarant is the Owner of certain land situate and being in Sumter County, South Carolina, more particularly described on **Exhibit “A”** attached hereto as a part hereof, said land together with such additional lands as shall be subject to this Declaration, collectively being referred to as the “Property;” and

WHEREAS, Declarant wishes to establish and assure a uniform plan for the development of the Property and to enhance and protect the economic and aesthetic value and desirability of the Property and the health, safety, and welfare of the Owners and Occupants thereof.

NOW THEREFORE, Declarant declares that the Property is hereby subjected to and shall be held, sold, occupied and conveyed subject to this Declaration of Covenants, Conditions and Restrictions.

Declarant further declares that this Declaration and all amendments and supplements thereto shall run with the land and shall be binding upon the Declarant, the Association, each Owner, their heirs, successors and assigns and all parties claiming under them or under this Declaration and shall inure to the benefit of and be enforceable by the Declarant, the Association, each Owner and all claiming under each Owner.

Additional land owned by the Declarant may be subjected or annexed to this Declaration. The Declarant shall not be obligated, however, to develop or annex such additional land. Any such annexation will be governed by the provisions for annexation of land contained herein.

ARTICLE I
DEFINITIONS

1.1 “Architectural Review Board” shall mean and refer to the Declarant or its designated appointees until the Class B Control Period has terminated. At such time, Architectural Review Board shall consist of the Board of Directors or such other Members as the Board may appoint.

1.2 “Architectural Guidelines” shall mean and refer to the set of policies, rules and procedures, if any, which may be promulgated and/or amended by the Architectural Review Board, from time to time, which shall act as a guide for the architectural control and review process and for the maintenance, construction or renovation of Improvements in the Community.

1.3 “Area of Common Responsibility” shall mean and refer to the Common Property, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other person or entity become the responsibility of the Association.

1.4 “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the Association filed with the Secretary of State, a copy of which is attached to this Declaration as **Exhibit “B,”** as it may be amended as provided therein.

1.5 “Assessments” shall have the meaning specified in ARTICLE X.

1.6 “Association” shall mean and refer to Stillpointe Community Association, Inc. a South Carolina nonprofit corporation, its successors and assigns.

1.7 “Board of Directors” or “Board” shall mean and refer to the Board of Directors of the Association.

1.8 “Bylaws” shall mean and refer to the Bylaws of the Association, a copy of which is attached to this Declaration as **Exhibit “C,”** as it may be amended as provided therein.

1.9 “Class B Control Period” shall mean and refer to the period commencing on the date of this Declaration first set forth above and terminating on the earlier of (a) when the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership; or (b) any earlier date specified by the Declarant in a written notice to the Association that the Class B Control Period is to terminate on that date.

1.10 “Common Area” shall mean and refer to all real property and the Improvements thereon shown as “Common Area” on any recorded Plats of the Property or so designated in any conveyance to the Association by the Declarant. Common Area is intended for the common use and enjoyment of the Members, subject to the Rules and Regulations and reserved easement rights, and are not dedicated for use to the general public. Any real property dedicated to and accepted by a governmental entity shall not be considered Common Area.

1.11 “Community” shall mean and refer to the subdivided Property constituting the Stillpointe Subdivision.

1.12 “Costs of Collection” shall mean and refer to all costs and expenses incurred by the Association in collecting assessments or any other charges authorized herein, whether or not any action at law and/or in equity is instituted and whether incurred before or after any action at law and/or equity is instituted, including, without limitation, attorney’s fees, management company/management agent charges, administrative fees and charges, court costs, costs and expenses occurred in protecting its lien(s) and/or the priority thereof, and any other costs and expenses incurred by the Association.

1.13 “Declaration” shall mean and refer to this document as it may from time to time be amended or supplemented in the manner provided herein.

1.14 “Developer” or “Declarant” shall mean and refer to Oakland Developers, LLC, a limited liability company organized and existing under the laws of the State of South Carolina, its successors and assigns, as long as it owns any Property. When the Declarant no longer owns any

Property, Declarant or Developer shall mean and refer exclusively to the Association, and all rights of the Declarant shall be deemed to have passed to the Association.

1.15 “Dwelling Unit” shall mean and refer to any portion of the Property, as improved, intended for any type of independent ownership for use and occupancy as a residence by one household and shall, unless otherwise specified, include within its meaning, by way of illustration, but not limitation, a single family home, patio home, garden home, townhome, condominium unit, duplex unit, or apartment, if constructed in the Community.

1.16 “Duplex Unit” shall mean a single-family Dwelling Unit which is connected to the adjoining Dwelling Unit by a Party Wall. The Duplex Unit includes everything from the top of the exterior surface of the roof to the bottom of the exterior surface of the foundation of the Duplex Unit, and from the center of the space between the Party Wall connecting the two Dwelling Units to the exterior surfaces of all outer walls of the Duplex Unit.

1.17 “First Lien Mortgagee” shall mean and refer to a bank, mortgage company or other institution in the business of loaning money that holds a first priority mortgage or deed of trust on a Lot or Dwelling Unit in the Community.

1.18 “Governing Document(s)” shall mean and refer to this Declaration, the Plat, the Bylaws, the Articles of Incorporation, Architectural Guidelines and the Rules and Regulations, as any of these may be amended from time to time.

1.19 “Improvement” shall mean and refer to any addition, change or object upon any portion of the Property, whether temporary or permanent, that alters or changes the appearance of the Property or the existence of which affects some aspect of the Property, including, without limitation, grade, slope, or natural flow of water. Improvement is intended to be comprehensive, and shall be construed broadly.

1.20 “Lot” shall mean and refer to any parcel of land with such Improvements or Dwelling Units as may be erected or placed thereon, shown and designated as a Lot upon any recorded subdivision map or Plat of the Property which has been subjected to this Declaration. “Lot” shall not mean and refer to Common Areas, Areas of Common Responsibility, or the streets or road rights-of-way in the Community.

1.21 “Member” shall mean and refer to any Owner, as provided in Section 1.23 herein.

1.22 “Mortgagee” shall mean and refer to the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more Lots.

1.23 “Occupant” shall mean and refer to each individual occupying any Dwelling Unit.

1.24 “Owner” shall mean and refer to the record owner or owners, whether one or more Persons or entities, of any Lot which is part of the Property, but excluding in all cases Declarant and any party holding an interest merely as security for the performance of an obligation.

1.25 “Party Wall” shall mean and refer to the walls separating two (2) Duplex Units including any space between the walls.

1.26 “Person” shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, a trustee, or any other legal entity.

1.27 “Plat” shall mean and refer to collectively to those certain plat(s) depicting all or a portion of the Property recorded in the Register of Deeds from time to time, each as amended, modified, supplemented, restated or superseded from time to time.

1.28 “Property” shall mean and refer to those certain lands, including but not limited to, the Lots, streets or road rights-of-way and Common Areas, subjected to this Declaration, which is described in Exhibit A, together with such additional lands as may be subjected to this Declaration as provided herein.

1.29 To “Rent,” “Rental,” and other similar terms shall mean and refer to the granting or conveyance of any rights to use, occupy or possess a Lot or Dwelling Unit, or any portion thereof, to someone other than the Owner of the Lot or Dwelling Unit for a fee or other consideration, including, without limitation, to lease, to let and to license.

1.30 “Rental Agreement” shall mean and refer to any agreement to Rent a Lot or Dwelling Unit, or any portion thereof, including, without limitation, leases, licenses and other similar arrangements.

1.31 “Renter” shall mean and refer to any person(s) or entity(ies) to whom a Lot or Dwelling Unit, or any portion thereof, is Rented, including, without limitation tenants, lessees and licensees.

1.32 “Rules and Regulations” shall mean and refer to the rules, policies, guidelines and procedures adopted and modified by the Declarant or the Board of Directors, from time to time, governing the use of the Property and the facilities thereon, and the conduct of Owners, Occupants, and guests on the Property.

1.33 “Short Term Rental” shall mean and refer to when a Lot or Dwelling Unit, or any portion thereof, is Rented to a particular Renter for a period of less than thirty (30) consecutive days.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

2.1 The real property which is subject to the covenants and restrictions contained in this Declaration is the real property described in **Exhibit “A”**

2.2 Only the real property described in Section 2.1 herein is made subject to this Declaration. However, Declarant intends to and may subject additional property to this Declaration

by recording an amendment, addendum or supplement to this Declaration, as described in ARTICLE VIII herein.

ARTICLE III
PROPERTY RIGHTS TO COMMON AREAS

3.1 **Rights of Enjoyment of Common Areas.** Each Owner shall have a right and nonexclusive easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to his Lot. Such easements and rights shall be subject to the following provisions:

(a) The right of the Declarant or the Board of Directors to adopt, promulgate, enforce, and from time to time amend, reasonable Rules and Regulations pertaining to the use of the Property, including Common Areas, roads and rights-of-way, and Lots, which shall enhance the preservation of such facilities and the safety and convenience of the users thereof. Such Rules and Regulations may include limitations on the number of guests of Owners and Occupants who may use the Common Areas at any one time. Enforcement of Rules and Regulations shall specifically include the right to impose and collect monetary fines as Specific Assessments provided for herein.

(b) The right of the Declarant or the Board of Directors to establish and charge reasonable admission and any other fees for certain types of extraordinary uses of the Common Areas.

(c) The right of the Declarant or the Board of Directors to suspend the voting rights, the right to use all or any portion of the Common Area (with the exception of any streets or access ways), and/or any services provided by the Association, including without limitation architectural review services, during any period in which an Owner shall be in default in the payment of any Assessment levied by the Association or for any other violation of the Governing Documents.

(d) The Declarant or the Association may at any time mortgage, dedicate or transfer all or a part of the Common Area to any public agency, authority, or other entity upon such terms and conditions as shall be agreed upon by such agency, authority, entity or organization and the Board of Directors. No such dedication or transfer shall be effective, however, unless approved by a majority of the vote of the Class A Members at a duly called meeting at which a quorum is present or, during the Class B Control Period, by the Class B Member, except for the following, which shall not require any Members' consent: (i) granting easements which do not interfere with the intended Common Area use; (ii) dedicating Common Area to a public authority; (iii) conveying Common Area as part of boundary line adjustments with Lots; or (iv) transferring Common Area pursuant to a merger or consolidation with another Association.

(e) The right of the Board of Directors to regulate parking on Common Area through the granting of easements, licenses, or promulgation of Rules and Regulations. In areas where parking is provided on private streets and parking lots owned by the Association, the right but not the obligation, of the Board to assign and reserve parking spaces for the exclusive use of individual Owners.

3.2 No Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area or any part thereof, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Common Area which is the subject of such partition action has been removed from the provisions of this Declaration. This section shall not prohibit the Board from acquiring and disposing of real or personal property which may or may not be subject to this Declaration.

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

4.1 Membership. Except as otherwise stated in this Declaration, every Owner of a Lot in the Community shall be a Member in the Association. If a Lot is owned by more than one Person, there shall be only one (1) membership and one (1) vote per Lot, and the votes and rights of use and enjoyment shall be as provided in this Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a Member, but in no event shall more than one (1) vote be cast nor more than one (1) office held for each Lot owned, except as otherwise stated in this Declaration.

4.2 Voting. There shall be two classes of voting membership:

(a) Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be members and shall be entitled to rights of membership and of the use and enjoyment appurtenant to such ownership. In no event shall more than one vote be cast with respect to any such Lot.

(b) Class B: The Class B member(s) shall be the Declarant and any successor or assign of Declarant who takes title to all or a portion of the Property for the purpose of development and sale and who is designated as a successor declarant in a recorded instrument in accordance with this Declaration. Declarant shall be entitled to five (5) votes for each Lot owned and five (5) votes for each one-half (0.50) of an acre of undeveloped land owned and subjected to this Declaration. The Class B Member shall also be entitled to appoint all of the members of the Board of Directors during the Class B Control Period (herein so called), which shall run from the date this Declaration is recorded in the office of the Register of Deeds for Sumter County, South Carolina, until terminated as set forth below. After termination of the Class B Control Period, the Class B Member shall have a veto power over all actions of the Board of Directors and any committee provided in the Bylaws of the Association, so long as the Declarant owns any portion of the Property. Such veto power may only be exercised in good faith. The Class B Control Period shall cease when the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership or any earlier date specified by the Declarant in a written notice to the Association that the Class B Control Period is to terminate on that date. Class B membership shall cease when 100% of the Lots then subject to this Declaration, as may be amended from time to time, have certificates of occupancy issued thereon and have been conveyed to Owners other than builders holding title for the purposes of development and sale and the Declarant no longer owns any of the Property.

ARTICLE V
MAINTENANCE

5.1 Association's Responsibility.

(a) The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping, paving and other improvements situated on the Common Property. The Association shall also maintain (i) all entry features for the Community, (ii) all private Community Streets and alleys including street signs, if any, originally installed by Declarant or its affiliates, (iii) all drainage detention and retention areas which were originally maintained by Declarant or its affiliates, to the extent such areas are not maintained on an ongoing basis by a governmental entity, and (iv) all water and sewer pipes or facilities which serve more than one (1) Dwelling Unit, whether located within or without the Dwelling Unit's boundaries, to the extent that such pipes and facilities are not maintained by public, private or municipal utility companies. The Association shall also maintain all property outside of Dwelling Units located within the Community which was originally maintained by Declarant or its affiliates.

(b) Notwithstanding the foregoing, the Association may, but shall not be obligated to maintain, repair and replace part or all of the exterior walls, exterior surfaces, roofs and any Party Walls of a Duplex Unit which the Declarant or the Board of Directors deems necessary, and the costs for such repairs, replacement and maintenance, along with the Costs of Collection, may be assessed in amounts determined by the Declarant or the Board of Directors, to be allocated against the Owners of the Lot or Lots benefitted by such repairs, replacement and maintenance, or all Lot Owners in the Community, as the Board deems appropriate; provided, however, if the repairs, replacement and maintenance are necessitated by the willful acts, omissions, or negligence of one or more Owners or violations of the Governing Documents, the Association may assess the Owner(s) causing the damage the costs of repairs, replacement and/or maintenance, which shall become a lien against the Dwelling Unit and shall be collected in the same manner as assessments as provided herein. Unless

(c) There is hereby reserved to the Association a blanket easement upon, across, over and under all Property within the Community for access, ingress and egress as necessary to permit the Association to perform its maintenance responsibilities hereunder.

(d) The Association shall not be liable for injury or damage to person or property caused by or resulting from the elements, the Owner of any Dwelling Unit, any other person, any utility, rain, snow or ice which may leak or flow from any portion of the Common Property, or any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to any Owner, or any Owner's Occupants, guests or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Property. The Association shall not be liable to any Owner, or any Owner's Occupants, guests or family, for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities hereunder where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities.

(e) The Association shall repair incidental damage to any Duplex Unit resulting from performance of work which is the responsibility of the Association. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons of its choice such duties as are approved by the Board of Directors.

(f) Except as provided above, the Association may, but shall not be obligated to, maintain part or all of the yards and an easement is hereby reserved for such maintenance. Similarly situated Dwelling Units are to be treated the same with regard to yard maintenance. Maintenance of yards by the Association, if undertaken and the discretion of the Board, shall be performed at the expense of the Association and shall include maintenance only and shall not include any responsibility for replacing dead or dying grass, bushes, shrubs, trees, or other vegetation. Such maintenance shall be performed at a level to be determined in the sole discretion of the Board; provided, however, that all Dwelling Units maintained by the Association must be maintained according to the same standard. In addition, the Board may decide that the Association shall maintain any or all vegetation originally planted or placed by the Declarant or its affiliates on the areas to be maintained by the Association as provided above. Owners shall have the right to add planters, trees, shrubs, bushes, plants and other vegetation to the portions of the Dwelling Unit maintained by the Association so long as such additions otherwise comply with this Declaration, but any of these additions shall be maintained by the Owner. Owners shall have the right, but not the obligation, to individually contract with the Association's landscape contractor to maintain those portions of the Dwelling Unit which the Association does not maintain. No Owner shall be entitled to a diminution in assessments hereunder due to the fact that such Owner has a smaller yard area to be maintained by the Association than other Owners, whether by reason of a garage, approved fencing or any other reason.

5.2 Owner's Responsibility.

Except as provided in Section 5.1 above, all maintenance, repair, and replacement of the Duplex Unit shall be the sole responsibility of the Owner thereof. This shall include, but not be limited to, the portion of the Party Wall serving the Owner's Duplex Unit, all interior walls, electrical and plumbing systems serving the Duplex Unit, including those within the Party Wall, sheetrock, exterior siding, roofs, attics, ceilings, floors, driveways, landscaping, grass, and the entire irrigation system which serves any portion of the Duplex Unit and Lot and to pay the cost of the maintenance, repair or replacement of such items. All such maintenance, repair and replacement shall be approved by the architectural Review Board.

Each Owner shall be obligated:

- (a) to perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Dwelling Units;
- (b) to promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible; and
- (c) not to make any alterations in the portions of the Dwelling Unit which are to be maintained by the Association, remove any portion thereof, make any additions

thereto, or do anything with respect to the exterior or interior of the Dwelling Unit which would or might jeopardize or impair the safety or soundness of any Dwelling Unit, without first obtaining the written consent of the Board and all Owners and Mortgagees of the Dwelling Units affected, and each Owner shall also be obligated not to impair any easement without first obtaining written consent of the Association and of the Dwelling Unit Owner or Owners and their Mortgagees for whose benefit such easement exists.

5.3 Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible, then the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days from the date of the notice within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within such ten (10) day period and diligently pursue completion of such replacement or repair. If the Board determines that an emergency exists or that an Owner has not complied with the demand given by the Association as herein provided, the Association may provide any such maintenance, repair or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Dwelling Unit, and shall be collected as provided herein for the collection of assessments.

5.4 Measures Related to Insurance Coverage.

(a) The Board of Directors, upon resolution, shall have the authority to require all or any Owner(s) to do any act or perform any work involving portions of the Community that are the maintenance responsibility of the Owner which will, in the Board's sole discretion, decrease the possibility of fire or other damage to any improvements located in the Community, reduce the insurance premium paid by the Association for any insurance coverage, or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring all Owners to turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install smoke detectors; requiring Owners to make improvements to the Owner's Dwelling Unit; and such other measures as the Board may reasonably require, so long as the cost of such work does not exceed Five Hundred Dollars (\$500.00) per Dwelling Unit in any twelve (12) month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any reasonable requirement made by the Board pursuant to Section 5.4(a) above, the Association, upon fifteen (15) days' written notice (during which period

the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost shall be an assessment and a lien against the Dwelling Unit and shall be collected as provided herein for the collection of assessments. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to Section 5.4(a) above, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Dwelling Unit, except that access may be had at any time without notice in an emergency situation.

ARTICLE VI INSURANCE AND CASUALTY LOSSES

6.1 Insurance. Unless provided by the Association, each Owner shall insure his or her Dwelling Unit, including any applicable portion of the Party Wall, for full replacement value and for all hazards. Where the Association provides such coverage, the Association shall name the Owners as an additional insured and, upon request of such Owner, deliver a certificate of insurance to the Owner. Where the Owner provides such coverage, the Owner shall name the Association as an additional insured and deliver a certificate of insurance so stating to the Association each year when the Owner renews the policy. Any policy obtained by the Association or by an Owner shall be written by such companies and shall meet such coverage limitations or standards as may be established by the Declarant or the Board of Directors, from time to time. The Owners hereby appoint the Association as attorney-in-fact and exclusive agent to file all claims in the event of a loss, to collect all proceeds, and use the same to repair or replace the Dwelling Unit and building in which the Dwelling Unit is located. In the event the Association's insurance or the Owner's insurance is not sufficient to pay the cost of repair or replacement, including the deductible under the Association's or the Owner's policy, the costs shall be borne by the affected Owner or Owners or the Association, as determined by the Declarant, or the Board. In addition to the requirements set out herein, each Owner shall be responsible to maintain insurance to cover the contents of their respective Duplex Unit to include all personal property. In the event that the Declarant or the Board of Directors determines that the Association shall provide such coverage, the cost of such coverage and, at the sole option of the Declarant or the Board of Directors, any applicable deductible, shall be a part of the Specific Purpose Assessment paid by Owners or of other Assessments levied against an Owner as set out herein. The Association shall not be required to provide coverage for any overages, additions or modifications to the Dwelling Units or Lots, whether such overages, additions or modifications were provided at the time of the initial purchase of the Dwelling Unit or thereafter. It shall be the responsibility of the Owner to provide coverage for any and all such overages, additions or modifications not covered by a policy obtained by the Association under that Owner's individual policy.

If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall also obtain directors' and officers' liability insurance. The Board is hereby authorized to contract with or otherwise arrange to obtain the insurance coverage required hereunder through Declarant or its affiliates and to reimburse the Person so providing or arranging the insurance coverage for the cost thereof, and Declarant or its affiliates shall be authorized, but not obligated, to purchase such insurance coverage for the benefit of the Association and the Owners upon Declarant or its affiliate, as the case may be, and the Association agreeing upon the terms and conditions applicable to reimbursement by the Association for costs incurred by Declarant or its

affiliate, as the case may be, in obtaining such coverage. Notwithstanding anything contained in this Declaration to the contrary, the Board shall not be required to comply with the provisions of this Article if the Board has contracted for or otherwise arranged to obtain the required insurance coverage through Declarant or its affiliates. Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employees dishonesty coverage covering directors, officers, employees and other Persons handling or responsible for the Association's funds. The amount of fidelity or employee's dishonesty coverage, if obtained, shall be determined in the directors' best business judgment. Such coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least ten (10) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage and flood insurance, if and to the extent necessary to satisfy the requirements of The Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the U.S. Department of Veterans Affairs ("VA") or the U.S. Department of Housing and Urban Development ("HUD").

6.2 Damage and Destruction.

(a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessary to comply with applicable building codes.

(b) Repair and Reconstruction. Any damage or destruction to property required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the total Association vote and the Owner or Owners of any damaged Dwelling Unit or Units otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a

vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Dwelling Units owned by such Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.

In the event that it should be determined in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition.

6.3 Insurance Deductible. The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the Persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Dwelling Unit or a Dwelling Unit and the Common Property, the cost of the deductible may be apportioned and assessed equitably by the Board among the parties suffering loss in accordance with the total costs of repair, unless the insurance policy provides that the deductible will apply to each Dwelling Unit separately. If any Owner fails to pay the deductible when required hereunder, the Association can pay the deductible and assess the cost to any such Owner pursuant to Article X, Section 10.5 of this Declaration; provided, however, no Owner shall be assessed more than One Thousand Dollars (\$1,000.00) as the cost of the deductible for any one occurrence.

ARTICLE VII CONDEMNATION

7.1 Whenever all or part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation) the Owners appoint the Board of Directors to act as attorney-in-fact for all Owners in the proceedings incident to the taking, unless otherwise prohibited by law. No Owner, by virtue of his Lot ownership or membership in the Association, shall be entitled to independently participate as a party in any condemnation proceedings or directly participate in any condemnation award. The Board of Directors shall have the right to make a voluntary sale to the condemnor in lieu of engaging in the condemnation action. Any awards received as a result of the taking shall be paid to the Association. The Board of Directors, without the necessity of a vote of the membership of the Association, may (1) retain any award in the general funds of the Association or (2) use such award for the restoration or replacement of any Common Area Improvements affected by the taking.

Notwithstanding the foregoing, this Section shall in no way limit or impair the Declarant's right, in its sole discretion, to remove the property which is subject of the taking from the Community pursuant to the authority granted in Article VIII herein.

ARTICLE VIII ANNEXATION AND REMOVAL OF PROPERTY

8.1 Annexation by Declarant. The Declarant shall have the right to annex additional property into the Property and designate the use of such property or any portion of the property

(e.g., Lots or Common Area) by the filing of an amendment, addendum or supplement to this Declaration describing the property annexed and imposing this Declaration upon such property or any portion of the property.

8.2 Annexation by Association. Upon the termination of Class B Membership, the Association shall have the right to annex additional property into the Property and designate the use of such property or any portion of the property (e.g., Lots or Common Area) with the approval of a majority of the Class A votes cast at a duly called meeting at which a quorum is present. Such annexation shall be effective by the filing of an amendment, addendum or supplement to this Declaration describing the property annexed and imposing this Declaration upon such property or any portion of the property.

8.3 Removal. So long as the Declarant owns any portion of the Property, the Declarant shall have the right to remove portions of the Property from the operation of the Declaration by filing an amendment, addendum or supplement to this Declaration describing the portion of the Property removed and releasing said portion from this Declaration. Such removal shall not require the consent of any Person other than the Owner of the Property to be removed, if not the Declarant.

8.4 Acquisition or Transfer of Common Area. In addition to the foregoing and upon the termination of Class B Membership, the Board shall have the right to acquire additional Common Area property and transfer or convey existing Common Area property.

ARTICLE IX RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

9.1 Common Area. The Association shall be responsible for management, operation, and control of the Common Area, subject to any covenants and restrictions set forth in the deed or other instrument transferring such property to the Association.

9.2 Rules and Regulations. The Board of Directors shall be authorized to promulgate and amend Rules and Regulations governing the use of the Property; including Common Areas, roads and right-of-ways, and Lots; and the conduct of the Owners, Occupants, guests and invitees thereon, and to establish penalties for the infraction thereof, including specific assessments and Costs of Collection, which form a lien on the Owner's Lot. Upon the affirmative vote of fifty-one (51%) of the total vote in the Subdivision at a duly called meeting with a quorum present, any Rule or Regulation may be overridden.

9.3 Pledge of Revenues. The Board of Directors of the Association shall have the power and authority to borrow funds for the benefit of the Association in performing its authorized functions and to pledge the revenues of the Association as security for such loans.

9.4 Implied Rights. The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

ARTICLE X
ASSESSMENTS

10.1 Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the common benefit and enjoyment of the Owners and Occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

10.2 Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, or by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, jointly and severally, covenants and agrees to pay to the Association: (a) annual assessments or charges; (b) special assessments, such assessments to be established and collected as hereinafter provided; and (c) specific assessments against any particular Lot, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of the Declaration. All such assessments, together with late charges, interest, not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due, and Costs of Collection, including, without limitation, reasonable attorney's fees and management company charges incurred, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made in favor of the Association and the Association shall be entitled to file a document evidencing such lien in the land records of the county in which the Lot is located. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on a first mortgage recorded in the land records of the county where the Properties are located. All other Persons or entities acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Each such assessment, together with late charges, interest, Costs of Collection, including, without limitation reasonable attorney's fees and management company charges incurred, shall also be the personal obligation of the Person or entity who was the Owner of such Lot at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a Lot, and each grantee of an Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any First Lien Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure.

Annual assessments shall be levied at a uniform rate per Lot not owned by Declarant and shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice, of any delinquent annual assessments. Unless otherwise provided by the Board, the assessment shall be paid in annual installments.

10.3 Computation. The Board will prepare and approve an estimated annual budget for each fiscal year. The budget will take into account the estimated income and expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make

the budget or its summary available to an owner of each Lot, although failure to receive a budget or summary does not affect an Owner's liability for assessments. The Board will provide copies of the detailed budget to Owners who make written request and pay a reasonable copy charge.

10.4 Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments from time to time for the purposes of defraying, in whole or in part, any shortfall in the estimated annual budget. Special assessments shall be levied at a uniform rate per lot and shall be paid as determined by the Board. The Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

10.5 Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section, as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. Fines levied and costs of maintenance performed by the Association for which the Owner is responsible shall be specific assessments. Specific Assessments are not subject to the uniform rate per Lot provision of Section 10.2 and may be levied in a manner to be determined by the Board.

10.6 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. Any assessment or installment thereof delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine. The Association may cause a notice of delinquency to be given to any member who has not paid within ten (10) days following the due date. If the assessment is not paid within thirty (30) days, a lien, as herein provided, shall attach and, in addition, the lien shall include interest, not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due from the date first due and payable, all late charges, all Costs of Collection, including, without limitation, reasonable attorney's fees and management company charges incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid, the Association may, pursuant to the discretion of the Board, institute suit to collect such amounts and/or to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against such Owner personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the right, but not the obligation, to bid on the Lot at any foreclosure sale to acquire, hold, lease, mortgage or convey the same.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Lot. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under the Declaration or Bylaws, or for inconvenience or discomfort arising from the making of repairs or Improvements which are the responsibility of the

Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of the Owner. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

10.7 Reserve Budget and Capital Contribution. The Board shall prepare an annual reserve budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected cost of repair or replacement. The Board may set the required capital contribution to an amount sufficient to meet the projected needs of the Association, as shown on the reserve budget, both with respect to the amount and timing over the budget period.

ARTICLE XI ARCHITECTURAL STANDARDS AND CONTROL

11.1 Architectural Review Board. During Class B Control Period, the Architectural Review Board shall mean the Declarant or his designated appointees. At such time the Class B Control Period terminates, the Declarant's rights and obligations as the Architectural Review Board shall forthwith terminate and thereafter the Architectural Review Board shall consist of the Board of Directors of the Association or such other members as the Board may appoint. Declarant may terminate his rights and obligations as the Architectural Review Board at an earlier date than that set forth above upon notice to the Owners.

11.2 Requirement for Approval. No Dwelling Unit, building, wall, fence, sign, swimming pool, tennis court, roof, color and composition of roof, siding and other exterior materials and finishes, exterior light, or any other structure or Improvement of any kind shall be commenced or erected upon an Lot, or upon the exterior of any Dwelling Unit, nor shall any landscaping be done, nor shall any addition to any existing building or alteration or change therein be made until the proposed plans, specifications (including height, color and composition, location, materials, and finishes), plot plan, landscape plan, and construction schedule shall have been submitted to, in writing, and approved by, in writing, the Architectural Review Board. In the event approval of such plans is neither granted nor denied within forty-five (45) days following receipt by the Architectural Review Board of written request for approval, approval shall be deemed granted. Refusal to approve plans, location, or specifications may be based upon any ground which is consistent with the objectives of this Declaration, including purely aesthetic considerations, so long as such ground is not arbitrary and capricious. In no event, shall failure to approve or deny such plans constitute waiver by the Architectural Review Board to approve or deny future requests under this Article. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the Declarant, the Association, the Board of Directors, the Architectural Review Board, nor any member of any of the foregoing shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, the Architectural Review Board, nor any member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modification to any Lot.

11.3 Architectural Guidelines. The Architectural Review Board may prepare Architectural Guidelines for the Property. The Architectural Guidelines may contain general provisions applicable to all of the Properties, as well as specific provisions which vary according to land use and from one portion of the Properties to another depending on the location, size, unique characteristics, and intended use. The Architectural Guidelines are intended to provide guidance to Owners, but are not the exclusive basis upon which decisions may be made by the Architectural Review Board of whether to approve or deny a request under this Article. The Architectural Review Board shall have the sole and full authority to amend the Architectural Guidelines.

11.4 Variances. The Architectural Review Board may authorize variances from compliance with any of its Architectural Guidelines when circumstances, such as topography, natural obstructions, hardship, or aesthetic or environmental considerations so require. Approval by the Declarant or Architectural Review Board of any plans and specifications or the granting of a variance shall not in any way be construed to set a precedent for approval, alter in any way the Architectural Guidelines, or deemed a waiver of the Declarant's or the Architectural Review Board's right in its discretion to disapprove similar plans and specifications.

11.5 Building Setback Requirements. Unless the Declarant or the Architectural Review Board waives the requirement or unless a setback is otherwise shown on any of the Plats recorded with respect to the Property or unless otherwise stated in a document recorded with the Register of Deeds, the approved exterior finished face, steps, eaves and overhangs of all Improvements on a Lot, including but not limited to, approved Dwelling Units, shall be placed on the Lot so as to meet the criteria set forth by (a) an appropriate governmental authority, and (b) the Architectural Review Board as it relates to the front, rear and side placement within the Lot.

ARTICLE XII USE RESTRICTIONS

12.1 Single-Family Residential Use. No residential building shall be erected, altered, placed or permitted upon any Lot other than one single-family Dwelling Unit. All Lots and Dwelling Units shall be used for single-family residential purposes only, and no commercial, business or business activity shall be carried on upon any Lot at any time, except with the written approval of the Board of Directors. Nothing herein shall prevent the Declarant, its agents, representatives, or employees, from using any Lot owned or leased by the Declarant for the purpose of carrying on business related to the Community or related to the improvement and sale of Lots or Dwelling Units in the Community; operating a construction office, business office, sales office or model home, and displaying signs, and from using any Lot for such other facilities as in the sole opinion of the Declarant may be required, convenient, or incidental to the completion, improvement, and sale of the Lots, Dwelling Units, or the Community; and provided, further that, to the extent allowed by applicable zoning laws, "home occupation," as defined in the Rules and Regulations or in the zoning ordinances of the governmental authority having jurisdiction over the Lot, may be maintained in a Dwelling Unit located on any of the Lots as approved in writing by the Board of Directors and the governmental authority having jurisdiction over the Lot, so long as the "home occupation" complies with any and all conditions of such approvals.

12.2 Signs. Except for such signs as may be posted by the Declarant for promotional and marketing purposes or by the Association, no sign of any character shall be erected, posted or displayed that does not comply with the Rules and Regulations without the prior written approval of the Architectural Review Board.

12.3 Vehicles.

(a) Except in connection with construction activities and except as needed for the temporary and occasional delivery of services or merchandise to an Occupant in the Community, no commercial trucks, vans, taxicabs or other Commercial Vehicles of any type, and no trailers, campers, motor homes, recreational vehicles, boats and other watercraft, or grounds property maintenance equipment may be parked on any portion of the Property, unless parked entirely within a closed garage. The term "Commercial Vehicle" shall be deemed to include vehicles with commercial license tags, as well as any cars, trucks and vans in styles normally used for private purposes, but painted with or carrying commercial advertising, logos, or business names or containing visible commercial materials, cargo, tools or equipment on the exterior of the vehicle.

(b) No tractor-trailers, or any part thereof, shall park on the Property at any time, except in connection with construction activities and except as needed for the temporary and occasional delivery of services or merchandise to a resident, and then only for a period not to exceed twelve (12) consecutive hours on any given day.

(c) No recreational vehicles (including, for example, all-terrain vehicles, motorized scooters, dirt bikes or minibikes) may be operated on the Property at any time.

(d) Only properly licensed and registered vehicles may be operated and parked on the Property. No junk or derelict vehicle shall be kept on any portion of the Common Area or any portion of a Lot. "Junk or derelict vehicle" shall mean any vehicle that is not in operating condition, or which for a period of sixty (60) consecutive days or longer has been partially or totally disassembled by the removal of tires and wheels, the engine, or other essential parts required for operation of the vehicle, or on which there is no valid license plate for a period of thirty (30) days or longer.

(e) Vehicle repairs exceeding twenty-four (24) hours are not permitted in any area, other than a garage, visible from the street or another Lot.

(f) Vehicles shall not be driven on any unpaved portion of the Common Area, except such vehicles that are authorized by the Board of Directors as needed to maintain, repair or improve the Common Area.

(g) In addition to any other available enforcement action, the Association may enforce these vehicle restrictions by towing any non-compliant vehicle at the vehicle owner's sole risk and expense.

12.4 Garages. No garages shall be converted to living spaces or altered or used for purposes that would prevent the use of the garage for the parking of the intended number of

vehicles for which it was constructed or storage of personal property.

12.5 Occupants Bound. All provisions of the Governing Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants of any Lot. Lot Owners shall be responsible for violations hereof by the Occupants, guests and invitees of the Owners and shall be liable for all damages, specific assessments and Costs of Collection incurred by the Association.

12.6 Offensive Activities. No noxious, offensive or illegal activities as determined by the Board of Directors shall be carried on upon any Lot, Common Area, or street and road right-of-way, nor shall anything be done thereon which is or may become an annoyance or nuisance to any Owner in the Community, including without limitation nuisances of a permanent or temporary nature, occurring on an intermittent or continual basis, and those that are a nuisance to one or more Owners in the Community.

12.7 Unightly or Unkempt Conditions. Each Owner shall at all times keep the Lot, Dwelling Unit, and all Improvements thereon in a safe, clean, neat and sanitary condition. Should any unsafe, unclean, unsightly or unkempt conditions exist on a Lot, the Association or its duly appointed agent shall be entitled to enter upon the Lot to cure such defect at the cost and expense of the Owner, which cost shall be a Specific Assessment and a lien upon the Lot. Any entry for this purpose shall not be deemed a trespass.

12.8 Antennas/Satellite Dishes. Pursuant to federal law, permissible antennas and satellite dishes may be installed in preferred locations identified by the Board of Directors in the Rules and Regulations, or at the rear of the Dwelling Unit or Lot in the least visible location from the road, provided acceptable signal quality is available and placement would not impose unreasonable expense or delay.

12.9 Solar Collecting Equipment. No solar collecting equipment shall be permitted on any Lot without prior written approval from the Architectural Review Board. Such installation, if approved, shall be completed pursuant to the Architectural Guidelines, if any, which may be established and modified from time to time by the Board of Directors or Architectural Review Board.

12.10 Outdoor Equipment/Recreation. All tools, lawnmowers, recreation equipment and like personal property of any kind must be contained within a fenced or an enclosed area and hidden from public view when not in use.

12.11 Guns. Hunting and the discharge of firearms, except as permitted under state and federal law for the protection of life, limb and property, shall not be permitted anywhere on the Property.

12.12 Pools. No above-ground swimming pool shall be erected, placed or installed on any Lot. No in-ground swimming pools shall be permitted absent prior written approval of the Architectural Review Board.

12.13 Temporary Structures. No temporary trailer, tent, shack, barn, pen, kennel, run,

stable or other temporary accessory building shall be erected, used or maintained on any Lot except in connection with construction or marketing activities by the Declarant, without the prior written approval of the Architectural Review Board.

12.14 Sewage System. Sewage disposal shall be through the public or private system or by septic tank approved by State and local agencies. If there is a public or private system serving the Community, the Owner shall be obligated to use the system unless authorized otherwise by the Board of Directors.

12.15 Tree Removal. No live trees with a trunk measuring in excess of six (6) inches in diameter (measured twenty-four (24) inches above ground), nor live tree planted by the Declarant shall be cut without the prior written approval of the Architectural Review Board. Exempted here from, shall be damaged trees or trees which must be removed because of an emergency.

12.16 Window Treatments/Air Conditioning Units. All window treatments visible from outside the Dwelling Unit shall be white or off-white in color. No air conditioner shall be installed in any window of a Dwelling Unit, nor shall any air conditioner be installed in any Dwelling Unit so that the same protrudes through any exterior wall of the Dwelling Unit.

12.17 Rental Restrictions and Associated Provisions.

a. Rental Restrictions. Lots and Dwelling Units may only be Rented in their entirety. No individual rooms, floors, or other portions of a Lot or Dwelling Unit consisting of less than the entire Lot or Dwelling Unit may be separately or individually Rented. There shall be no sub-Rental of a Lot or Dwelling Unit (or any portion thereof), and there shall be no assignment of a Rental Agreement by a Renter.

Short Term Rentals are prohibited. Additionally, offering or advertising a Lot or Dwelling Unit, or any portion thereof, for Short Term Rental is prohibited. Further, no Lot or Unit, or any portion thereof, may otherwise be used for hotel or transient purposes.

(b) Additional Requirements for Rental Agreements. All Rental Agreements must be in writing. All Rental Agreements shall contain a provision requiring all Renters and other Occupants of the Rented Lot or Dwelling Unit, as well as all guests and invitees of the same, to comply with the provisions of the Declaration, the Bylaws, the Articles of Incorporation, and the Rules and Regulations of the Association. All Rental Agreements shall contain a provision providing that any violation of the provisions of Declaration, the Bylaws, the Articles of Incorporation, and/or the Rules and Regulations of the Association by a Renter and/or other occupant of the Rented Lot or Dwelling Unit, as well as by any guest or invitee of the same, shall be deemed a default under the terms of the Rental Agreement and grounds for termination of the Rental Agreement and for eviction.

(c) Requirement to Provide Information. Upon request, an Owner and/or any Renter(s) shall provide the Board with: (1) a copy of any Rental Agreement; (2) the names of all persons occupying or who will be occupying the Lot or Dwelling Unit pursuant to, as a consequence of, or in any way as a result of or due to a Rental Agreement; and (3) such other information as may be

reasonably required by the Board to assist in monitoring compliance with the provisions of this Section.

(d) Hardships; Non-Liability. The Board shall have the right and power, but not the obligation, in its complete and sole discretion, to grant a waiver or variance of the application of the restrictions set forth in subpart (a) of this Section in circumstances when the application of the same may result in undue hardship or unduly inequitable results. The granting of a waiver or variance by the Board shall not in any way be construed as setting a precedent for the granting of a waiver or variance or in any way limiting the discretion of the Board to deny a waiver or variance in other similar circumstances, in its complete and sole discretion. Neither the Association, the Board, nor any individual officer or director of the Association shall be liable in any way for the exercise of its/their discretion or judgment under this provision, including, but not limited to, by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with such exercise of judgment.

(e) Exception for Lots or Units Owned by Association. The provisions of this Section shall not apply to any Lot or Dwelling Unit owned by the Association.

12.18 Lakes and Bodies of Water. The pond(s), lakes, wetlands, detention ponds, or other water retention structures are those portions of the Property designated on one or more of the Plats, if any, and shall be kept and maintained as ponds for water retention, drainage, irrigation, and water management purposes in compliance with all governmental requirements. If a body of water is designated as Common Area, it shall be maintained, administered, and ultimately owned by the Association. In furtherance of the foregoing, the Declarant hereby reserves and grants an easement in favor of itself and the Association, throughout all portions of the Property as may be necessary for the purpose of accessing, maintaining and administering the bodies of water.

12.19 Fences. Except for any fence installed by the Declarant, no fence or screen shall be installed on a Lot except in accordance with the guidelines established by the Architectural Review Board and with the prior written approval of the Architectural Review Board.

12.20 Subdivision/Combination of Lots. No Lots or part thereof may be subdivided or combined.

12.21 Mailboxes. Each Owner shall be required to erect and maintain a standard mailbox approved for use by the Architectural Review Board.

12.22 Animals. Subject to the Rules and Regulations promulgated by the Board of Directors, no animals, livestock, exotic pets, poultry, or other fowl of any kind (whether domestic or exotic) shall be raised, bred, or kept on any Lot, except that a reasonable number of dogs, cats, or other small household pets may be kept; provided, however, that they are not kept, bred, or maintained for any commercial purposes. Such household pets must not constitute a nuisance as determined by the Board of Directors in its sole discretion within the Community or cause unsanitary conditions within the Community, and no animal kept outside the Dwelling Unit shall be kept in a manner which disturbs the quiet enjoyment of the Community or any other Owner. While not in a fully confined area, all pets shall be restrained by leashes and no pet shall enter

upon any Lot without the express permission of that Owner or on the Common Area without express permission of the Board of Directors. The pet owner will be responsible for clean-up and removal of fecal matter deposited by such pet and shall be liable for, indemnify and hold harmless any other Owner, and the Association from any loss, cost, damage or expense incurred by such Owner, the Declarant or the Association as a result of any violation of this provision. All animals shall be registered and inoculated as required by law. The appropriate governmental authorities shall have an easement and right of access across the Property to enforce local animal control laws and ordinances.

ARTICLE XIII EASEMENTS

13.1 Easements of Encroachment. If any portions of either Dwelling Unit or Lot shall actually encroach upon any other Dwelling Unit or Lot, or if any such encroachment shall hereafter arise because of settling or shifting of the building or other cause, there shall be deemed to be an easement in favor of the Owner of the encroaching Dwelling Unit to the extent of such encroachment so long as the same shall exist.

13.2 Easements for Utilities, Etc.

(a) Installation and Maintenance. Declarant reserves for itself, so long as Declarant owns any property described in Exhibit "A" of this Declaration, and grants to the Association and all utility providers, perpetual non-exclusive easements throughout the Property to the extent reasonably necessary for the purpose of:

- (i) Installing utilities and infrastructure to serve the Property, cable and other systems for sending and receiving data and or other electronic signals, security and similar systems, walkways, pathways and trails, storm water drainage systems, irrigation systems, sanitary sewer systems, streetlights and signage on property which the Declarant owns or within public rights-of-way or easements reserved for such purpose on recorded Plats;
 - i. Inspecting, maintaining, repairing and replacing the utilities, infrastructure and other Improvements described in Section 13.2(a)(i); and
 - ii. Access to read utility meters.

(b) Right to Grant Specific Easements. Declarant also reserves for itself the non-exclusive right and power to grant and record such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described in Exhibit "A." The Owner of any property to be burdened by any easement granted pursuant to this subsection (b) shall be given written notice in advance of the grant. The location of the easement shall be subject to the approval of the Owner of the burdened property, which approval shall not be unreasonably withheld, delayed or conditioned.

13.3 Easements of Maintenance of Roof and Attic. An easement and right of ingress and egress over, upon, across and in the attic and roof of a Dwelling Unit is reserved unto the Association and the adjoining Owner for the maintenance, repair and replacement of the roof, Party Wall, attic, and any other portion or part of the Dwelling Unit, Other than in the case of an emergency, access to these areas shall be during reasonable hours and where possible, with the permission of the Owner of the Dwelling Unit, which shall not be unreasonably withheld. The Board of Directors shall at all times have the authority to determine what constitutes an emergency, what times are deemed to be reasonable and under what circumstances access should be provided.

13.4 Easements for Association Maintenance. There is hereby expressly reserved to the Association a perpetual easement across such portions of the Community, determined in the sole discretion of the Association, as are necessary to allow for the maintenance required under Article V. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the person causing the damage at its sole cost and expense.

13.5 Minimal Interference. All work associated with the exercise of the easements described in this Article shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work.

13.6 Right of Entry. Declarant reserves for itself, the Association, and others as it may designate the right to inspect, monitor, test, redesign, and correct any structure, Improvement, or condition which may exist on any portion of the Property, including Lots, and a perpetual, nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a Dwelling Unit shall be permitted without the consent of the Owner. The Person exercising this easement shall promptly repair, at such Person's expense, any damage resulting from such exercise.

ARTICLE XIV
COMMITTEES

In addition to the Architectural Review Board, as provided in Article XI herein, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose. Any such committee shall report to and serve at the pleasure of the Board of Directors and shall be delegated with the authority as determined appropriate by the Board of Directors in an enabling resolution.

ARTICLE XV
ENFORCEMENT

15.1 Enforcement. In addition to any other rights, remedies or enforcement mechanisms provided for herein, the Association, or an aggrieved Owner in the appropriate case, shall also have the right to enforce, by any proceeding at law or in equity, the provisions of the Governing

Document of the Association. An Owner shall be responsible and liable for the actions and violations of the Owner, all Renters of the Lot, and all other Occupants of the Lot, as well as the actions and violations of all guests, agents, invitees, licensees, or contractors of the same. Any failure by the Association or by any Owner to enforce any provision of the Governing Documents of the Association shall in no event be deemed a waiver of the right to do so hereafter. All costs and expenses incurred by the Association in connection with enforcement of the provisions of this Declaration, the Bylaws of the Association, and/or the Rules and Regulations of the Association, including reasonable attorneys' fees, whether or not any suit is brought and whether incurred before or after any suit is brought, shall be paid by the Owner against whom enforcement is sought and shall constitute a charge and continuing lien upon such responsible Owner's Lot and shall be added to and become part of the assessments to which the Owner's Lot is subject; therefore, all provisions of the Governing Document of the Association governing enforcement and collection of delinquent assessments shall also apply to the collection and enforcement of such costs and expenses.

15.2 Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, the By-Laws, the rules and regulations, or the use restrictions. Unless an emergency situation exists, the Board shall give the violating Lot Owner ten (10) days' written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred shall be assessed against the violating Lot Owner and shall be collected as provided for herein for the collection of assessments.

15.3 Fines. In addition to the foregoing, the Association, by and through its Board of Directors, shall also have the right to levy reasonable monetary fines for violations of the provisions of the Governing Documents of the Association. Such monetary fines may be referred to herein as Specific Assessments. As set forth above, an Owner shall be responsible and liable for the actions and violations of the Owner, all Renters of the Lot, and all other Occupants of the Lot, as well as the actions and violations of all guests, agents, invitees, licensees, or contractors of the same, and as such, an Owner may be fined for violations by any of the same and shall be responsible for payment of any fines levied as a result of a violation by any of the same. The issuance of any fine(s) for a violation shall not constitute an election of remedies, nor a waiver of any right to pursue any other additional enforcement mechanisms concerning the violation provided for by the Governing Documents of the Association. The Board of Directors of the Association, in its discretion, may adopt and publish policies and procedures pertaining to the issuance of any fines set forth herein, which may be amended from time.

15.4 Suspension of Rights. In addition to the foregoing, the Association, by and through its Board of Directors, shall also have the right to suspend a Member's rights, including but not limiting to a Member's voting rights and the right to use the Common Area, for violations of the provisions of the Governing Documents of the Association.

15.5 Hearing. An Owner disputing a noticed violation may request a Hearing before the Board within ten (10) days of the notice provided thereof. If the Owner fails to present a written

request for a hearing within this ten (10) day period, the Owner has waived his/her right to a Hearing and impliedly consented to the validity of the violation and the sanctions to be imposed.

ARTICLE XIX
MORTGAGEE PROVISIONS

16.1 Notices of Action. A First Lien Mortgagee which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first mortgage held, insured or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Lot subject to the mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Governing Documents relating to such Lot or the Owner or Occupant which is not cured within sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

16.2 No Priority. No provision of the Governing Documents gives or shall be construed as giving any Owner or other party priority over any rights of the First Lien Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

16.3 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any mortgage encumbering such Owner's Lot.

16.4 Failure of Mortgagee to Respond. Any mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the mortgagee by certified or registered mail, return receipt requested.

ARTICLE XVII
PARTY WALLS

10.1 General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Lots and placed on the dividing line between the Lots shall

constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

10.2 Sharing and Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

10.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owner thereafter makes use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.

10.4 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

10.5 Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

10.6 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon all parties and shall be a condition precedent to any right of legal action that either party may have against the other.

ARTICLE XVIII TERMITE SERVICE

Unless provided by the Association, in the sole discretion of the Board, with the initial transfer of title to a Dwelling Unit from the Declarant, each Owner shall be obligated to obtain bonded protection against subterranean termites, Formosan termites and other pests and/or insects determined appropriate by the Declarant or the Board of Directors (the "Bond"). Unless such bonded protection is provided by the Association through a bond adopted by the Board of Directors or unless the renewal fees or additional treatment fees and/or retreatment fees are paid by the Association through assessments levied by the Association, it shall at all times be the responsibility of each Owner to maintain the Bond or a Bond specifically approved by the Board and to pay any and all costs associated with maintaining the Bond, including, but not limited to renewal fees, additional treatment fees and retreatment fees. Failure to cause protections satisfactory to the Board to be maintained may be deemed by the Board to be a violation of this Declaration. Upon such determination by the Board, the Association shall have all remedies available to it under this

Declaration and the laws of South Carolina to ensure that a Bond satisfactory to its requirements remains in place for any Dwelling Unit. The Association shall also have the authority, if a Bond satisfactory to the Association is not maintained, to cause a Bond to be issued for a specific Dwelling Unit and to levy an assessment against the Owner for such associated cost. In the event that an Owner fails to maintain a Bond satisfactory to the Board of Directors and the Board determines that the Owner's failure to maintain such Bond resulted in the infestation of or damage to a portion of another Dwelling Unit, the non-compliant Owner shall reimburse the affected Owner or the Association, where such costs are incurred by the Association, for all costs of the repair of such damage and/or any additional treatment cost incurred by that affected Owner, as the same may be determined appropriate by the Declarant or the Board. Should the non-compliant Owner fail to pay such costs when notified by the Association to do so, the Association may levy an assessment equal to or greater than the cost incurred by the affected Owner or the Association, including but not limited, attorney fees and costs and administrative costs incurred by the Association or the other affected Owner.

ARTICLE XIV
GENERAL PROVISIONS

17.1 Term. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant, or the Owners of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Thereafter, this Declaration shall automatically renew and extend for successive ten (10) year periods; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of any period hereinabove referenced, three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then term. Such a vote shall be reduced to a written instrument and recorded in the land records of the county in which the Community is situated. Nothing in this provision shall limit the right of the Declarant or the Association to amend pursuant to Section 19.2 below.

17.2 Amendment. This Declaration may be amended, restated, changed, altered, added to, derogated or deleted at any time and from time to time upon, as hereinafter described:

(a) By Declarant: During the Class B Control Period, Declarant may amend, restate, change, alter, add to, derogate or delete any provision of this Declaration, without approval by the Association or Class A Members, by the execution and recordation of any instrument executed by the Declarant. Declarant shall only exercise this right to amend in good faith.

(b) By Association: Upon the termination of the Class B Control Period, the Association may amend, restate, change, alter, add to, derogate or delete any provision of this Declaration with the approval of two-thirds (2/3) of the votes cast at a duly called meeting. Nothing herein shall be construed to prohibit action under this Section by written or electronic ballot.

(c) In addition, any provision of this Declaration which contradicts the requirements of the Federal Housing Administration ("FHA") or the Veterans Administration ("VA") or the

Federal National Mortgage Corporation (“FNMC”) or any other insurer or purchaser of mortgage secured by the Lots, as the same may be amended from time to time, shall be automatically deemed amended and modified so as to comply with such requirements if one or more Owners obtains FHA, VA, or FNMC financing and the Declarant or the Board of Directors consents in writing. Without limiting the foregoing, if required to effectuate any amendments made pursuant to the previous sentence, the Declarant or the Board of Directors shall, at any time and from time to time, as they see fit, have the right to cause this Declaration to be amended.

17.3 Indemnification. The Association and Owners shall indemnify every Director and every officer, his heirs, executors, and administrators against all losses, costs and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

17.4 Severability. Invalidation of any provision of this Declaration by judgment or court order does not affect any other provision, which shall remain in full force and effect. The effect of a general statement is not limited by the enumeration of specific matters similar to the general.

17.5 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth, Queen of England.

17.6 Litigation. The Association may, without a vote of the Members, initiate legal actions or proceedings, as may be deemed necessary by the Board of Directors. However, the Board of Directors shall not be authorized or obligated to initiate, and the Association shall not initiate, any legal action or proceeding against the Declarant, its employees or agents unless first approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the votes of all of the members of the Association. The requirements of this Section shall not be amended or modified unless such amendment or modification is approved by the same percentage of votes necessary to institute proceedings.

17.7 Cumulative Effect, Conflict. The provisions of this Declaration shall be cumulative with any additional covenants, restrictions, and declarations applicable to any Property, and the Association may, but shall not be required to, enforce the covenants, restrictions, and provisions applicable to any Property. If there are any conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, the Bylaws, and any Guidelines, Policies, Rules & Regulations of the Association, then such foregoing priority shall apply.

17.8 Declarant’s Rights. Declarant reserves the right to assign, transfer, or convey, in whole or in part, all the rights of Declarant set forth herein. Upon the termination of the Class B Membership, any rights of the Declarant herein that are not expressly assigned, transferred, or

conveyed to the Association shall be considered implicitly assigned, transferred, and conveyed to the Association.

17.9 Instrument under Seal. This Declaration is to be construed as a sealed instrument subject to the twenty-year statute of limitations provided in S.C. Code Ann. § 15-3-520. Any and all amendments hereto shall also be executed under seal.

[Signature to follow]

EXHIBIT A

ALL THAT CERTAIN PIECE, PARCEL, TRACT OR LOT of land, together with improvements thereon, if any, situate, lying and being located in the County of Sumter, State of South Carolina, containing approximately 21.76 Acres and being more particularly shown and delineated on a plat prepared by Stevenson M. Muldrow, PLS, dated October 8, 2018, and recorded in the Office of the Register of Deeds for Sumter County on April 22, 2019 in Book PB2019 at Page 80, said Plat being incorporated herein by reference for a more complete description of the Property.

Tax Parcel No.: 206-00-02-020

DERIVATION: This being the same property conveyed to Oakland Developers, LLC by deed of Brenlino Investments, LLC dated April 12, 2019 and recorded in the Office of the Register of Deeds for Sumter County on April 22, 2019 in Book 1254 at Page 3698.

EXHIBIT B

Filing ID: 200710-1527250

Filing Date: 07/10/2020

**STATE OF SOUTH CAROLINA
SECRETARY OF STATE**

**ARTICLES OF INCORPORATION
Nonprofit Corporation – Domestic
Filing Fee \$25.00**

Pursuant to S.C. Code of Laws Section 33-31-202 of the 1976 S.C. Code of Laws, as amended, the undersigned corporation submits the following information

1. The name of the nonprofit corporation is

Stillpointe Community Association, Inc.

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is
2120 Thomas Sumter Hwy

(Street Address)
Sumter, South Carolina 29153

(City, State, Zip Code)

The name of the registered agent of the nonprofit corporation at that office is

Oakland Developers, LLC

(Name)

I hereby consent to the appointment as registered agent of the corporation.

(Agent's Signature)

3. Check "a", "b", or "c", whichever is applicable. Check only one box.

- a. The nonprofit corporation is a public benefit corporation.
- b. The nonprofit corporation is a religious corporation.
- c. The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b" whichever is applicable

- a. This corporation will have members.
- b. This corporation will not have members.

5. The principal office of the nonprofit corporation is
2120 Thomas Sumter Hwy

(Street Address)
Sumter, South Carolina 29153

(City, State, Zip Code)

Stillpointe Community Association, Inc.

Name of Corporation

6. If this nonprofit corporation is either a **public benefit** or **religious corporation** complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation. **If you are going to apply for 501(c)(3) status, you must complete section "a"**.

a.

Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

OR

b.

If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporation or to one or more of the entities described in (a) above.

If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

7. If the corporation is mutual benefit corporation complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a.

Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b.

Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows [See S.C. Code of Laws Section 33-31-202(c)].

Please see attached "Continuation Sheet".

Stillpointe Community Association, Inc.

Name of Corporation

9. The name and address of each incorporator is as follows (only one is required, but you may have more than one).

Oakland Developers, LLC

(Name)

2120 Thomas Sumter Hwy

(Business Address)

Sumter, South Carolina 29153

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles.

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

Stillpointe Community Association, Inc.

Name of Corporation

11. Each incorporator listed in #9 must sign the articles

Signed as Filer: patricia Reconnu

(Signature of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is:

Business Name: Stillpointe Community Association, Inc.

Signature Page for a Secretary of State Business Filing

This page must be completed, scanned, and attached to any business filing where one of the following is true.

- The filing party signs the digital form on behalf of official signee.
- An attorney's signature is required. (Articles of Incorporation for Corporation, Nonprofit Corporation, and Benefit Corporation)

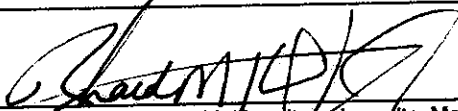
Official Signatures

(Officer, Incorporator, Director, Agent, Partner, etc)

Required for forms where the signee is not present upon online submission and a filing party is providing a digital signing on their behalf. If the provided space is not enough, please attach multiple pages.

Oakland Developers, LLC

Name


 Signature By: Richard M. Knowlton, Jr. Its: Member

7-10-20

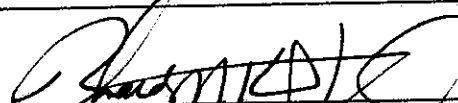
Date

Incorporator

Title / Position

Oakland Developers, LLC

Name


 Signature By: Richard M. Knowlton, Jr. Its: Member

7-10-20

Date

Registered Agent

Title / Position

Name

Signature

Date

Title / Position

Name

Signature

Date

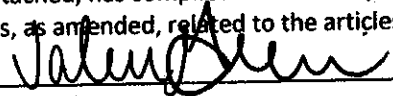
Title / Position

Attorney Signature

Required for forms that implicitly state that an attorney must sign. (Articles of Incorporation for Corporation, Nonprofit Corporation, and Benefit Corporation)

I, Valerie Garcia Giovanoli

an attorney licensed to practice in the state of South Carolina, certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements of Chapter 2, Title 33 of the 1976 South Carolina Code of Laws, as amended, related to the articles of incorporation.


 Attorney Signature

7/10/20

Date

CONTINUATION SHEET

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows [See S.C. Code of Laws Section 33-31-202(c)].

The corporation does not contemplate pecuniary gain or profit to its members and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residential lots and common areas of Stillpointe Community Association, a residential subdivision located in Sumter County, South Carolina and otherwise to perform the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions, and Restrictions for Stillpointe Community Association.

EXHIBIT C

BYLAWS OF STILLPOINTE COMMUNITY ASSOCIATION, INC. a South Carolina Nonprofit Mutual Benefit Corporation

ARTICLE 1 NAME, PRINCIPAL OFFICE, DEFINITIONS AND DECLARATION

Section 1.1 Name. The name of the corporation is Stillpointe Community Association, Inc. (the “**Association**”). No person, committee or group of Members, other than those elected by the Membership, or appointed by the Board of Directors, shall use in their name the name “Stillpointe Community Association” or any variant thereof, or any other names, words or phrases that would tend to give the general public or the membership the impression that the Member, committee or group of Members is speaking for or on behalf of the Association.

Section 1.2 Principal Office. The Association shall designate and maintain a principal office in accordance with requirements of the South Carolina Nonprofit Corporation Act of 1994 (S.C. Ann. §§ 33-31-101, *et seq.*) (the “**Act**”), but meetings of Members and Directors may be held at such places as may be designated by the Board of Directors from time to time or as otherwise provided in these Bylaws.

Section 1.3 Definitions. Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the Declaration, as amended, modified, and/or supplemented, unless the context indicates otherwise.

Section 1.4 Declaration. The Declaration is hereby incorporated herein by this reference and made part hereof.

ARTICLE 2 PURPOSES AND POWERS

Section 2.1 Purposes. The Association shall have the purpose of engaging in any lawful activity; however, without limiting the generality of the foregoing, some of the primary functions of the Association include: (1) to perform those rights, powers, obligations, and functions of the Association set forth in the Declaration; and (2) to generally promote the health, safety, and welfare of the Owners and residents of the Community.

Section 2.2 Powers. The Association shall have the power to do all things necessary or convenient, not inconsistent with law, to carry out its affairs and to further the activities and affairs of the Association, including, without limitation:

(a) All powers, rights, and privileges which a corporation incorporated under the Act may now or hereafter have or exercise; and

(b) All powers, rights, and privileges provided to the Association in the Declaration or Articles of Incorporation.

ARTICLE 3
MEMBERSHIP

Section 3.1 **Membership.** Membership in the Association shall be as set forth in the Declaration, and the provisions of the Declaration pertaining to membership are specifically incorporated herein by this reference. The Association shall have two classes of membership, Class A and Class B, as more fully set forth in the Declaration.

ARTICLE 4
MEETINGS OF MEMBERS; VOTING; NOTICE OF MEETINGS OF MEMBERS

Section 4.1 **Annual Meeting.** A meeting of Members shall be held annually, and the annual meeting of the Members shall be held at a time, date, and place established by the Board of Directors, but no annual meeting of the Members shall be scheduled on a legal holiday. The first annual meeting of Members shall be held within one year following the date of incorporation. At each annual meeting:

- (1) The President and Treasurer shall report on the activities and financial condition of the Association; and
- (2) An election of Directors shall occur in accordance with Section 6.3 of these Bylaws after termination of Class B Control Period; and
- (3) Subject to the provisions of the Act requiring prior notice before certain matters may be brought before the Members at the annual meeting (including, without limitation, S.C. Code Sections 33-31-705(b) and 33-31-705(c)(2)), the Members may consider and act on any matters or business that may properly come before the annual meeting.

Notice of the annual meeting shall be given in accordance with Section 4.3 hereof.

Section 4.2 **Special Meetings.**

a) Special meetings of the Association's Members may be called by the Board President and shall be held at a time, date, and place established by the Board of Directors. In the event that the number of Directors falls below three (3) for any reason, special meetings of the Members may be called by an officer or Director of the Association during any such period and shall be held at a time, date a, and place established by the person(s) calling the special meeting.

b) Additionally, the Association shall hold a special meeting of the Members if the holders of at least five percent (5%) of the total eligible votes of the Association sign, date, and

deliver to any officer of the Association a written demand for a special meeting describing the purpose or purposes for which it is to be held. If a proper demand is made, the Board of Directors shall have the right to set the time, date, and place of the special meeting, and the Association shall cause notice of the special meeting to be given within thirty (30) days of the date that the written demand was delivered to an officer of the Association. If the Board of Directors does not cause notice of the special meeting to be given within thirty (30) days after the demand is delivered to an officer of the Association, a person signing the demand may thereafter set the time, date, and place of the meeting and give notice thereof in accordance with Section 4.3 hereof.

c) Notice of special meetings of Members shall be given in accordance with Section 4.3 hereof. Only those matters that are within the purpose or purposes described in the meeting notice may be conducted at a special meeting of Members.

Section 4.3 Notice of Meetings of Members; Waiver of Notice.

a) Notice of Meetings of Members – In General. Written notice specifying the time, date, and place of a meeting of Members and, if required by the Act, the Articles of Incorporation, The Declaration, or these Bylaws, specifying the purpose or purposes for which such meeting was called shall be given to all Members of record by: (1) depositing the same in the United States Mail, with first class postage affixed/prepaid, at least fifteen (15) days, but not more than sixty (60) days before the meeting date, addressed the Member's address last appearing on the books of the Association; (2) by hand delivery to the Member or to the Member's address last appearing on the books of the Association at least ten (10) days, but not more than sixty (60) days before the meeting date; and/or (3) by electronic mail delivered to the Member's email address last appearing on the books of the Association at least (10) days, but not more than sixty (60) days before the meeting date. An email shall be deemed to be delivered on the date that it is sent, if correctly addressed and if the sender does not receive an automated response indicating that the email was undeliverable (See Section 5.2).

b) Annual Meeting of Members. Unless the Act¹, these Bylaws, the Declaration, or the Articles of Incorporation require otherwise, notice of the annual meeting of Members need not include a description of the purpose for which the meeting is called.

c) Special Meeting of Members. The notice of a special meeting of Members must state the purpose or purposes of the meeting. Only those matters that are within the purpose or purposes described in the meeting notice may be conducted at a special meeting of Members.

d) Waiver of Notice. A Member may waive notice of a meeting before or after such meeting. The waiver must be in writing, be signed by the Member, and be delivered to the Association for inclusion in the minutes of the meeting. Further, a Member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. Additionally,

¹ Members, Directors, and officers are hereby alerted that the Act does require the notice of the annual meeting to include a description of certain particular types matters that must be approved by the Members (including, without limitation, those matters identified in S.C. Code Section 33-31-705(c)(2)) and to identify certain particular types of actions to be taken at the annual meeting as a purpose or purposes of the annual meeting. Therefore, the Act should be consulted accordingly to ensure that proper notice is given.

a Member's attendance at a meeting waives objection to consideration of a particular matter at the meeting on the basis of improper notice of that particular matter (i.e., that such matter was required to be described in or identified as a purpose(s) of the meeting in the meeting notice, but such matter is not within the purpose described in the meeting notice), unless the Member objects to considering the matter when it is presented.

Section 4.4 Record Date for Meetings. Members at the close of business on the business day preceding the day on which the meeting notice is first *transmitted* to any Member are entitled to notice of the meeting. For purposes of this Section 4.4, notice shall be deemed to be "*transmitted*" (even different than the effective date of notice under Section 5.2) on the date when: (1) deposited in the United States Mail in accordance with Section 5.1; (2) hand delivered in accordance with Section 5.1; and/or (3) delivered by email in accordance with Section 5.1. Members on the date of the meeting who are otherwise eligible to vote at the meeting shall be entitled to vote at the meeting. Members on the date of the meeting who are otherwise eligible to vote shall be entitled to vote at the meeting. The record dates for adjourned meetings shall be determined in accordance with Section 4.5.

Section 4.5 Adjournment of Meeting of Members; Notice of Adjourned Meetings; Record Date for Adjourned Meetings. Any meeting of Members, whether or not a quorum is present, may be adjourned to a different date, time, and/or place. In the event that a quorum is not present, the meeting of Members may be adjourned to a different date, time and/or place by the affirmative vote of a majority of the votes represented at the meeting. If a quorum is present, action to adjourn to a different, date, time, and/or place shall be approved in accordance with Section 4.8. Notice need not be given of the new date, time and/or place, if the new date, time, and/or place is announced at the meeting before adjournment, provided that the meeting is adjourned to a date not more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting. The record dates for the original meeting shall apply to any adjournment of the meeting, provided that the meeting is adjourned to a date not more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting. If the meeting is adjourned to a date more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting, notice of the adjourned meeting must be given in accordance with Section 4.3 and new record dates shall be established in accordance with Section 4.4.

Section 4.6 Members' List for Voting. After fixing a record date for notice of a meeting, the Board of Directors shall prepare an alphabetical list of the names of all Members who are entitled to notice of the meeting and shall list the Members by classification of membership. The list must show the address and number of votes each Member is entitled to vote at the meeting. The Board of Directors 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. The list of Members must be made available for inspection in accordance with the Act.

Section 4.7 Quorum for Membership Meetings. Unless otherwise provided by these Bylaws, the Articles of Incorporation, the Declaration, or the Act, the presence at a meeting, whether in person or by proxy, of Members entitled to cast ten percent (10%) of the total eligible

votes in the Association shall constitute a quorum for the transaction of business. For each matter voted on, a quorum must exist at the time the matter is voted on.

Section 4.8 Voting Requirements. Unless these Bylaws, the Articles of Incorporation, the Declaration or the Act require a greater vote, if a quorum is present, the following vote is required to constitute approval by or an act of the Members: (1) the affirmative vote of the majority of votes cast; and (2) such affirmative votes must also constitute a majority of the required quorum. Members entitled to vote on a matter shall have as many votes as specified in the Declaration.

With respect to Class A Members, if a Lot is owned by more than one record owner, the vote for such Lot shall be cast as such record owners determine among themselves, and the following shall apply:

- (1) If only one votes, the vote binds all.
- (2) If more than one votes:
 - a. If the votes cast are the same in all respects, then they collectively constitute the one (1) vote for the Lot on that matter.
 - b. If the votes cast differ in any respect, the vote for the Lot on the matter shall be deemed to be void and shall be treated as an abstention on the matter.
- (3) No vote attributable to a Lot may be split or fractionally cast.

Section 4.9 Proxies. At all meetings of Members, Members may vote in person or by proxy. All appointments of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact. An appointment of a proxy is effective when received by the Secretary (or other officer or agent authorized to tabulate votes). An appointment is valid for eleven (11) months unless a different period is expressly provided in the appointment form. However, no proxy shall be valid for more than three (3) years from the date of execution. An appointment of a proxy is revocable by the Member. An appointment of a proxy is revoked by the person appointing the proxy: (i) attending any meeting and voting in person, or (ii) signing and delivering to the Secretary (or other officer or agent authorized to tabulate votes) either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form. The death or incapacity of the Member appointing a proxy does not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the secretary (or other officer or agent authorized to tabulate votes) before the proxy exercises authority under the appointment.

Section 4.10 Action by Written Consent. Unless otherwise limited or prohibited by the Declaration, these Bylaws, the Articles of Incorporation, or the Act, any action required or permitted to be approved by the Members may be approved without a meeting if the action is approved by Members holding at least eighty percent (80%) of the total eligible votes in the Association entitled to be cast on the matter. The action must be evidenced by one or more written consents describing the action taken, signed by those Members representing at least eighty percent (80%) of the total eligible votes in the Association entitled to be cast on the matter, and delivered

to the Association for inclusion in the minutes or filing with the corporate records. The record date for determining Members entitled to take action without a meeting under this Section is the date the first Member signs the written consent to such action. Written notice of Member approval pursuant to this Section must be given to all Members who have not signed the written consent. If written notice is required, Member approval pursuant to this section is effective ten (10) days after the written notice is given. Such written notice shall be effective in accordance with Section 5.1 hereof.

Section 4.11 Action by Written or Electronic Ballot. Unless limited or prohibited by the Declaration, these Bylaws, the Articles of Incorporation, or the Act, any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Association delivers a written or electronic ballot to every Member entitled to vote on the matter. A written or electronic ballot shall: (1) set forth each proposed action; and (2) provide an opportunity to vote for or against each proposed action. Approval by written or electronic ballot pursuant to this Section is 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. All solicitations for votes by written or electronic ballot shall: (1) indicate the number of responses needed to meet the quorum requirements; (2) state the percentage of approvals necessary to approve each matter other than election of directors; and (3) specify the time by which a ballot must be received by the Association in order to be counted. A written or electronic ballot may not be revoked.

Section 4.12 Conduct of Meetings. Robert's Rules of Order (latest edition) or such other rules as the Board of Directors may adopt shall govern the conduct of corporate proceedings when not in conflict with the Declaration, the Articles of Incorporation, these Bylaws or with the laws of the State of South Carolina.

Section 4.13 Failure to Hold Meetings. The failure to hold an annual meeting at a time stated in or fixed in accordance with these Bylaws does not affect the validity of a corporate action.

ARTICLE 5

NOTICE

Section 5.1 Methods of Notice. Notice of meetings of Members shall be given in the manner as specifically provided in Article 4. Otherwise, unless the Act, these Bylaws, or the Articles provide specific notice requirements for particular circumstances, any other notice required or permitted to be given by these Bylaws, the Articles of Incorporation, or the Act may be given as follows:

- (1) Notice may be communicated in person; by telephone, telegraph, teletype, facsimile transmission (FAX), or other form of wire or wireless communication, including email; or by mail or private carrier. Additionally, notice may be communicated in any other manner permissible under the Act.

- (2) Notice may be oral or written; however, oral notice is permissible only if reasonable under the circumstances and only if written notice is not otherwise required by these Bylaws, the Articles of Incorporation, or the Act.

Unless the Declaration provides otherwise, any notice required to be given by the Declaration may be given in any manner permitted by this Section 5.1.

Section 5.2 Effective Date of Notice. Any notice required or permitted to be given by these Bylaws, the Articles of Incorporation, or the Act shall be effective as follows:

- a) Oral notice, if permissible, is effective when communicated, if communicated in a comprehensible manner.
- b) Written notice, if in a comprehensible form, is effective at the earliest of the following:
- i. when received (an email shall be deemed to be received/delivered on the date that it is sent, if correctly addressed and if the sender does not receive an automated response indicating that the email was undeliverable);
 - ii. five days after its deposit in the United States mail, if mailed correctly addressed and with first class postage affixed;
 - iii. on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee;
 - iv. fifteen days after its deposit in the United States mail, if mailed correctly addressed and with other than first class, registered, or certified postage affixed.

Unless the Declaration provides otherwise, any notice required to be given by the Declaration shall be effective as provided in this Section.

Section 5.3 Address for Notice. It shall be the responsibility of each Member to designate an address for purposes of notice, which designation shall be in writing and filed with the Secretary. If a Member elects to receive e-mail notice, the Member shall be responsible for designating and filing an email address with the Secretary for such purpose. If no such written designation of address or email address is provided to the Secretary, the address of the Member's Lot shall be deemed to be the Member's address for notice. Written notice is correctly addressed to a Member if addressed to the Member's address shown in the Association's current list of Members.

ARTICLE 6

BOARD OF DIRECTORS

Section 6.1 Number and Qualifications. The Board of Directors shall have the ultimate authority over the conduct and management of the business and affairs of the Association. The Board of Directors shall be composed of not fewer than three (3) Directors, each of whom

shall be an Owner and Member in good standing, in the discretion of the Board, of the Association, in order to seek election to, or continue to hold a position on, the Board of Directors. The number of Directors shall be fixed by the Members from time to time; provided, however, no reduction in the number of Directors shall have the effect of shortening the term of any incumbent Director.

Section 6.2 Nominations. The Board shall appoint a Nominating Committee to nominate candidates for election to each position on the Board of Directors which is to be filled by the Members. The Nominating Committee shall consist of a Chairman, who shall be a Director, and at least two (2) Members. The Nominating Committee shall be appointed by the Board not less than thirty (30) days prior to each annual meeting to serve a term of one (1) year and until their successors are appointed, and such appointment shall be announced in the notice of each election. The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine.

Nominations for any position may also be permitted from the floor at any meeting at which an election is to be held. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

Section 6.3 Election and Term of Office.

a) Election Generally. During Class B Control Period, as defined in the Declaration, the Class B Member shall be entitled to appoint all members of the Board of Directors. At each annual meeting of the Association following termination of the Class B Control Period, each Member may cast one (1) vote per Lot owned with respect to each vacancy on the Board. There shall be no cumulative voting. A Director shall be elected by the Members for a term of one (1) year. Each Director shall thenceforth serve until the following annual meeting of the Association or until their successors are elected and qualified. Directors may be elected to serve any number of consecutive terms.

b) Election by Acclamation. If the number of vacancies on the Board is equal to the number of qualified candidates, the President or chair, after ensuring that no Members wish to make further nominations from the floor, may declare that the nominees are elected by unanimous consent.

c) Election by Written Ballot. In the event that election of Directors at the annual meeting cannot occur due to lack of quorum or otherwise, Directors may be elected by written or electronic ballot pursuant to Section 4.11.

Section 6.4 Removal or Resignation. Any Director elected by the Members may be removed from the Board of Directors, with or without cause, by the affirmative vote of at least fifty-one percent (51%) of the total eligible votes in the Association at a meeting of the Members called for the purpose of removing the Director, provided that the meeting notice state that the purpose, or one of the purposes, of the meeting is removal of the Director. Removal of a Director may not be done by the Members by written consent or written or electronic ballot in lieu of meeting of the Members.

Any Director who is not in good standing with the Association, or who misses three (3) consecutive Board meetings (unless such absence shall have been excused by the President of the Association or other person(s) authorized to do so), may be immediately removed from the Board of Directors by the remaining Directors and replaced in accordance with these Bylaws.

A Director may resign at any time by delivering written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at a time later specified therein, and unless specified therein.

Section 6.5 Vacancies. Vacancies in the Board of Directors (caused by any reason other than the removal of a Director by a vote of the Members) shall be filled by a vote of a majority of the remaining Directors, even though the Directors present at such regular or special meeting of the Board may constitute less than a quorum. Each person so elected shall be a Director for the remainder of the term of the individual being replaced and until a successor shall be elected at the next annual meeting of the Association.

A vacancy on the Board of Directors shall not affect the validity of any decision made or action taken by the remaining Directors, so long as there are at least three (3) Directors on the Board at the time of the decision or action.

Section 6.6 Meetings of Directors.

a) **Organizational Meeting.** The first meeting of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as the Board shall fix.

b) **Regular meetings.** Regular meetings of the Board of Directors shall be held quarterly, or more frequently, and at dates, times and places determined by a majority of the Board of Directors. Without the approval of all of the Directors, no meeting shall fall upon a legal holiday. No notice shall be required for regular meetings.

c) **Special meetings.** Special Meetings of the Board of Directors shall be held when called by the President of the Association or any two (2) Directors, after not less than two (2) days' notice is given, either personally, by mail, or by telephone, to each Director, unless waived in writing signed by the Director or by attendance of the meeting without objection or participation.

d) **Executive session.** The Board may hold executive sessions in a regular or special meeting from which others are excluded, by affirmative vote of two-thirds of the Directors present at a meeting. A motion to go into executive session shall indicate the nature of the business of the executive session, and no other matter shall be considered in the executive session. No formal or binding action may be taken in executive session and no minutes shall be taken. An executive session may be held only to:

- i. Consult with the Association's lawyers concerning legal matters;
- ii. Discuss existing or potential litigation or mediation, arbitration or administrative proceedings;

- iii. Discuss labor or personnel matters;
- iv. Discuss contracts, leases and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids of proposals, if premature general knowledge of those matters would place the Association at a disadvantage; or
- v. Prevent public knowledge of the matter to be discussed if the Board determines that public knowledge would violate the privacy of any person.

Section 6.7 Participation by Telecommunications. Any Director may participate in, and be regarded as present at, any meeting of the Board of Directors by means of conference telephone or any other means of communication by which all parties participating in the meeting can hear each other at the same time.

Section 6.8 Quorum. A majority of the Directors in office immediately before the meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 6.9 Action. Every act or decision authorized by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board of Directors. Directors shall not vote by proxy.

Section 6.10 Action without Meetings. To the fullest extent permitted by the Act, the Board of Directors may take action without a meeting by written consent as to such matters and in accordance with such requirements and procedures authorized by the Act. Unless otherwise permitted in the Act, such written consent must be signed by all Directors and be included in the minutes filed with the corporate records reflecting the action taken.

Section 6.11 Compensation. Directors shall not receive compensation for service on the Board of Directors.

Section 6.12 Obligation of Confidentiality. Each Director shall have a continuing obligation to keep confidential any private or privileged information made available to the Director pursuant to his or her role on the Board.

Section 6.13 Powers and Duties of Board.

a) General Authority. The Board shall be responsible for conducting the affairs of the Association and shall be authorized to exercise all rights and powers of the Association and to do all acts and things on behalf of the Association except those as to which the Declaration, the Act or the Articles of Incorporation specifically require to be done or approved by the Members generally. The Board shall have all powers necessary for the administration of the Association, including but not limited to, the following specifically enumerated powers:

- i. Appoint committees, including an Architectural Review Board, by resolution

and to delegate the powers and duties appurtenant thereto;

- ii. Adopt, amend and publish Rules and Regulations governing the Property and establish enforcement procedures and fines for the infraction thereof;
- iii. Adopt, amend and publish Architectural Guidelines or delegate the adoption of guidelines to an Architectural Review Board; provided that any such guidelines shall have been approved by the Board;
- iv. Suspend the voting rights of a Member during any period in which the Member shall be in default in the payment of any assessment, charge, fine or other cost levied by the Association or for any other violation of the Declaration, the Architectural Guidelines or the Rules and Regulations;
- v. Suspend the right to use the recreational facilities or amenities on the Common Areas and the services provided by the Association, if authorized by the Declaration;
- vi. Declare the office of a Director to be vacant in the event such Director resigns or is removed pursuant to Section 6.4.
- vii. Employ a manager or other contractor, agent or employee of the Association and prescribe their duties; and
- viii. Levy and collect assessments, Costs of Collection, and applicable attorney's fees from the Owners in accordance with the Declaration;

b) Duties. The Board shall be responsible for all duties prescribed by the Declaration, the Act, or other South Carolina or Federal law as well as the following, without limitation:

- i. Prepare and adopt, in accordance with the Declaration, an annual budget;
- ii. Provide for the operation, care, upkeep and maintenance of the Common Areas;
- iii. Enforce the provisions of the Declaration, Bylaws, Rules and Regulations and Architectural Guidelines, if any, subject to the discretion of the Board provided in Section 6.14; and
- iv. Obtain and carry property and liability insurance, and pay the cost thereof and adjust claims, as appropriate.

Section 6.14 Discretion. The Board of Directors may determine whether to take enforcement action by exercising the Association's power to impose sanctions or commence an action for violation of the Declaration, these Bylaws and the Rules and Regulations of the Association, including whether to compromise any claim for unpaid Assessments or other claims

made by or against it. The Board shall not have a duty to take enforcement action if it determines, in good faith, that under the facts and circumstances presented:

- a) The Association's legal position does not justify taking any or further enforcement action;
- b) The covenant, restriction or Regulation being enforced is, or is likely to be, construed as inconsistent with the law;
- c) Although a violation may exist or may have occurred, it is not so material as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- d) It is not in the Association's best interest to pursue an enforcement action.

The Board's decision not to pursue enforcement under one set of circumstances shall not prevent the Board from taking enforcement under another set of circumstances, but the Board shall not be arbitrary or capricious in taking enforcement action.

ARTICLE 7 **OFFICERS**

Section 7.1 Designation. The principal officers of the Association shall be the President, Vice President, Secretary and Treasurer and such other officers as the Board of Directors may from time to time by resolution create. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 7.2 Appointment and Term. The Board shall appoint the Association's officers at the first Board meeting following each annual meeting of the Members, to serve until their successors are appointed.

Section 7.3 Removal or Resignation of Officers. Any officer may be removed from office, with or without cause, by a majority vote of the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.4 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 7.5 Powers and Duties of Officers. The Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose upon them. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for

preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 7.6 Special Appointments. The Board of Directors may appoint such other officers, agents, or entities to perform duties on behalf of the Association. The Board of Directors shall determine, in its sole discretion, the authority and duties of such appointees and shall have the authority to remove them in its sole and absolute discretion.

Section 7.7 Compensation of Officers. No officer shall receive any compensation from the Association for his or her service as an officer.

ARTICLE 8 ADMINISTRATION

Section 8.1 Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as the Board may designate by resolution.

Section 8.2 Bonds. At the discretion of the Board of Directors, fidelity bonds may be required on all Directors, Officers and any other persons, employees or entities handling or responsible for the funds of the Association. The amounts of such bonds shall be determined by the Board, but if it is determined that bonds are to be obtained, they shall be at least equal to the amounts to be handled at any point by that person or entity. Unless verification that the bonds have been provided by such person or entity is obtained by or provided for the Board of Directors, the premiums for these bonds shall be paid by the Association as a common expense.

Section 8.3 Management Agent. The Board may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making or decision-making authority or ultimate responsibility for those duties set forth in Section 6.12(b).

ARTICLE 9 ACCOUNTING AND FINANCIAL MATTERS

Section 9.1 Fiscal Year. The fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

Section 9.2 Deposits. All funds of the Association shall be treated as the separate property of the Association and shall be deposited in a bank or other federally insured depository institution as shall be designated from time to time by the Board of Directors. Withdrawal of funds shall only be by checks signed by such persons as are authorized by the Board of Directors.

Section 9.3 Reserve. In the event the Board of Directors uses funds collected and held in the Association's reserve account(s), the Board of Directors shall have the option, in its sole discretion and without notice to the Members, to replenish (in whole or in part) or not to replenish said reserve account(s).

Section 9.4 Borrowing Funds. The Association shall have the power to borrow money for any legal purpose; provided that Members representing at least fifty-one percent (51%) of the total eligible votes of the Association shall have approved such action.

ARTICLE 10
COMMITTEES AND ARCHITECTURAL REVIEW BOARD

The Board of Directors may from time to time by resolution, designate and delegate authority to one or more committees, including, without limitation, an Architectural Review Board and a Nominating Committee. Any such committee shall serve at the pleasure of the Board and shall be chaired by a Board Member.

ARTICLE 11
BOOKS AND RECORDS

Section 11.1 Corporate Records. When consistent with good business practices, any records of the Association required by the Act may be maintained in any format so long as the records can be reproduced in written form in a reasonable time.

Section 11.2 Inspection Rights. The Members shall have only such rights to inspect records of the Association to the extent, and according to the procedures and limitations, prescribed by the Act. The Association may charge reasonable fees for the time and cost incurred in providing the records for inspection or copies of the books and records. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association.

ARTICLE 12
INDEMNIFICATION

Section 12.1 Scope. The Association shall indemnify, defend and hold harmless the Association's Directors and officers to the fullest extent permitted by, and in accordance with the Act. This plan of indemnification shall constitute a binding agreement of the Association for the benefit of the Directors and officers as consideration for their services to the Association. Such right of indemnification shall not be exclusive of any other right which such Directors, officers, or representatives may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any Bylaw, agreement, vote of Members, insurance, provision of law, or otherwise, as well as their rights under this Article 11. The Association shall pay for or reimburse the reasonable expenses incurred by the Director or officer who is a party to a proceeding in advance of a final disposition of the proceeding if the Director or officer complies with the terms of the Act.

Section 12.2 Insurance. The Board of Directors may cause the Association to purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Association, against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Association would have the power to indemnify such person.

ARTICLE 13
ENFORCEMENT PROCEDURES

The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Declaration, the Bylaws, the Rules and Regulations and the Architectural Guidelines, if any. To the extent specifically required by the Declaration and the Association's Fine Policy, if any such policy exists, the Board shall provide reasonable notice to the responsible Owner and an opportunity to be heard before imposing fines or other sanctions.

ARTICLE 14
MISCELLANEOUS

Section 14.1 Corporate Seal. The Association may have a seal in circular form having within its circumference the name of the Association.

Section 14.2 Amendments.

a) By Class B Member. During Class B Control Period, as defined in the Declaration, the Class B Member may amend these Bylaws without the consent of the Members, their mortgagees, or the Association.

b) By the Members. These Bylaws may be amended by the affirmative vote of 51% of the total eligible votes in the Association at a duly called annual or special meeting of the Membership.

c) By the Board of Directors. In addition to the foregoing, the Board of Directors shall, at any time and from time to time, have the right (but not the obligation) to cause the Bylaws to be amended to correct any clerical or scrivener's errors or to conform to the requirements of the Federal Housing Administration or the Veterans Administration or the Federal National Mortgage Corporation, FHLMC and such other secondary market agencies as the same may be amended from time to time.

Section 14.3 Conflicts.

a) With Articles or Declaration. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

b) With the Act. In case of any conflict with the mandatory provisions of the Act, the mandatory provisions of the Act shall control.

Section 14.4 Interpretation. The Board shall interpret the terms of these Bylaws and its interpretation shall be final.