

BY – LAWS  
OF

HARBOUR TOWNE SUBDIVISION HOMEOWNERS ASSOCIATION, INC.  
A SOUTH CAROLINA NON – PROFIT CORPORATION

The Harbour Towne Subdivision Homeowners Association was incorporated on September 19<sup>th</sup>, 1985 and is for non-profit.

Amendments to Exhibit A,(see attached) By-Laws were voted on and approved by the majority of the members of the Harbour Towne Homeowners Association on April 21<sup>st</sup>, 2012 at a special spring meeting. Follows are the amendments that will supercede Exhibit A,(see attached) By-Laws sections listed as follows;

Article III Meeting of the Membership

Section 3 Annual Meeting:

The annual meeting shall be held at 10:00 a.m. on a Saturday in April of each calendar year to be determined by the Board of Directors and the President according to how the holidays fall in April.

The location of the annual meeting will also be determined by said Board Members and President.

Article VI Finances, Dues and Maintenance Fees

Section 3 Determination of Dues

(a) The Board of Directors of the Association shall fix and determine from time to time, the sum or sums necessary and adequate for the common expense of the Subdivision. Common expenses shall include expenses of carrying out the powers and duties of the Association under the provisions of the Declaration to which these By-Laws are attached. The Board of Directors is specifically empowered, on behalf of the Association to make and collect annual dues from Lot Owners. Annual dues will be due and payable by check, money order, or cash from February 15<sup>th</sup> to April 30<sup>th</sup> of each calendar year.

Current Officers;  
President Becky Warren  
Vice President Michael Fellers  
Treasurer Al Ward  
Assistant Treasurer Steve Flowers  
Secretary Teresa Crowley

Current Board of Directors  
Karen Horn  
Furman Williamson  
Rick Mills  
Ricky Rabon  
Lori Cockfield  
Krissi McLendon

This document is executed on May 4, 2012 by the current president of the  
Harbour Towne Homeowners Association Becky Warren

Witness 1. India A. Hampton Date 5/04/2012

Witness 2 Janis D. Ni Date 5/4/12

I, Melissia Wilson, a Notary Public do hereby certify that the  
within named Grantor personally appeared before me this day and acknowledge  
the due execution of the foregoing instrument.

WITNESS my hand and official seal this 4 day of May,  
Year of 2012.

Notary Public Melissia Wilson  
for South Carolina

My Commission Expires 12/5/13

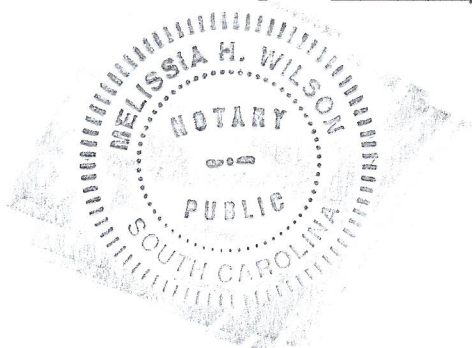


EXHIBIT A

COPY

BY-LAWS

OF

HARBOUR TOWNE SUBDIVISION HOMEOWNERS ASSOC., INC.

A SOUTH CAROLINA NON-PROFIT CORPORATION

ARTICLE I.        IDENTITY

The following By-Laws shall govern the operation of the Harbour Towne Subdivision created by the Declaration of Restrictive Covenants and Easements for Harbour Towne Subdivision (hereinafter referred to as the Declaration) to which these By-Laws are attached.

The Association whose name appears at the end of this instrument is a South Carolina Corporation not for profit, organized and existing under the laws of the State of South Carolina for the purpose of administering the Subdivision created by the Declaration to which these By-Laws are attached.

Section 1.        The office of the Association shall be at the Harbour Towne Subdivision property, or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 2.        The Seal of the Corporation shall bear the name of the Corporation, the words "South Carolina, the words, "Corporation not for profit", and the year of incorporation.

Section 3.        As used herein, the word, "Corporation", shall be the equivalent of "Association"; as defined in the Declaration to which these By-Laws are attached. All other words, as used herein, shall have the same definitions as attributed to them in the Declaration to which these By-Laws are attached.

ARTICLE II.        MEMBERSHIP AND VOTING PROVISIONS

Section 1.        Membership in the Association shall be limited to Owners of the Lots in the Subdivision. Each Lot Owner shall be eligible to become a member of the Association. Transfer of Lots, either voluntary or by operation of law, shall terminate membership in the Association, and the subsequent Lot Owner shall become eligible to become a member of the Association. If title to a Lot is vested in more than one person, then all of the persons so owning said Lot shall be members eligible to hold office, attend meetings,

etc., but, as hereinafter indicated, the vote of a Lot shall be cast by the "voting member". If Lot Ownership is vested in a Corporation, said Corporation may designate an individual officer or employee of the Corporation as its "voting member".

Section 2. Voting:

(a) The Owner(s) of each Lot shall be entitled to one (1) vote. If a Lot Owner owns more than one (1) Lot, he shall be entitled to one (1) vote for each Lot owned. The vote of a Lot shall not be divisible.

(b) A majority of the Lot Owners' total votes shall decide any question, unless the Declaration, By-Laws or Articles of Incorporation of the Association provide otherwise.

Section 3. Quorum: Unless otherwise provided in these By-Laws, the presence in person or by proxy of a majority of the Lot Owners' total votes shall constitute a quorum.

Section 4. Proxies: Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote (as set forth below in Section 5).

Section 5. Designation of Voting Member: If a Lot is owned by one person, his right to vote shall be established by the recorded title to the Lot. If a Lot is owned by more than one (1) person, the person entitled to cast the vote for the Lot shall be designated in a Certificate, signed by all of the recorded Owners of the Lot and filed with the Secretary of the Association. If a Lot is owned by a Corporation, the officer or employee thereof entitled to cast the vote of the Lot for the Corporation shall be designated in a Certificate for this purpose, signed by the President or Vice-President, attested to by the Secretary of Assistant Secretary of the Corporation, and filed with the Secretary of the Association. The person designated in such Certificate who is entitled to cast the vote for a Lot shall be known as the "voting member". If such a Certificate is not on file with the Secretary of the Association for a Lot owned by more than one person or by a Corporation, the vote of the Lot concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Lot. Such Certificates shall be valid until revoked or until superseded by a subsequent Certificate, or until a change in the Ownership of the Lot concerned.

ARTICLE III. MEETING OF THE MEMBERSHIP

Section 1. Place: All meetings of the Association membership shall be held at the Harbour Towne Subdivision property, or at such other place and at such time as shall be designated by the Board of Directors of the Association and stated in the Notice of the meeting, and shall be open to all Lot Owners.

Section 2. Notices: It shall be the duty of the Secretary to mail or deliver a Notice of each annual or special meeting, stating the time and place thereof, to each Lot Owner of record at least ten (10) but not more than sixty (60) days prior to such meeting. Notice of any special meeting shall state the purpose thereof. All Notices shall be mailed to or served at the address of the Lot Owner as it appears on the books of the Association.

Section 3. Annual Meeting: The annual meeting shall be held at 7:00 o'clock P.M. on the second Tuesday in February of each year at a place to be determined by the Board for the purpose of electing Directors and transacting any other business authorized to be transacted by the members, provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next secular day following. At the annual meeting, the members shall elect by plurality vote a Board of Directors, and shall transact such other business as may properly be brought before the meeting.

Section 4. Special Meeting: Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of voting members representing fifty-one percent (51%) of the members' total votes, which request shall state the purpose or purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the Notice thereof.

Section 5. Waiver and Consent: Whenever the vote of members at a meeting is required or permitted by any provision of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than a majority of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken; however, Notice of such action shall be given to all members, unless all members approve such action.

Section 6. Adjourned Meeting: If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Approval or Disapproval: Approval or disapproval of a Lot Owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members.

#### ARTICLE IV. DIRECTORS

Section 1. Number, Term and Qualifications: The affairs of the Association shall be governed by a Board of Directors composed of six (6) persons. All Directors shall be members of the Association. All officers of a Corporate Lot Owner shall be deemed to be members of the Association so as to qualify as a Director herein. The term of each Director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 3 below.

#### Section 2. First Board of Directors:

(a) The first Board of Directors of the Association who shall hold office and serve until their successors have been elected and qualified, shall consist of the following:

Andrew S. Vargovchik, Jr.  
Tom K. Brackin  
Victor G. Schoolfield  
Kevin J. McAndrew  
Robert G. Smith, III  
E. G. Young

(b) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 3. Removal of Directors: At any time after the first annual meeting of the membership at any duly convened regular or special meeting, any one or more of the Directors may be removed, with or without cause, by the affirmative vote of the voting members casting not less than a majority of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect said

successor, the Board of Directors may fill the vacancy in the manner provided in Section 4 below.

Section 4. Vacancies on Directorate: If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Disqualification and Resignation of Directors: Any Director may resign at any time by sending a written Notice of such resignation to the office of the Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary. Commencing with the Directors elected at such first annual meeting of the membership, the transfer of title of his Lot by a Director shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of annual dues and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

Section 6. Regular Meetings: The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of such regular meetings shall nevertheless, be given to each Director personally or by mail, telephone or telegram at least five (5) days prior to the day named for such meeting. All meetings of the Board of Directors, including special meetings in accordance with Section 7 below, shall be open to all Lot Owners.

Section 7. Special Meetings: Special meetings of the Board of Directors may be called by the President, and in his absence, by the Vice-President, or by a majority of the members of the Board of Directors, by giving five (5) days Notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All Notices of special meetings shall state the purpose of the meeting.

Section 8. Directors' Waiver of Notice: Before or at any meeting of the Board of Directors, any Director may waive Notice of such meeting and such waiver shall be deemed equivalent to the giving of Notice. Attendance

by a Director at any meeting of the Board shall be a waiver of Notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no Notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum: At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at such meetings at which a quorum is present, shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At each such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof, shall constitute the presence of such Director for the purpose of determining a quorum.

Section 10. Compensation: The Directors' fees, if any, shall be determined by the voting members.

Section 11. Powers and Duties: The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration, this Association's Articles of Incorporation, or these By-Laws, directed to be exercised and done by Lot Owners. These powers shall specifically include, but shall not be limited to the following:

(a) To exercise all powers specifically set forth in the Declaration, this Association's Articles of Incorporation, in these By-Laws, and all powers incidental thereto.

(b) To make and determine annual dues, collect such dues, and use and expend the dues to carry out the purposes and powers of the Association.

(c) To employ, dismiss and control the personnel necessary for the maintenance and operation of the Subdivision and facilities including the right and power to employ attorneys, accountants, contractors, and other professionals as the need arises.

(d) To make and amend regulations respecting the operation and use of Subdivision property, and the use and maintenance of the Lots therein.

(e) The further improvement of the Subdivision property, both real and personal, and the right to purchase realty and items of furniture, furnishings, fixtures and

equipment for the foregoing, and the right to acquire and enter into Agreements, subject to the provisions of the applicable Declaration, this Association's Articles of Incorporation and these By-Laws.

(f) Designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least six (6) members of the Association. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors, and said committee(s) shall keep regular Minutes of their proceedings and report the same to the Board of Directors, as required. The foregoing powers shall be exercised by the Board of Directors or its contractor or employees, subject only to approval by Lot Owners when such is specifically required.

#### ARTICLE V.                      OFFICERS

Section 1.            Elective Officers:    The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors.

One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President and Vice-President shall be members of the Board of Directors.

Section 2.            Election:            The officers of the Association designated in Section 1 above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

Section 3.            Appointive Officers:    The Board may appoint Assistant Secretaries and Assistant Treasurers, and such other officers as the Board of Directors deems necessary.

Section 4.            Term:                The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors, provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g. if the Board of Directors is composed of six persons, then four of said Directors must vote for removal). If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President: He shall be the chief executive officer of the Association; he shall preside at all meetings of the Lot Owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. The Vice-President: He shall perform all of the duties of the President in his absence, and such other duties as may be required of him from time to time by the Board of Directors of the Association.

Section 7. The Secretary: He shall issue Notices of all Board of Directors' meetings and all meetings of the Lot Owners; he shall attend and keep the Minutes of same; he shall have charge of all of the Association's books, records and papers, except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

Section 8. The Treasurer:

(a) He shall have custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association, in such depositories as may be designated from time to time to by the Board of Directors. The books shall reflect an account for each Lot.

(b) He shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as the Treasurer and of the financial condition of the Association.

(c) He shall collect the annual dues from the Lot Owners and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(d) He shall give status reports to potential transferees on which reports the transferees may rely.

(e) The Assistant Treasurer shall perform the duties of the Treasurer when the Treasurer is absent.

ARTICLE VI. FINANCES, DUES AND MAINTENANCE FEES

Section 1. Depositories: The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two officers of the Association.

Section 2. Fiscal Year: The fiscal year for the Association shall begin on the first day of January of each year provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable.

Section 3. Determination of Dues:

(a) The Board of Directors of the Association shall fix and determine from time to time, the sum or sums necessary and adequate for the common expenses of the Subdivision. Common expenses shall include expenses of carrying out the powers and duties of the Association under the provisions of the Declaration to which these By-Laws are attached. The Board of Directors is specifically empowered, on behalf of the Association to make and collect annual dues from Lot Owners. Annual dues will be due and payable semi-annually on the first day of January and the first day of July of each year.

(b) When the Board of Directors has determined the amount of the dues, the Treasurer of the Association shall mail or present to each Lot Owner a statement of said Lot Owner's dues. All dues shall be payable to the Treasurer of the Association and, upon request, said Treasurer shall give a receipt for each payment made to him.

Section 4. Application of Payments and Co-Mingling of Funds: All sums collected by the Association from dues may be co-mingled in a single fund or divided into more than one fund, as determined by the Board of Directors of the Association. All dues by a Lot Owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, expenses and advances as provided herein and in the Declaration and general or special assessments, in such manner and amounts as the Board of Directors determines in its sole discretion.

Section 5. Dues In Default: If a Lot Owner shall be in default in the payment of his dues, the Board of Directors shall notify such Lot Owner of the default and such Lot Owner shall not have the right to vote at any meetings during that fiscal year until such dues are brought current.

Section 6. Audits: An audit of the accounts of the Association shall be made annually. Said audit shall be prepared by such accountant as the Board of Directors determines, and a copy of said report shall be available to the members of the Association in the office of said Association and with the Treasurer of the Association. Such report shall be available not later than three (3) months after the end of the year for which the report is made.

Section 7. Application of Surplus: Any payments or receipts to the Association, whether from Lot Owners or otherwise, paid during the year in excess of the operating expenses and other common expenses of the Association shall be kept by the Association and applied against the Association's expenses for the following year.

#### ARTICLE VII. COMPLIANCE AND DEFAULT

Section 1. Violations: In the event of a violation (other than the nonpayment of dues) by the Lot Owner in any of the provisions of the Declaration, of these By-Laws, the Association, by direction of its Board of Directors, may notify the Lot Owner by written notice of said breach, transmitted by mail, and if such violation shall continue for a period of seven (7) days from the date of Notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, or of the By-Laws, and the Association may then, at its option, have the following elections:

(a) An action at law to recover for its damage, on behalf of The Association or on behalf of the other Lot Owners.

(b) An action in equity to enforce performance on the part of the Lot Owner; or

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the Lot Owner as a specific item, which shall be a lien against said Owner's

Lot with the same force and effect as if the charge were a part of the common expenses.

Section 2. Negligence or Carelessness of Lot Owner, Etc.: All Lot Owners shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees.

Section 3. Costs and Attorneys' fees: In any proceeding arising because of an alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the Court.

Section 4. No Waiver of Rights: The failure of the Association or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration shall not constitute a waiver of the right of the Association or Lot Owner to enforce such right, provision, covenant or condition in the future.

Section 5. Election of Remedies: All rights, remedies and privileges granted to the Association or Lot Owner, pursuant to any terms, provisions, covenants or conditions of the Declaration, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be granted to such other party by the Declaration, or at law or in equity.

ARTICLE VIII. AMENDMENTS TO THE BY-LAWS:

The By-Laws may be altered, amended or added to at any duly called meeting of the Lot Owners, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting a majority of the total votes of the members of the Association.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors, then the Amendment shall be approved by the affirmative vote of the voting members casting not less than three-fourths (3/4ths) of the total votes of the members of the Association; and,

(4) Said Amendment shall be recorded.

(5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in the Declaration to which these By-Laws are attached.

ARTICLE IX. NOTICES

Whatever Notices are required to be sent hereunder shall be delivered or sent in accordance with the applicable provisions for Notices as set forth in the Declaration to which these By-Laws are attached.

ARTICLE X. INDEMNIFICATIONS

The Association shall indemnify every Director and every Officer, his heirs, executors, and administrators, against all loss, cost 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.

ARTICLE XI. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any such former Owner or member from any liability or obligations incurred under or in any way connected with the Association during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former Owner and member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XII. LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain the Subdivision property, the Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements or by other Owners or persons.

ARTICLE XIII. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration or these By-Laws.

ARTICLE XIV. RULES AND REGULATIONS

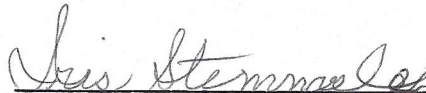
Section 1. The Board of Directors may, from time to time, adopt or amend previously adopted administrative Rules and Regulations governing the details of the operation, use, maintenance, management and control of the common elements of the Planned Unit Development and any facilities or services made available to the Lot Owners. A copy of the Rules and Regulations adopted from time to time as herein provided shall from time to time be posted in a conspicuous place and/or copies of same shall be furnished each Lot Owner.

Section 2. Conflict: In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Declaration, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Declaration, the provisions of said Declaration shall prevail.

The foregoing was adopted as the By-Laws of the Harbour Towne Subdivision Homeowners Assoc., Inc. at the first meeting of the Board of Directors.

Approved:

\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary