

BYLAWS OF
SOUTH ISLAND PLANTATION ASSOCIATION, INC.

ARTICLE I

IDENTITY

Section 1. These are the Bylaws of South Island Plantation Association, Inc. (hereinafter referred to as the Association), a non-profit corporation existing under the laws of the State of South Carolina, which has been organized for the purpose of bringing together property owners of that area of Georgetown County, South Carolina, known as *South Island Plantation*, and described on Exhibit "A" attached hereto, and additions thereto.

ARTICLE II

OFFICES

Section 1. The office of the Association shall be located at such place in Georgetown County as the Board of Directors may from time to time designate.

ARTICLE III

SEAL

Section 1. The seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed "SEAL" and such seal as is impressed on the margin hereof is adopted as the corporate seal of the Association.

ARTICLE IV

MEMBERSHIP

Section 1. Classes. The Association shall have the following classes of membership:

(a) Home Owner Class. A Member who has completed construction of an approved home on a Lot (as of June 30 of any year) in the Property shall be a Home Owner Member for that calendar year and each subsequent year.

(b) Lot Owner Class. A Member who owns an unimproved Lot in the Property shall be a Lot Owner Member.

(c) Honorary Class. Such persons as the Board of Directors may from time to time deem desirable in order to further the purposes of the Association shall be Honorary Members.

(d) Declarant Owner Class. The Declarant, Winyah Bay Holdings, LLC, a South Carolina Limited Liability Company (the "Declarant"), its successors and assigns, shall be a Special Member holding a Special Voting Membership.

All Owners shall be Members of the Association and each Lot or Dwelling Unit in *South Island Plantation* shall be subject to the Assessments as set forth in these Bylaws.

Section 2. Membership. Every Owner, including the Declarant, shall be a Member of the Association. Provided, however:

(a) When any Lot entitling the Owner thereof to membership in the Association is owned of record in the name of a corporation, trust, partnership, limited liability company, or two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, or in any other manner of joint or common ownership, one officer, trustee or person shall be designated as the person to bind all the others. Written evidence of such designation in a form satisfactory to the Association shall be delivered to the Secretary of the Association prior to the exercise of a vote by such Owner.

(b) Notwithstanding any other provision or provisions of these By laws, the Declarant shall hold a membership in the Association for so long as it owns real estate in the Property.

Section 3. Voting Rights. The respective Members shall have the following voting rights:

(a) On matters submitted to a vote of the membership, each Home Owner Member shall be entitled to one vote.

(b) On matters submitted to a vote of the membership, each Lot Owner Member shall be entitled to one (1) vote, and the Declarant shall be entitled to one (1) vote for each Lot it owns.

(c) Honorary Class Members shall enjoy the privileges of membership, but shall not have voting rights and shall not be eligible to serve as Directors or Officers of the Association.

(d) In addition to the regular voting memberships described hereinabove, on matters submitted to a vote of the membership there shall be allowed a Special Voting

Membership for the Declarant as a Special Member under the following circumstances: the Declarant anticipates that there will be approximately two hundred (200) Residential Lots within *South Island Plantation*. Because it has incurred, and will continue to incur, substantial utility upgrade, infra-structure, development and start-up costs, the Declarant shall have special voting rights in the Association until the Declarant can be assured of the completion of its development plans; therefore, until the earlier of (i) the date it has conveyed at least ninety (90%) per cent of the said Residential Lots within the Property or (ii) the date it otherwise elects (by written notice to the Association), the Declarant shall have a Special Voting Membership by which it shall be entitled to the same number of votes as are cumulatively held by all other Members, plus one. From and after the transfer of Residential Lots in excess of ninety (90%) per cent, the Association will take no action which could have a material adverse impact upon the ability of the Declarant to complete the development and to sell and transfer the balance of its Residential Lots.

In the event an Owner shall own more than one Lot, that Owner shall have one (1) vote for each Lot used.

Section 4. Transfer of Membership. Membership in the Association is not transferable or assignable, until a Lot is transferred by sale or deed.

Section 5. Honorary Memberships. The Board of Directors shall have the authority to grant and/or revoke honorary membership to such persons as they may from time to time deem desirable in order to further the purposes of the Association.

ARTICLE V

ASSESSMENTS

Section 1. Assessments. In order to maintain the high standard of *South Island Plantation*, each Lot and Dwelling Unit or other parcel of land in the Property included under this Article is hereby subject to Assessments which shall, after notice of pendency of an action to recover the said Assessment by filing such lien or other document as may be required by applicable law with the appropriate office in Georgetown County by the Association, its successors and assigns, be secured by a lien upon each such Lot or Dwelling Unit until the same is paid. Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The Annual Assessment shall be set by the Board of Directors of the Association, and payable within thirty (30) days after written notice to each Owner. The funds derived from the Annual Assessment shall be used for the payment of Common Expenses for maintenance, improvement, repair and operation expenses of *South Island Plantation* and the Association, including Common Properties, walkways, streets, roads, bridges and recreational facilities and for any other purpose necessary or desirable (including, but not limited to, the creation and maintenance of replacement and other reserves to provide for replacement of Common Properties) in the opinion of the Board of Directors of the Association, for the general benefit of the Property. The judgment of the Board of Directors of the Association in the expenditure of Assessments and fees collected shall be

final, provided, however, no funds shall be used for the original construction of streets, roads, a water system, a sewer system or original construction of recreational facilities.

The Declarant assumes the obligation to provide maintenance and all other services stated above only to the extent such maintenance and services can be provided with the proceeds of fees and Assessments. The Declarant reserves the right, but not the obligation, to subsidize the operation and Common Expenses of the Association in any year in which the funds derived from fees and Assessments are insufficient to provide the required or desired maintenance and services.

Any person desiring to obtain information as to the amount of any lien, or any dues, and Assessments shall communicate with the Treasurer of the Association and obtain evidence from the Treasurer of the amount of such lien or satisfaction of such lien which shall be conclusive proof and evidence of any such lien or satisfaction thereof.

The initial schedule of Annual Assessments for the various types of property (Lots or Dwelling Units) within the Property commencing January 1, 2006, shall be as follows:

<u>Member Type</u>	<u>Initial Regular Annual Assessment</u>
Lot Owner Class	\$1,800.00
Home Owner Class	\$2,700.00

Section 2. Date of Commencement and Proration of Annual Assessments.

Notwithstanding anything in the foregoing to the contrary, the Annual Assessments provided for herein shall commence in 2006, and shall be pro-rated as provided herein. Each subsequent Annual Assessment shall be made for the calendar year and shall become due and payable in advance on or before January 31 of that year. The Declarant or Board of Directors of the Association shall have the power to change the date upon which annual payment of Annual Assessments shall be due and payable. On all Residential Lots and Dwelling Units conveyed by the Declarant subsequent to January 1 of each year, the Annual Assessment shall be prorated as of the date of the closing of the sale.

Section 3. Special Assessments for Improvements and Additions. In addition to the Annual Assessments authorized by Section 1 hereof, the Association may levy Special Assessments, for the following purposes:

(a) For construction or reconstruction, repair or replacement of capital improvements upon the Common Properties or Common Area of the Property, including the necessary fixtures and personal property related thereto;

(b) For additions to the Common Properties or Common Area of the Property ;

(c) To provide for the necessary facilities and equipment to offer the services authorized herein; or

(d) To repay any loan made to the Association to enable it to perform the duties and functions authorized herein; or

(e) To renourish or make repairs or maintenance to the riverfront (Winyah Bay) and marsh (subject to the requirements of appropriate governmental authorities) where such property fronts or adjoins the Property; or

(f) For reconstruction, repair or maintenance or replacement of roadways, walkways or easements which adjoin or provide entry into the Property.

Special Assessment before being charged must have received the assent of a majority of the votes of the Members responding to a mail referendum within thirty (30) days of mailing (there being no quorum requirement). The Special Assessment in any one year may not exceed a sum equal to the amount of the maximum annual assessment permitted for such year on any particular class or type of property, except for emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss not covered by insurance.

The Declarant expressly reserves the right to convey Common Properties or Common Area or any Restricted Common Properties to the Association or any other non-profit association or entity. Such conveyance shall be made subject to the provisions of these Bylaws and shall contain such additional restrictions and reservations as set forth in the deed of conveyance. As an appurtenance to such conveyances, the Association shall have all of the powers, immunities and privileges reserved unto the Declarant as well as all of the Declarant's obligations with respect thereto, and any other obligation placed upon such Association by these Bylaws or the Declaration to which it is attached.

Section 4. Reserve Funds. The Association shall establish reserve funds from its Annual Assessments and/or initial Assessments collected under Article VI, Section 2 hereof to be held in reserve in an interest drawing account or investments as a reserve for (a) major rehabilitation or major repairs, (b) emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss not covered by insurance, (c) recurring periodic maintenance, or (d) initial costs of any new service to be performed by the Association.

ARTICLE VI

PRIVILEGES OF MEMBERSHIP

Section 1. Membership in the Association shall include, but not be limited to, the privilege of using all streets, walkways or Common Area within the Property; and any and all other such privileges as may be from time to time be designated by the Declarant or the Association.

Section 2. The use of Common Properties owned or controlled by the Declarant or the Association, including but not limited to streets, walkways and access roads shall be subject to reasonable rules and regulations as may be set forth by the Board of Directors of the Association or the Declarant, and the Association shall have the right to suspend membership privileges and to assess fines against the Member, who himself or whose guests or family members, violates said rules and regulations as established.

Section 3. A co-Owner not designated a Member pursuant to Article IV, Section 2 shall be entitled to access only in accordance with rules and regulations established by the Association, its successors and assigns.

ARTICLE VII

MEMBERS' MEETINGS

Section 1. Place. All meetings of the Association membership shall be held at the office of the Association, or at such other place as shall be designated by the Board of Directors of the Association and stated in the Notice of Meeting, and shall be open to all Owners.

Section 2. Membership List. At least ten (10) but not more than forty (40) days before every meeting of the Association or election of directors, a complete list of Members of the Association shall be prepared by the Secretary. Such list shall be maintained in the office of the Association for at least ten (10) days prior to any meeting or election and ten (10) days after any meeting or election.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or persons authorized or qualified to call the meeting, by mailing a copy of such notice, with proper postage affixed, at least fourteen (14) days (but not more than thirty [30] days) before such meeting to each Member entitled to vote thereat, to the last known address of the person or entity who appears as a Member on the records of the Association. Notice to one (1) or two (2) or more co-Owners shall constitute notice to all co-Owners, if that co-Owner has been designated by the co-Owner or co-Owners pursuant to Article IV, Section 2(a). It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an Owner and Member after notice is mailed shall be deemed to have been given notice if notice was given the predecessor-in-title. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Evidence of such meeting having been given may consist of an Affidavit of Meeting evidencing that the requisite notice was posted at least fourteen (14) days prior to such meeting.

Section 4. Annual Meetings. Unless otherwise provided by the Board of Directors, the annual meetings shall be held at the Property, or such other place as shall be designated by the President of the Board of Directors, at 10:00 o'clock A.M. on the first Saturday in June of each year for the purpose of electing directors and of transacting

any other business which may properly come before the meeting, provided however, if that day is a legal holiday the meeting shall be held at the same hour on the next business day.

Section 5. Special Meetings. Special Members' meetings shall be held whenever called by the President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from one-third in number of the entire membership.

Section 6. Quorum. Except as otherwise expressly provided in this Section and Article VIII, Section Duties (c)(1), a quorum at Members' meetings shall consist of so many Members as are entitled to vote fifty (50%) percent plus one or more of the total votes entitled to be cast; and subject to the voting rights of the Declarant as a Special Member under Article IV, Section 3, the acts approved by a majority of the aforesaid fifty (50%) percent plus one vote, voting in the manner provided in Article IV, Section 3 hereof, a quorum being present in person or by proxy, shall constitute a decision of the Members and shall be binding upon the Members except where otherwise provided in these Bylaws. If the required quorum is not forthcoming at any such meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such meeting shall be the presence of Members or proxies entitled to cast twenty-five (25%) percent of the total vote of the membership of the Association. In the event the required quorum is not forthcoming at the second meeting, a third meeting may be called subject to the giving of proper notice and there shall be no quorum required for such third meeting.

Section 7. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted by any provisions of these Bylaws to be taken in connection with any action of the Association, the meeting and vote of Members may be waived if Members entitled to cast a majority vote on the action if such meeting were held, shall consent in writing to such action being taken; however, notices of such action shall be given to all Members unless all Members participated in the approval of such action.

Section 8. Proxies. Votes may be cast in person or by proxy. A proxy may be made in writing by any Member entitled to vote and shall be valid for such period as provided by law unless a shorter period is designated in the proxy and must be filed with the Secretary before the appointed time of the meeting.

Section 9. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not attended, the Members who are present, whether in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

Section 10. Voting by Mail. Where Directors are to be elected by Members, such elections may be conducted by mail in such manner as the Board of Directors shall determine.

Section 11. Proviso. Provided, however, until the earlier of (i) the date the Declarant has conveyed at least ninety (90) percent of the Residential Lots and Dwelling Units within the Property or (ii) the date the Declarant elects to terminate its control of the Property, the proceedings of all meetings of the Members of the Association shall have no effect unless approved by the Board of Directors.

ARTICLE VIII

BOARD OF DIRECTORS

Section 1. Powers and Duties of the Board of Directors. 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 Bylaws, directed to be exercised and done by Members or the Declarant. These powers and duties shall specifically include, but shall not be limited to, the matters hereinafter set forth.

Powers. The powers of the Board of Directors shall specifically include, but shall not be limited to the following:

(a) To adopt and publish rules and regulations governing the use of the Common Properties, Restricted Common Properties, if applicable, and facilities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) To suspend the voting rights and right to use of any recreational facilities of a Member during any period in which such Member shall be in default in the payment of any Assessment levied by the Association. Such rights may also be suspended after notice and hearing for infraction of published rules and regulations;

(c) To exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration, including appointing and/or removing members of the Review Board when control thereof has been transferred to the Association;

(d) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and

(f) To secure (but there is no obligation to so secure) Officers and Directors' Liability Insurance covering the Officers and Directors of the Association at the expense of the Association.

Duties. The duties of the Board of Directors shall specifically include, but shall not be limited to, the following:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the membership;

(b) To supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) As provided herein and in the Declaration, to:

(1) Fix the amount of the Annual Assessment against each Lot and/or Dwelling Unit in advance of each Annual Assessment period and present said Annual Assessment and a budget to the Members at the Annual Meeting at which time any amendment to the Annual Assessment shall be adopted only upon a three-fourth (3/4) vote plus one of the Members (voting in the manner provided in Articles IV, Section 3 hereof) at the Annual Members' meeting or at any duly called Special Meeting;

(2) Send written notice of each Assessment to every Owner subject thereto at least ten (10) days in advance of each Annual Assessment period; and

(3) Foreclose the lien against any Lot and/or Dwelling Unit for which assessments are not paid within thirty (30) days after due date and to bring an action at law against the Owner personally obligated to pay the same.

(d) To issue, or to cause the Treasurer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) To procure and maintain adequate liability and hazard insurance on property (real or personal) owned by the Association in the form and amount determined from time to time by the Board of Directors.

(f) To cause all officers or employees of the Association having fiscal responsibilities to be bonded, with fidelity bonds in the form and amount required by the Association, and the premium on such bonds shall be paid by the Association; and

(g) To cause the Common Properties and any Restricted Common Properties to be adequately maintained.

Section 2. Membership. The Board of Directors shall consist of not less than three (3) nor more than seven (7) members. The number to serve on the Board of Directors shall be set annually by the Board of Directors until the Declarant shall relinquish its right to appoint all members of the Board of Directors, as provided in Section 4.(d) of this Article. Officers or employees of the Declarant shall be eligible to serve as Directors, even if they are not Members.

Section 3. Nomination. Nomination for election to the Board of Directors by the Members shall be made by a Nominating Committee which shall be appointed by Declarant until Declarant's control of the Property has terminated as provided in Section 4.(d) of this Article. Nominations may also be made by a petition of not less than forty (40) Members in good standing submitting such nomination in writing to any officer or Director at least twenty-four (24) hours prior to the date and time set for the meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors at each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made only from among Members, except as provided in Section 2 of this Article.

Section 4. Election of Directors. Except as otherwise provided herein, election of Directors shall be conducted in the following manner:

- (a) Election of Directors shall be held at the annual Members' Meeting.
- (b) Except as to vacancies created by removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by the remaining Directors.
- (c) Any Director may be removed by a two-thirds (2/3) vote of the membership at a special meeting of the Members called for that purpose. The vacancies in the Board of Directors so created shall be filled by the Members of the Association at the same meeting.
- (d) Provided, however, until the earlier of (i) the date it has conveyed at least ninety (90%) percent of the Residential Lots and Dwelling Units within the Property or (ii) the date the Declarant elects to terminate its control of the Property, or to reduce the number of Board of Directors it appoints, the Declarant shall have the right to appoint all of the Directors at the annual Members' meeting and new Directors in the event of vacancies occurring between annual meetings of Members. Provisions of this subparagraph 4.(d) shall be controlling over other subparagraphs and Sections in this Article and Article VII.

Section 5. Tenure. The term of each Directors' service shall extend until the next annual meeting of Members and thereafter until his successor is duly elected or appointed and qualified or until he is removed in the manner elsewhere prescribed.

Section 6. Organization Meeting. The organizational meeting of a newly elected or appointed Board of Directors shall be held within ten days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they are elected or appointed and no further notice of the organizational meeting shall be necessary.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be from time to time designated by a majority of the Directors. Notice of regular meetings shall be given to each director personally or by mail, telephone, or telegraph at least three days prior to the day of such meeting; provided, however, that no notice requirement contained herein shall prevent a regular meeting of the Board of Directors without other notice than the provisions of this Bylaw immediately after and at the same place as the annual meeting of Members.

Section 8. Special Meeting. Special meetings of the Directors may be called by the President or must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone, or telegraph, which said notice shall state the time and place and purpose of the meeting. Any Director may waive notice of a meeting, before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

Section 9. Quorum. A quorum at a Directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors. Both Regular Meetings and Special Meetings may be conducted by telephone.

Section 10. Adjourned Meetings. If at any meeting of the Board of Directors there are less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which may have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Ratification. The ratification or 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 the quorum.

Section 12. Presiding Officer. The presiding officer of Directors' meetings shall be the Chairman of the Board, if such an officer has been elected; and if none, then the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

Section 13. Compensation. Directors as such shall not receive stated salaries for their services but by resolution of the Board of Directors, a reasonable sum for expenses of attendance, if any, may be allowed for attendance at regular or special meetings of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

Section 14. Admission of Members. Directors may vote on the admission of new Members by mail, telephone, facsimile transmission, e-mail or telegram in such manner as the Board of Directors shall determine.

ARTICLE IX

OFFICERS

Section 1. Executive Officers. The executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents (the number to be determined by the Board of Directors), a Secretary and a Treasurer, all of whom must be elected annually by the Board of Directors, and who may be peremptorily removed by vote of a majority of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

Section 2. President. The President shall be the chief executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He may sign with the Secretary, or other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, membership certificates, or other instruments which the Board of Directors has authorized and directed to be executed, and in general, he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 3. Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

Section 4. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to giving and serving all notice to the Members and Directors and other notices required by law. He shall sign membership certificates with the President. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association except those of the Treasurer and shall perform all other duties incident to the office of Secretary of a corporation and as may be required by the Directors or the President.

Section 5. Treasurer. The Treasurer shall have custody of all property of the Association including funds, securities and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

ARTICLE X

INDEMNIFICATION

Section 1. The Association and Owners shall indemnify every Director and every officer, his heirs, executors and administrators, against all losses, costs and expenses 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 or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights which such Director or Officer may be entitled by law.

ARTICLE XI

COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more directors and one or more other Owners, which committees, to the extent and for the term provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association, but the designation of such committees and the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

ARTICLE XII

CHECKS AND DRAFTS

Section 1. All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. Such instruments may be signed by the President and attested to and countersigned by the Secretary.

ARTICLE XIII**DEPOSITS**

Section 1. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE XIV**BOOKS AND RECORDS**

Section 1. The Association shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Members, Board of Directors and committees having any of the Authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by any Member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XV**AMENDMENTS TO BYLAWS**

Section 1. Except as provided herein below and in the Declaration, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of the Members (voting in the manner prescribed in Article IV, Section 3 hereof) at the annual Members' meeting or at any duly called special meeting after notice to the Members specifying the proposed changes; provided, further, that notice thereof be mailed to the Members not less than ten (10) days prior to the date of the meeting. Notwithstanding anything contained hereinabove to the contrary, any amendment to the Annual Assessment may be adopted only upon a three-fourths (3/4) vote plus one of the Members (voting in the manner provided in Article IV, Section 3 hereof) at the annual Members' meeting or at any duly called special meeting and any amendment to the Bylaws changing this provision will likewise require a three-fourths (3/4) vote of the Members (voting in the manner provided in Article IV, Section 3 hereof).

ARTICLE XVI**SEVERABILITY**

Section 1. Should any provision herein contained or any Article, Section, Subsection, sentence, clause, phrase or term of these Bylaws be declared to be void, invalid, illegal or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

ARTICLE XVII

DEFINITIONS

Section 1. The definitions contained in the Declaration to which these Bylaws are attached are incorporated herein unless it is clear from the context that the word or phrase should have another meaning.

ARTICLE XVIII

PARLIAMENTARY RULES

Section 1. Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration or these Bylaws.


ARTICLE XIX

RECORDING BYLAWS

Section 1. These Bylaws and all subsequent amendments shall be recorded by the Secretary in the office of the Registrar of Mesne Conveyances for Georgetown County, South Carolina, and shall run with the lands of *South Island Plantation* and shall apply to lands located therein.

#20640 Scoville
000013128 01:59P
RECORDED 07/22/2005
Bk:01677 Pg:00064 Pages:42
Fee:48.00 State:0.00
County:0.00
Georgetown County, SC
Register of Deeds
Wanda J. Prevette

Declaration of
Covenants
South Island Plantation
Pth 1 City
Winyah Bay Holdings LLC

RECORDED ON THE 26th DAY
OF July 2005

AUDITOR, GEORGETOWN CO., SC