

DeBORDIEU®

**DEBORDIEU COLONY  
COMMUNITY ASSOCIATION**

*By-Laws*

# TABLE OF CONTENTS

<b>ARTICLE I. Identity</b> .....	<b>3</b>
Association Property.....	3
<b>ARTICLE II. Offices</b> .....	<b>3</b>
Location.....	3
<b>ARTICLE III. Seal</b> .....	<b>3</b>
Description.....	3
<b>ARTICLE IV. Membership</b> .....	<b>3</b>
Section 1. Classes.....	3
a) HOME OWNER CLASS.....	3
b) LOT OWNER CLASS.....	3
c) CONDOMINIUM OWNER CLASS.....	3
d) HONORARY CLASS.....	3
Section 2. Election to Membership.....	3
Section 3. Voting Rights.....	4
Section 4. Removal.....	4
Section 5. Transfer of Membership.....	4
Section 6. Honorary Memberships.....	4
<b>ARTICLE V. Assessments</b> .....	<b>4</b>
Section 1. Annual Assessments.....	4
Section 2. Date of Commencement and Proration of Annual Assessments.....	5
Section 3. Special Assessments for Improvements and Additions.....	5
Section 4. Emergency and Natural Disaster Assessments.....	6
Section 5. Reserve Funds.....	6
Section 6. Neighborhood Assessments.....	6
Section 7. One-Time Special Assessments for Improvements to Beach, Canals, and Drainage, on May 31, 1996.....	7
<b>ARTICLE VI. Privileges of Membership</b> .....	<b>8</b>
Section 1. Rights and Privileges.....	8
Section 2. Rules and Regulations.....	8
<b>ARTICLE VII. Members' Meetings</b> .....	<b>8</b>
Section 1. Annual Meetings.....	8
Section 2. Special Meetings.....	9

Section 3. Notice of Meetings. ....	9
Section 4. Quorum. ....	9
Section 5. Informal Action by Members.....	9
Section 6. Proxies. ....	9
Section 7. Adjourned Meetings. ....	9
Section 8. Voting by Mail. ....	10
<b>ARTICLE VIII. Board of Directors .....</b>	<b>10</b>
Section 1. General Powers. ....	10
Section 2. Membership. ....	10
Section 3. Election of Directors.....	10
Section 4. Tenure.....	12
Section 5. Organizational Meeting.....	12
Section 6. Regular Meetings.....	12
Section 7. Special Meetings. ....	12
Section 8. Quorum. ....	12
Section 9. Adjourned Meetings. ....	12
Section 10. Ratification. ....	13
Section 11. Presiding Officer.....	13
Section 12. Compensation. ....	13
Section 13. Admission of Members.....	13
Section 14. Accounting Year. ....	13
Section 15. Required Attendance.....	13
Section 16. Open Meetings. ....	13
<b>ARTICLE IX. Officers .....</b>	<b>14</b>
Section 1. Executive Officers. ....	14
Section 2. President.....	14
Section 3. Vice President.....	14
Section 4. Secretary. ....	14
Section 5. Treasurer. ....	14
<b>ARTICLE X. Architectural Review Board.....</b>	<b>15</b>
Section 1. Composition of ARB. ....	15
Section 2. Terms. ....	15
Section 3. Meetings. ....	15

Section 4. Outside Services.....	15
Section 5. Establish Policies.....	15
Section 6. Appeals.....	16
<b>ARTICLE XI. Committees .....</b>	<b>16</b>
Section 1. Standing Committees.....	16
a) The "Membership" Committee.....	16
b) The "Executive" Committee.....	16
c) The "Finance" Committee.....	16
d) The "Nominating" Committee.....	17
e) The "Grievance" Committee.....	17
<b>ARTICLE XII. Indemnification of Directors and Officers .....</b>	<b>17</b>
Section 1. Good Faith Conduct.....	17
Section 2. Improper Benefit.....	17
Section 3. Expense Limit.....	17
Section 4. Statutory Limitations.....	17
Section 5. Insurance.....	18
<b>ARTICLE XIII. Checks and Drafts .....</b>	<b>18</b>
Signatures.....	18
<b>ARTICLE XIV. Deposits .....</b>	<b>18</b>
Depositories.....	18
<b>ARTICLE XV. Books and Records.....</b>	<b>18</b>
Location and Inspection.....	18
<b>ARTICLE XVI. Amendments to By-Laws .....</b>	<b>18</b>
Section 1. Requirements.....	18
Section 2. Special Meeting for Adoption of By-Law Amendments.....	19
<b>ARTICLE XVII. Severability .....</b>	<b>19</b>
Effect of Judgment.....	19
<b>ARTICLE XVIII. Definitions .....</b>	<b>19</b>
Section 1. Meanings.....	19
a) "Association".....	19
b) "Common Properties".....	19
c) "Dwelling Unit".....	20
d) "Neighborhood Area".....	20
e) "Of Record".....	20
f) "Owner".....	20
g) The "Property".....	20
h) "Residential Lot" or "Lot".....	20

i) "Partnership" .....	20
j) "Association Member in Good Standing" .....	21
k) Any use of "he," "him" or "his" .....	21
<b>ARTICLE XIX. Conflicts</b> .....	<b>21</b>
By-Laws Prevail. ....	21
<b>AMENDMENT AND RESTATEMENT</b> .....	<b>21</b>
<b>EXHIBIT "A"</b> .....	<b>22</b>
<b>EXHIBIT "B"</b> .....	<b>23</b>
<b>AMENDMENT AND RESTATEMENT</b> .....	<b>24</b>
<b>EXHIBIT "1"</b> .....	<b>28</b>
<b>EXHIBIT "1" (continued)</b> .....	<b>29</b>
<b>EXHIBIT "2"</b> .....	<b>30</b>

## ARTICLE I. Identity

**Association Property.** These are the By-Laws of the DeBordieu Colony Community 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, formerly a portion of Arcadia Plantation, known as DeBordieu Colony and described on Exhibit "A" attached hereto, and additions thereto. There shall be no additional Property added to DeBordieu Colony beyond that described on Exhibit "A."

## ARTICLE II. Offices

**Location.** The Offices of the Association shall be located in DeBordieu Colony, Georgetown County, South Carolina or at such other place as the Board may from time to time designate.

## ARTICLE III. Seal

**Description.** 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 is impressed on the margin hereof as 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 in the subdivision shall be a Home Owner Member.
- b) **LOT OWNER CLASS.** A Member who owns an unimproved lot in the subdivision shall be a Lot Owner Member.
- c) **CONDOMINIUM OWNER CLASS.** A Member who owns a condominium apartment within the subdivision shall be a Condominium Owner Member.
- d) **HONORARY CLASS.** Such persons as the Board of Directors may have designated prior to January 1, 1998 shall be honorary members.

***All Owners shall be Members of the Association and each lot or dwelling unit in DeBordieu Colony shall be subject to the assessments contained herein in all classes.***

### Section 2. Election to Membership.

Members shall be elected by an affirmative vote of a majority of the Board of Directors or by a committee appointed by the Board of Directors, provided, however:

- a) When any property entitling the Owner thereof to membership in the Association is owned Of Record in the name of a corporation, trust, partnership or two or more persons or entities, whether fiduciaries, joint tenants, tenants in common tenants in partnership or in any other manner of joint or common ownership, one officer, trustee or person shall be assigned 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, Lucille V. Pate shall hold a Home Owner Class membership in the Association for the term of her natural life, and the Partnership shall hold a membership in the Association for so long as it owns real estate in the DeBordieu Community.

### **Section 3. Voting Rights.**

The respective Members shall have the following voting rights (provided that at the time of voting such Member is an Association Member in Good Standing):

- a) On matters submitted to a vote of the membership, each Association Member shall be entitled to one vote.
- b) 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. From and after January 1, 1998, the Association will take no action which could have a material adverse impact upon the ability of the Partnership to complete the development and to transfer the balance of the Residential Lots and Dwelling Units.

In the event an Owner shall own more than one piece of property, that Owner shall have one vote for each property owned; provided that said Owner is an Association Member in Good Standing.

### **Section 4. Removal.**

The Board of Directors by affirmative vote of a majority of all members of the Board may suspend or expel a Member, and any Member who ceases to be a lot or dwelling owner within the DeBordieu Community shall automatically be terminated as a Member. An individual who has been designated the person entitled to represent related Owners under the provisions of Article *IV*, Section 2.a above, shall forfeit said membership when the Board of Directors has been notified that another person has been designated.

### **Section 5. Transfer of Membership.**

Membership in the Association is not transferable or assignable.

### **Section 6. Honorary Memberships.**

The Board of Directors shall have the authority to grant 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. Annual Assessments.**

In order to maintain the high standards of DeBordieu Colony each lot, dwelling unit or other parcel of land in the subdivision included under this Article is hereby subject to assessments which shall, after notice of pendency of an action to recover the said assessments (Notice of Lis Pendens) has been filed with the Clerk of Court for Georgetown County by the Association, its successors and

assigns, be secured by a lien upon each such lot, dwelling unit or parcel 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. From and after January 1, 1987, this annual payment may be increased each year by the percentage of increase in the consumer price index for the previous year, or at the option of the Association, may be increased each year up to ten percent (10%) of the maximum authorized payment for the previous year. The funds derived from the Annual Assessment shall be used for the payment of maintenance, improvement and operation expenses of streets, roads, bridges and recreational facilities and for any other purpose necessary or desirable in the opinion of the Board of Directors of the Association, for the general benefit of the subdivision. The judgment of the Board of Directors of the Association in the expenditure of assessments and fees shall be final, provided, however, no funds shall be used for the original construction of subdivision street, roads, water system, sewer system canals.

Except for property heretofore conveyed as a Residential Lot or Dwelling Unit and Dwelling Units owned *by* the Partnership which are being leased by or used by the Partnership (which will be assessed as provided herein), property shall not be classified for purposes of these By-Laws and these assessments as a lot or Residential Lot or Dwelling Unit until conveyed to a purchaser by the Partnership, its successors or assigns.

With respect to his/her own account, any Member desiring to obtain information as to the amount of any lien, or any dues, and assessments shall communicate with the Secretary of the Association and obtain evidence from the Secretary 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 within DeBordieu Colony, commencing January 1, 1986, shall be as follows:

<u>Property Type</u>	<u>Annual Assessment</u>
<b><i>Residential Lots</i></b>	<b><i>\$250.00</i></b>
<b><i>Dwelling Units</i></b>	<b><i>\$250.00</i></b>

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

Each Annual Assessment shall be made for the calendar year and shall become due and payable on or before January 31<sup>st</sup> of that year. The 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 Partnership subsequent to January 1<sup>st</sup> of each year, the Annual Assessment shall be prorated as of the date of the closing of the sale. In addition, at closing each purchaser shall pay to the Association an initial assessment in the amount not less than the full amount of the Annual Assessment as determined by the Board of Directors which funds shall be deposited to the capital account of the Association. A member who pays the Annual Assessment pursuant to the terms of this By-Law shall not be obligated also to pay annual assessments to which he is committed by virtue of covenants and restrictions contained in his/her deed.

**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 DeBordieu Colony, including Community/public within or contiguous to DeBordieu Colony boundaries, and including the necessary fixtures and personal property related thereto;
- b) For additions to the Common Properties or Common Area of DeBordieu Colony;
- c) To provide for the necessary facilities and equipment to offer the services authorized herein;
- d) To repay any loan made to the Association to enable it to perform the duties and functions authorized herein.

Such assessment before being charged must have received the assent of a majority of the votes of the Association Members in Good Standing 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.

The Partnership expressly reserves the right to convey Common Properties or Common Area to the Association or any non-profit association created under Article XVIII, Section 1.d hereof to which the Common Properties or Common Area may be applicable. Such conveyance shall be made subject to the provisions of these By-Laws 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 Partnership as well as all of the Partnership's obligations with respect thereto, including the obligation to maintain and enhance.

#### **Section 4. Emergency and Natural Disaster Assessments.**

In the event DeBordieu Colony is in an area declared by the federal or state government to be a disaster area or property of the Association is subjected to a storm, hurricane, fire, flooding or other casualty whereby losses not covered by insurance are sustained, the Board of Directors may declare and levy an emergency assessment, in addition to any other Annual Assessments or Special Assessments, upon each property as provided in Section 1, hereof.

#### **Section 5. Reserve Funds.**

The Association will establish reserve funds from its Annual Assessments and/or initial assessments collected under Article V, Section 2, hereof to be held in reserve in an interest bearing 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 and (d) initial costs of any new service to be performed by the Association.

#### **Section 6. Neighborhood Assessments.**

In addition to the Annual Assessment, Special Assessment, and Emergency and Natural Disaster Assessments authorized in Sections 1, 3 and 4 of this Article, when any area or portion of DeBordieu Colony has been designated a Neighborhood Area for the benefit of Owners of property within the area so designated, the Board of Directors of the Association is hereby empowered to levy assessments to be used for the benefit and/or operation of the particular Neighborhood Area of DeBordieu Colony, the payment of which assessments shall be borne by the Owners within such

area only; such assessment being herein referred to as "Neighborhood Assessments." A Neighborhood Assessment can only be levied by the Board of Directors of the Association after a determination that the affected area of the property has such need of a particular addition or improvement as would justify the expenditure therefore by the Owners who would be assessed and who would enjoy the benefits of such improvements or addition and/ or the operation thereof or when seventy-five percent (75%) of the Owners within a particular Neighborhood Area with the approval of the Association vote to levy a Neighborhood Assessment. In cases where such determination is made by the Board of Directors, the levy of the applicable Neighborhood Assessment by the Board of Directors of the Association shall be final and not subject to approval by either the whole body of Members or by those Members who would be subject to the Neighborhood Assessment. If a Neighborhood Assessment is made for an improvement or addition which requires a continuing assessment for maintenance and/or operational costs, then those Owners subject to the levy of the Neighborhood Assessment may discontinue and abolish such Neighborhood Assessment if such Owners so vote in a referendum held during the second (2<sup>nd</sup>) or any subsequent year of such a continuing Neighborhood Assessment. In such referendum, in the event sixty-six and two-thirds percent (66 2/3 %), or more, of the votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by such Members. Should any costs result from the removal of any addition or improvement where a particular Neighborhood Assessment is discontinued, such costs shall be funded by the Neighborhood Assessment before its discontinuance.

#### **Section 7. One-Time Special Assessments for Improvements to Beach, Canals, and Drainage, on May 31, 1996.**

In addition to the other assessments provided herein, and notwithstanding any provisions of these By-Laws to the contrary, the Association shall levy a one-time Special Assessment as follows:

[\(See attached Exhibit B for Schedule\)](#)

The word "island" as used in the Schedule shall mean that property which can only be accessed after crossing the causeway (the easternmost portion of Luvan Boulevard), which connects the peninsula of DeBordieu with the mainland and "Partnership" shall mean the DeBordieu Property Owners Buyout Group Limited Partnership.

The proceeds of this one-time special assessment, to be held in trust by a C.P.A. in three separate trust accounts, shall be used as and when directed by the Board of Directors for the following purposes: (1) Beach Stabilization - Based on preliminary design and budget recommendations of CSE/Baird, install two groins on the south property of DeBordieu south of the seawall, and two groins on the Baruch property (if permission can be obtained from the Baruch trustees while adding approximately 150,000 to 200,000 cubic yards of sand to renourish the beach. Final calculation of sand volume and groin design will be based on refinement of preliminary engineering study; (2) Canal Dredging-An application was duly filed with the Office of Ocean and Coastal Resource Management September 1, 1995, requesting a permit for maintenance dredging of approximately 2.94 miles of DeBordieu Creek. The proposed dredging would restore a uniform bottom depth of 4.5' MLW with 3H:1V side slopes and a maximum top width of about 50' in most of the creek. All dredged materials will be disposed of by placement in an upland disposal site, as designated, on the DeBordieu Colony. The stated purpose of this work is to maintain navigability for small recreational boats of not more than 22' in length during all tide stages; (3) Drainage - A drainage plan involving the digging of additional ditches along the north boundary into Woodcock Pond and along the west

which will connect to existing boundary ditches to accomplish the shedding of off-site water around the DeBordieu property instead of through the property into the marsh and creeks. In conjunction with the additional ditches, up sizing of major outfall pipes and structures is also necessary. The Board of Directors is authorized to proceed with improvements within one of the foregoing categories notwithstanding it may not have permits to commence improvements in one or both of the other categories.

The Board of Directors of the Association shall have the authority and power to borrow money for the aforesaid purposes (not more than is to be assessed plus projected interest) and to pledge the revenues of this one-time assessment as security for such loan or loans.

Assessments pursuant to this section shall be due and payable within sixty (60) days after adoption of this amendment, unless established otherwise by the Board of Directors and shall be secured by a lien upon each lot, dwelling, unit or parcel as provided in Section 1 of this Article.

It is acknowledged that this assessment may not be sufficient to correct the problems for all times, and nothing contained herein shall prevent the members from opting to assess themselves at a future date.

## **ARTICLE VI. Privileges of Membership**

### **Section 1. Rights and Privileges.**

Membership in the Association shall include, but not be limited to, the privilege of using all streets, walkways, waterways and canals within the subdivision and access roads; the right to apply for membership in any existing or proposed private clubs, social or recreational, within the subdivision subject to such limitations as there may be placed on the number of members and such rules and regulations as there may be promulgated as to such clubs; and any and all other such privileges as may be from time to time designated by the Association.

### **Section 2. Rules and Regulations.**

The use of Common Property owned or controlled by the Association, including but not limited to streets, walkways, waterways and canals shall be subject to reasonable rules and regulations as may be set forth by the Board of Directors of the Association, 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.

## **ARTICLE VII. Members' Meetings**

### **Section 1. Annual Meetings.**

The annual meetings shall be held at DeBordieu Colony at ten (10) o'clock A.M. on the first Saturday in May 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 2. 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-tenth (1/10) in number of the entire membership.

## **Section 3. Notice of Meetings.**

Notice of all Members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Secretary unless waived in writing. Such notice shall be mailed postage prepaid first class not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Notice of the meeting shall be deemed to be delivered when deposited in the U. S. Mail addressed to the Member at his address as it appears on the records of the Association with postage thereon prepaid. Notice of the meeting may be waived before, at or after the meeting in writing.

## **Section 4. Quorum.**

Except as otherwise expressly provided hereunder, a quorum at Members' meetings shall consist of fifty-one percent (51%) or more of the Association Members in Good Standing represented in person or by proxy. The acts approved by a majority of the aforesaid fifty-one percent (51%) 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 By-Laws. 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 Association Members in Good Standing or proxies from such Members entitled to cast twenty-five percent (25%) 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 5. Informal Action by Members.**

Any action required by law to be taken at a meeting of Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

## **Section 6. Proxies.**

Votes may be cast in person or by proxy. A proxy may be made by any Association Member in Good Standing 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 7. 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 8. 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.

## **ARTICLE VIII. Board of Directors**

### **Section 1. General Powers.**

The affairs of the Association shall be managed by its Board of Directors.

- a) The Board of Directors shall have full authority to take any and all actions with respect to affairs of the Association except for such actions as may be specifically reserved to Members of the Association by these By-Laws, the Articles of Incorporation, or the laws of the State of South Carolina. The Board shall have power and authority to take any action it deems necessary to enforce rules and regulations governing the conduct of Members and visitors in DeBordieu Colony.

Each Director shall discharge his/her duties in good faith; with the care an ordinarily prudent person in like position would exercise under similar circumstances and in a manner the Director reasonably believes to be in the best interest of the Association and its Members.

- b) The Board of Directors shall have the power to expend funds to the extent of the amount in the Association's treasury or owing to the Association; to make contracts, borrow money and incur indebtedness for the purposes of the Association but not in an amount to exceed Five Hundred Thousand dollars (\$500,000) outstanding at any one time without approval of the Members in Good Standing; and to cause promissory notes, bonds, or other evidences of indebtedness to be executed and issued so long as assets are not ledged without the approval of the Association Members in Good Standing. Approval of the Association Members in Good Standing for purposes of this sub-section shall mean two-thirds (2/3) of the votes cast at a meeting, duly called by notice which sets forth matters to be considered at the meeting.
- c) Notwithstanding the provisions of Sub-section (b) of this Section 1, in the event of an emergency or natural disaster as described in Section 4 of Article VI, the Board of Directors shall have the power, without approval of the Association Members in Good Standing, to expend funds to the extent of the amount in the Association's treasury or owing to the Association; to make contracts, borrow money and incur indebtedness for the purposes of the Association and to cause promissory notes, bonds, or other evidences of indebtedness, together with such security as the Board may deem appropriate, to be executed and issued.

### **Section 2. Membership.**

The Board of Directors, from and after the annual meeting in May 1998, shall consist of twelve (12) members, each of whom shall be an Association Member in Good Standing or shall be the spouse of an Association Member in Good Standing.

### **Section 3. 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. Only Members in Good Standing shall be entitled to vote. Cumulative voting is not permitted.
- (i) The Notice of the meeting shall contain the names of the nominees who have been selected by the Nominating Committee of the Board of Directors.
  - (ii) There may be nominations from the floor provided that a proposed nominee from the floor shall have been endorsed in writing by five percent (5%) of the Association's Members in Good Standing and the Secretary has been furnished, forty (40) days or more prior to the meeting, with the original of the endorsement and a consent by the nominee to serve if elected.
  - (iii) Prior to the Annual Meeting of Members to be held May 2, 1998, the Board of Directors shall appoint a committee consisting of two (2) current members of the Board of Directors and three (3) Association Members in Good Standing who are not Board members. The five (5) Members shall serve as a special nominating committee for the purpose of nominating twelve (12) Members who will stand for election. The names of the nominees shall be included with the notice of the meeting. At the meeting, nominations may be made from the floor provided that a proposed nominee from the floor shall have been endorsed in writing by not less than ten percent (10%) of Association Members in Good Standing and the Secretary has been furnished, ten (10) days or more prior to the meeting, with the original endorsement and a consent by the nominee to serve if elected. Election shall be by written ballot, and the twelve (12) nominees receiving the largest number of votes shall be declared Directors. If there are more than twelve (12) nominees and the vote results in a tie among those receiving the lower number of votes so that the twelfth (12th) position is not determined, then the nominees so affected may mutually agree as to who takes the office or, if there is no agreement, the winner of the office shall be determined by drawing lots. Following the election the Directors shall determine the four (4) who will serve a term of one (1) year; the four (4) for a two (2) year term; the four (4) for a three (3) year term. This determination may be made by mutual consent or, if there is no agreement, the determination shall be made by drawing lots. B. At the Annual Meeting of Members on the first Saturday in May of 1999 and at each successive Annual Meeting thereafter, there shall be elected four (4) members of the Board of Directors to replace those whose terms expire.
  - (iv) No person shall serve more than two (2) successive terms on the Board of Directors. For purposes of this sub-section, a term shall include a three (3) year term pursuant to election by Members in Good Standing and any partial term of two (2) or more years which has resulted from filling a vacancy on the Board of Directors. Spouses may not succeed one another as members of the Board of Directors if the combined terms are longer than two (2) successive terms as described herein.
  - (v) At annual meetings, election shall be by written ballot and the four (4) nominees receiving the largest number of votes shall be declared Directors. In event of a tie the determination shall be made by drawing lots.
- b) Except as to vacancies created by removal of Directors by Association Members in Good Standing, 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 vote of the Association Members in Good Standing 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 Association Members in Good Standing at the same meeting.

#### **Section 4. Tenure.**

The term of each Director's service shall extend for a period of three (3) years from time of election, except as provided in Section 3.a(iii) and thereafter until his successor is duly elected or appointed and qualified or until he is removed in the manner elsewhere prescribed. Provided further, that the term of a Director who ceases to be an Association Member in Good Standing shall end upon such occurrence. Provided further that a Director whose spouse ceases to be a Member of the Association in Good Standing shall forthwith be terminated as a member of the Board of Directors.

#### **Section 5. Organizational Meeting.**

The organizational meeting of a newly elected Board of Directors 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 are elected and no further notice of the organizational meeting shall be necessary.

#### **Section 6. Regular Meetings.**

Not less frequently than bi-monthly, regular meetings of the Board of Directors shall 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 telegram at least ten (10) 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 this By-Law immediately after and at the same place as the annual meeting of Members.

#### **Section 7. Special Meetings.**

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 (1/3) of the Directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone, or telegram 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 8. Quorum.**

At any meeting, a majority of the Board of Directors then serving shall constitute a quorum for the transaction of business. No proxies shall be allowed. Meetings of the Board of Directors, or participation by a member not in person, may be held by any means of communication by which all Board Members participating may hear each other simultaneously during the meeting and participation during the course of the meeting by such means shall be deemed presence at the meeting. This provision is subject to the laws of the State of South Carolina governing Not-For-Profit corporations.

#### **Section 9. Adjourned Meetings.**

If at any meeting of the Board of Directors there is 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 10. 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 subject to the laws of the State of South Carolina governing Not-For-Profit corporations.

#### **Section 11. Presiding Officer.**

The presiding officer of Directors' meetings shall be the President. In the absence of the presiding officer, the Directors present shall designate one of their number to preside. The Presiding Officer shall not vote on any matter except to break a tie vote. The Presiding Officer may, however, speak and make his views known with respect to any matter before the Board of Directors.

#### **Section 12. Compensation.**

Directors as such shall not receive any material compensation for their services but by resolution of the Board of Directors, may be reimbursed for expenses actually incurred on behalf of the Association, if any, but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefore.

#### **Section 13. Admission of Members.**

Directors may vote on the admission of new Members by mail, telephone, or telegram in such manner as the Board of Directors shall determine.

#### **Section 14. Accounting Year.**

The Board of Directors shall have the power to determine the accounting year-end for tax purposes or to obtain the most economical accounting period for audit purposes with or without affecting the dates of Annual Meetings or Annual Assessments.

#### **Section 15. Required Attendance.**

At the Organizational Meeting at the beginning of his term in office the President shall set the dates and times of Regular Meetings of the Board of Directors to be held during the next twelve (12) months. Directors are expected to attend all meetings, both Regular and Special. In the event a Director fails to attend three (3) consecutive meetings or fails to attend fifty percent (50%) or more of all meetings in a twelve (12) month period (the twelve (12) month period to commence on May 1 and end April 30 of the following year) his Directorship is terminated. A majority of the remaining members of the Board of Directors may excuse absences in the event of severe hardship.

#### **Section 16. Open Meetings.**

Association Members in Good Standing are welcome to attend and observe the proceedings of any meeting of the Board of Directors of the Association. Written notice of every meeting shall be conspicuously posted in the offices of the Association at the same time notice of meetings is furnished to members of the Board of Directors. Other than members of the Board of Directors, persons attending shall not participate in the meeting unless asked to do so by a Board member or



shall have been included specifically in the agenda for the meeting. By majority vote, the Board of Directors may declare that a meeting go into executive session and exclude there from any persons the Board deems appropriate in the circumstances.

## **ARTICLE IX. Officers**

### **Section 1. Executive Officers.**

The executive officers of the Association shall be the President, a Vice President, a Secretary and a Treasurer, all of whom must be Directors and must be elected annually by the Board of Directors, and who may be preemptively removed by vote of a majority of the Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not be Secretary. The Board of Directors shall from time to time elect such other officers from among Association Members in Good Standing 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, 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 also shall 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, or cause to be kept, the minutes of all proceedings of the Directors and the Members. He shall tend to giving and serving all notices to the Members and Directors and other notices required by law. 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. Architectural Review Board**

### **Section 1. Composition of ARB.**

The Association Board of Directors shall establish an Architectural Review Board (hereinafter the "ARB") of not less than seven (7) members. The ARB shall consist of a Chairman elected by the Association Board, and six (6) other members. The Chair shall be a member of the Association Board. The Chair shall serve as long as he is a member of the Association Board, but no longer than three (3) years. Subsequent Chairs shall be elected by the Association Board.

### **Section 2. Terms.**

The first ARB after December 31, 1997, may decide by mutual consent the terms each shall serve or the determination may be made by drawing lots. Three (3) members shall serve two (2) year terms and three (3) members shall serve three (3) year terms. Thereafter, they will rotate off the Board without the right to be appointed until the lapse of one (1) year. Subsequent members of the ARB shall be appointed by the Association Board. Any member appointed by the Board may be removed with or without cause by the Association Board at any time, by written notice, to such appointee, and a successor or successors appointed to fill such vacancies shall serve the remainder of the term of the former member.

### **Section 3. Meetings.**

The ARB shall meet at least once in each calendar month as well as upon call of the Chair and all meetings shall be held at such places as may be designated by the Chair. A majority of the members shall constitute a quorum for the transaction of business and the affirmative vote of a majority of those present in person at a meeting of the Board shall constitute a quorum for the transaction of business. Meetings of the ARB, or participation by a member not in person, may be held by any communication by which all Board members participating may hear each other simultaneously during the meeting and participation during the course of the meeting by such means shall be deemed presence at the meeting. This provision is subject to the laws of the State of South Carolina governing Not-For-Profit Corporations.

### **Section 4. Outside Services.**

The ARB is authorized to retain the services of consulting architects, engineers, landscape architects, urban designers, inspectors, attorneys and/or other professionals in order to advise and assist the ARB in performing its function set forth herein. The Association shall provide the ARB with an appropriate budget for this and other purposes as may be necessary to reasonably conduct its business and affairs. The Association shall provide the ARB with access to secretarial, copying and postal services.

### **Section 5. Establish Policies.**

The ARB is hereby empowered, subject to approval of the Association Board, to establish and promulgate architectural and landscaping policies and procedures which must be adhered to by all owners in undertaking any change or improvement or structure with any lot, dwelling, multi-family area, common community area or recreational amenity of the DeBordieu Colony. No changes and/or improvements of any nature whatsoever shall be constructed, altered, added to or maintained in any part of DeBordieu Colony unless such changes and/or improvements are

approved by the ARB in accordance with its policies and declaration of covenants, conditions and restrictions for DeBordieu Colony. The ARB also is empowered to require all property owners to maintain all structures and landscaping as established by the above procedures in order to preserve and enhance the value of each property owner's investment.

### **Section 6. Appeals.**

Appeal from the decision of the ARB shall be to the Grievance Committee of the Association.

## **ARTICLE XI. Committees**

### **Section 1. Standing Committees.**

At the Organizational Meeting of the Board of Directors (as defined in Article VII, Section 5) subject to the approval of the Board, the President shall designate the chairman, who shall be a Director, of each of the following Standing Committees. The Chairman of each Committee, with the President and subject to the approval of the Board, shall name the members of that Committee. Each of the following Committees, subject to the approval of the Board of Directors, shall formulate programs and submit them with recommendations to the Board of Directors for approval. The Officers of the Association shall have control of the execution of such programs and recommendations as are approved by the Board of Directors. Unless otherwise specifically provided in these By-Laws, each Committee shall act as consultant and advisor to the Board of Directors and Officers, shall maintain surveillance over programs and areas of responsibility for which the Committee is charged and shall recommend to the Board of Directors any course of action the Committee deems appropriate. The Board of Directors shall have the power and authority to name such additional Standing Committees or any other committee as it shall deem necessary or appropriate in the management and operation of the Association.

- a) **The “Membership” Committee** shall investigate all applications for membership and shall report thereon to the Board of Directors with its recommendation as to approval or disapproval of each application. As provided in Article IV, Section 2, the Board can authorize the Membership Committee to directly elect members for purposes of expedition. The Membership Committee shall have at least two (2) Board Members as members.
- b) **The “Executive” Committee** shall consist of the President as Chairman, the Vice President, the Secretary, the Treasurer and, in addition, one (1) member of the Board, selected by the President and subject to approval of the Board of Directors. Except as otherwise provided by law, the Executive Committee shall have the powers of the Board of Directors during the interval between meetings of the Board. A quorum shall be a majority of the members of the Committee. Actions and resolutions shall require unanimous approval of the members present.
- c) **The “Finance” Committee** shall advise the Board of Directors with respect to all corporate financial matters. Working in coordination with Association employees who may be responsible for the execution thereof, the Committee shall determine that arrangements are made for the placing of insurance, the filing of tax returns, the payment of taxes, the preparation of the annual operating budget in time for the November meeting of the Board of Directors, the preparation of current reports on the Association's financial condition for the Board of Directors, the issuance to Members of an annual balance sheet and operating statement and to ascertain that complete and accurate accounting records are maintained at all times.

- d) **The “Nominating” Committee** shall have five (5) members, two (2) of whom shall be members of the Board of Directors and three (3) of whom shall be Association Members in Good Standing who are not members of the Board of Directors. Ten days or more prior to the date for mailing of notice of the annual meeting of Members, the Committee shall report to the Board of Directors its nominees for election to the Board of Directors for the ensuing year. The names of the nominees for Board membership shall be included in the notice of the annual meeting of Members.
- e) **The “Grievance” Committee** shall have not less than five (5) members and shall be composed of two (2) or more members of the Board of Directors and, at minimum, an equal number of Members in Good Standing who are not members of the Board of Directors. All written complaints from a Member arising from an action or lack of an action taken by or in behalf of the Association shall be first referred to this Committee. The Grievance Committee shall make such investigation as it deems appropriate and shall present its recommendation to the Board of Directors. The Board of Directors shall cause to be issued to the complaining Member a written response setting forth its determination of the matter.

## **ARTICLE XII. Indemnification of Directors and Officers**

### **Section 1. Good Faith Conduct.**

The Association shall indemnify any individual who is made a party to a proceeding because he/she is or was a Director or Officer of the Association against liability incurred in the proceeding if such Director or Officer conducted himself in good faith and he reasonably believed: (1) in the case of conduct in his official capacity with the Association that his conduct was in its best interests, and (2) in all other cases that his conduct was at least not opposed to its best interest and, in the case of a criminal proceeding, he had no reasonable cause to believe his conduct was unlawful. The conduct of an Officer or Director with respect to an employee benefit plan for a purpose he reasonably believed to be in the interest of the participants in and beneficiaries of the plan is conduct that satisfies the requirements of this section.

### **Section 2. Improper Benefit.**

The Association will not indemnify a Director or Officer in connection with a proceeding in which the Director or Officer was adjudged liable to the Association or in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

### **Section 3. Expense Limit.**

Indemnification permitted under this By-Law in connection with a proceeding by or in the right of the Association is limited to reasonable expenses incurred in connection with the proceeding.

### **Section 4. Statutory Limitations.**

The provisions of this By-Law shall not be construed to exceed the statutory limitations on indemnification of Officers and Directors imposed on corporations in South Carolina.

## **Section 5. Insurance.**

Notwithstanding the foregoing provisions of this Article XII, the Association may arrange for liability insurance and errors and omission insurance to protect the Officers and Directors and/or other employees of the Association, as well as Board and Committee Members.

## **ARTICLE XIII. Checks and Drafts**

### **Signatures.**

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 XIV. Deposits**

### **Depositories.**

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 XV. Books and Records**

### **Location and Inspection.**

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, attorney for any proper purpose at any reasonable time.

## **ARTICLE XVI. Amendments to By-Laws**

### **Section 1. Requirements.**

Except as provided herein below, these By-Laws may be altered, amended or repealed and new by-laws may be adopted by a majority vote of the Association Members in Good Standing (voting in the manner prescribed in Article IV, Section 3, and Article VII, Section 4, 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 herein to the contrary, (i) any amendment to the Annual Assessment may be adopted only upon a three-fifth (3/5) vote of the Members (voting in the manner provided in Article IV, Section 3, and Article VII, Section 4, hereof), a the annual Members' meeting or at any duly called special meeting and any amendment to the By-Laws changing this provision will likewise require a three-fifths (3/5) vote of the Members (voting in the manner provided in Article IV Section 3, and Article IV, Section 4

hereof), (ii) any amendment to the By-Laws adding additional Property to DeBordieu Colony or authorizing the addition of Property to DeBordieu Colony will require a vote of One Hundred percent (100%" of the Members (voting in the manner prescribed in Article IV, Section 3 and Article VII, Section 4 hereof) and (iii) any amendment to the Special Assessment or to any other provision in any way imposing new, additional or one-time assessments may be adopted only upon a two-thirds (2/3) vote of the Members (voting in the manner provided in Article IV, Section 3, and Article VII, Section 4 hereof).

## **Section 2. Special Meeting for Adoption of By-Law Amendments.**

A Special Meeting of Members shall be held prior to January 1, 1998, for the purpose of adopting changes to the By-Laws of the Association, such changes (except for this Article which becomes effective upon adoption) to become effective at 12:01 a.m. January 1, 1998. The date, time and place of the meeting within DeBordieu Colony shall be determined by the-Board of Directors.

## **ARTICLE XVII. Severability**

### **Effect of Judgment.**

Should any provision herein contained, or any Article, Section, Subsection, sentence, clause, phrase or term of these By-Laws 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 XVIII. Definitions**

### **Section 1. Meanings.**

The following words and terms when used in these By-Laws and all subsequent amendments (unless the context shall clearly indicate otherwise) shall have the following meanings:

- a) **"Association"** shall mean and refer to DeBordieu Colony Community Association, Inc., a South Carolina non-profit corporation, its successors and assigns. These By-Laws specifically allow and authorize the creation of additional non- profit associations for the benefit of Owners of property within the area(s) so designated at the time each such association is created.
- b) **"Common Properties"** shall mean and refer to those tracts of land with any improvements thereon which are designated as Common Properties or Common Area by the Association, which may be deeded or leased to the Association and designated in said deed or lease as "Common Properties" or "Common Area." The term "Common Properties" shall also include any personal property acquired by the Association if said property is designated a "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners, family members and guests or owners and guests of the Association or corporation subject to the fee schedules and operating rules adopted by the Association, provided, however, that any lands which are leased by the Association for use as Common Properties shall lose their character as Common Properties upon the expiration of such lease. The Partnership reserves the right to convey "Common Properties" to the Association or any non-profit association created under Article XVII. Section 1 (d) hereof. Such conveyance shall be made subject to such covenants and restrictions as are then applicable thereto and shall



contain such additional restrictions, reservations, liens and encumbrances as may be set forth in the deed of conveyance. The Partnership may add or substitute mortgages, provided Association does not have to assume payments or obligations of any mortgage on "Common Properties" conveyed to it. As an appurtenance to such conveyances, the Association shall have all of the powers, immunities and privileges reserved unto the Partnership as well as all of the Corporation's obligations with respect thereto, including obligation to maintain and enhance. The term "Common Properties" shall include the term "Common Area" as used in other DeBordieu Colony documents.

- c) **"Dwelling Unit"** shall mean and refer to any improved property intended for use as a dwelling whether detached or attached, including without limitation any single-family home, garden home, patio home, condominium unit, townhouse unit, flat, cooperative apartment unit, or apartment unit located within DeBordieu Colony.
- d) **"Neighborhood Area"** shall mean and refer to a parcel or tract of land which is intended for and has been subdivided for use as a site for Dwelling Units, whether single family or multi-family, and designated for such use on a recorded subdivision plat of Residential Lots or multiple family tracts in the Office of the Clerk of Court for Georgetown County, South Carolina. The Neighborhood Area shall be comprised of the total number of Residential Lots or multiple family dwelling unit sites within such subdivision or group of such subdivisions and may be subjected to the neighborhood assessments applicable only to the Owners within that immediate Neighborhood Area of DeBordieu Colony, to undertake special neighborhood projects, improvements, construction or maintenance for the benefit of those Owners. Designations of Neighborhood Areas and the levying of neighborhood assessments may be made by the Association for undeveloped areas or by petition of seventy-five percent (75%) of all Owners within a particular Neighborhood Area already under development, with the approval of the Association. A separate non-profit association may be created hereunder for each neighborhood Area.
- e) **"Of Record"** shall mean recorded in the Office of the Clerk of Court for Georgetown County, South Carolina.
- f) **"Owner"** shall mean and refer to the Owner as shown by the real estate records whether it be one or more persons, firms, associations, corporation, or other legal entities, of fee simple title to any Residential Lot or Dwelling Unit situated upon the Property but, notwithstanding any applicable theory of a deed of trust, shall not mean or refer to the mortgagee or holder of a mortgage, its successors or assigns, unless and until such mortgagee has acquired title pursuant to foreclosure or a proceeding for deed in lieu of any foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.
- g) **The "Property"** shall mean and refer to the lands in Georgetown County, South Carolina, which are known as DeBordieu Colony, as shown on Exhibit "A" attached hereto.
- h) **"Residential Lot" or "Lot"** shall mean any subdivided but unimproved parcel of land located within the Property, which is intended for use as a site for a single-family detached dwelling, as shown upon any recorded final subdivision map of any part of the Property. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereon are sufficiently complete to allow occupancy.
- i) **"Partnership"** shall mean the DeBordieu Property Owners Buyout Group, Limited Partnership, a South Carolina Limited Partnership.

- j) **"Association Member in Good Standing"** shall mean an owner of property in DeBordieu Colony who has been duly elected to membership in the Association and who has timely paid all dues, fines, assessments and other legal obligations due to be paid to the Association.
- k) **Any use of "he," "him" or "his"** herein is used in the generic sense and includes both sexes.

## **ARTICLE XIX. Conflicts**

### **By-Laws Prevail.**

In the event that the By-Laws of the Association are in conflict with the Covenants and Restriction dated May 2, 1986, and recorded May 9, 1986, in the Office of the Register of Mesne Conveyances, Georgetown County, South Carolina, Book 235, Pages 805-827 (which Covenants and Restrictions pertain only to properties in DeBordieu Colony purchased after the date of record) the By-Laws of the Association shall prevail.

## **AMENDMENT AND RESTATEMENT**

**By-Laws  
of  
DeBordieu Colony  
Community Association, Inc.**

## **STATE OF SOUTH CAROLINA COUNTY OF GEORGETOWN**

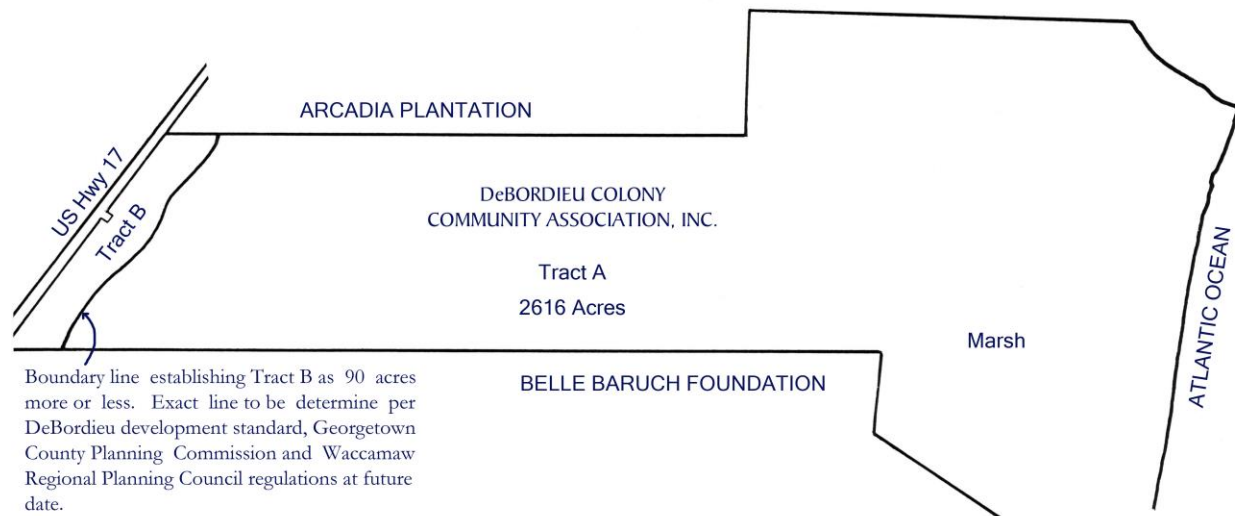
Pursuant to the provisions of Article XV, Amendments to the By-Laws, after proper notice, two meetings of Members of DeBordieu Colony Community Association, Inc., the Association, were held, the first being on the 31st day of May, 1996 and the second on the 13th day of December, 1997, at each of which meetings a quorum of said Members were represented in person or by proxy, and at which meetings amendments to the By- Laws of the Association were duly adopted, said amendments having been incorporated into the restatement of the Association By-Laws as stated below. The "Corporation" to which reference is made in the By-Laws recorded May 9, 1986, Georgetown County, South Carolina Register of Mesne Conveyances, Book 235, pages .829-849 is North Inlet Corporation, a South Carolina Corporation. By virtue of various conveyances, transfers and assignments, the interests of North Inlet Corporation in the Association have succeeded to Resolution Trust Corporation, as Receiver for Peoples Heritage Savings, a Federal Savings and Loan Association and thence to DeBordieu Property Owners Buyout Group Limited Partnership, a South Carolina Limited Partnership by documents under date of April 2, 1993, recorded April 6, 1993, in the Office of the Register of Mesne Conveyances for the County of Georgetown, State of South Carolina.

The amendments adopted prior to the date of this instrument are all set forth in the following Amendment and Restatement of the By-Laws of the Association. It is provided in Article XVIII of said By-Laws *"These By-Laws and all subsequent amendments shall be recorded by the Secretary in the Office of the Clerk of Court for Georgetown County, South Carolina, and shall run with the lands of DeBordieu Colony and shall apply to lands conveyed therein"*



## EXHIBIT "A"

All that certain piece, parcel or tract of land, together with any improvements thereon, situate, lying or being in the Country of Georgetown, State of South Carolina, and being more particularly shown on a seven page property survey prepared for North Inlet Corporation by Post, Buckley, Schuh and Jernigan, Inc. dated September 20, 1985, and recorded in the Office of the Clerk of Court for Georgetown County in Plat Book 6 at pages 72-82, said tract of land containing 2473.33 acres, more or less, and including all property shown within the boundaries shown on the property surveyed including, but not limited to, roadways, marshes, creeks, channels and all other areas shown for use as walks, can paths, drainage and reserved areas. Saving and excepting 90 acres more or less adjacent to the western boundary of the subject tract, the exact configuration to be determined at a future date per DeBordieu Planned Unit Development Standards, Georgetown County Planning Commission and Waccamaw Regional Planning Council ordinances and regulations.



Map of DeBordieu surveyed for North Inlet Corporation  
by Post, Buckley, Schuh, & Jernigan, Inc.  
Dated September 20, 1985



## EXHIBIT "B"

Assessment Per Lot				Property Location	Total # Owners	Total Combined Payments
<u>Beach</u>	<u>Canal</u>	<u>Drainage</u>	<u>Total</u>			
9,100	239	303	9,642	Ocean Green (Beachfront)	7	67,494
4,300	239	303	4,842	Ocean Green (Setback)	11	53,262
9,100	239	303	9,642	South Beachfront 100' (S of Beach Villas)	12	115,704
8,000	239	303	8,542	South Beachfront 50' (S of Beach Villas)	10	85,420
4,200	239	303	4,742	Beach Villas	16	75,872
6,900	239	303	7,442	North Beach front 100' (N of Beach Villas)	20	148,840
5,900	239	303	6,442	North Beach front 50' (N of Beach Villas)	15	96,630
3,500	239	303	4,042	Pioneer Villa (Beachfront)	18	72,756
3,400	239	303	3,942	Pioneer Villa (Setback)	22	86,724
3,500	239	303	4,042	North Beach Villa (Beachfront)	10	40,420
3,400	239	303	3,942	North Beach Villa (Setback)	17	67,014
5,250	239	303	5,792	Ocean Park (Beachfront)	5	28,960
3,400	239	303	3,942	Island 2 <sup>nd</sup> Row	40	157,680
3,000	239	303	3,542	Island Other - Non Canal	84	297,528
3,000	239	303	3,542	Island Other - Non Canal (Unsold)	39	138,138
3,000	2,650	303	5,953	Canal Front – Island	93	553,629
1,200	2,650	303	4,153	Canal Front - Off Island	63	261,639
1,200	2,650	303	4,153	Canal Front - Off Island (Unsold)	2	8,306
1,200	239	303	1,742	Non Canal - Off Island	491	855,322
1,200	239	303	1,742	Non Canal - Off Island (Unsold)	30	52,260
<b>Total Platted Properties:</b>					<b>1,005</b>	<b>3,263,598</b>

<b>BUDGET FOR BEACH STABILIZATION: CANAL/ DREDGING / DRAINAGE</b>						
Beach Stabilization	\$ 2,125,000	+	10%	Contingency	=	\$ 2,337,500
Canal Dredging	\$ 565,000	+	10%	Contingency	=	\$ 621,500
Drainage Project	\$ 278,150	+	10%	Contingency	=	\$ 305,965
<b>Total:</b>						<b>\$ 3,264,965</b>

# AMENDMENT AND RESTATEMENT

By-Laws  
of  
DeBordieu Colony  
Community Association, Inc.

## STATE OF SOUTH CAROLINA COUNTY OF GEORGETOWN

**THIS AMENDMENT TO BYLAWS OF DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC.** ("Amendment") is executed to be effective as of the 18th day of March, 2017.

**WHEREAS**, the DeBordieu Colony Community Association, Inc. ("Association") is 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, known as "DeBordieu" and as more particularly described and set forth in the Association's Bylaws, which are entitled "Amendment and Restatement of By-Laws of DeBordieu Colony Community Association, Inc." and were recorded in the Register of Deeds Office for Georgetown County, South Carolina (the "ROD Office") on February 13, 1998 in Book 847, page 28 (as amended, the "Bylaws"); and

**WHEREAS**, at a Special Meeting of the Members of the DeBordieu Association, duly called and conducted on March 18, 2017, a measure was passed in accordance with the Bylaws authorizing an Amendment to Article V of the Bylaws in order to establish an annual Beach Preservation Fund for 2017 through 2033, all as more particularly set forth hereinbelow.

NOW, THEREFORE, for and in consideration of the foregoing premises, the Bylaws are hereby amended by adding the following as Article V, Section 8 thereof: "Section 8. Special Assessment to establish an annual Beach Preservation Fund for 2017 through 2033, approved at Special Meeting of the Members, March 18, 2017.

In addition to other assessments provided in Article V, and notwithstanding any provision of these By-Laws to the contrary, the Association is authorized to levy, for years 2017 through 2033 (the "Beach Preservation Fund Assessment Period") an annual Special Assessment (the "Annual Beach Preservation Fund Assessment") for the purposes of and subject to the limitations, set forth below.

### **The Annual Beach Preservation Fund Assessment**

For purposes of each Annual Beach Preservation Fund Assessment, there shall be seven zones within DeBordieu Colony ("Zone"), which Zones are designated as "Inland," "Island Zone 1," "Island Zone 2," "Beach Front North," "OCRM Setback Line", "OCRM 20 Year Erosion Line" and "OCRM Baseline" on the "DeBordieu Colony Annual Beach Preservation Fund Allocation Schedule for the years 2017 through 2033" attached hereto as Exhibit 1 (the "Allocation Table").

The Zones are further shown on the chart labeled “DeBordieu Zones” (Exhibit 2), which identify the property within each Zone (hereinafter “property”). While the aforesaid Zones were established in part with reference to OCRM maps and regulations, the Zones as established herein are permanent for purposes of this Amendment and shall not be altered or amended, regardless of any future changes to such OCRM maps or regulations.

The Annual Beach Preservation Fund Assessment shall be levied against each Property according to the Zone in which such Property is located. The amount of each Annual Beach Preservation Fund Assessment applicable to each Property shall be the same as is applicable to all other Property in the Zone in which such Property is located per the Allocation Table. In no event shall any Annual Beach Preservation Fund Assessment exceed the amount set forth in the Allocation Table (the “Maximum Assessment”). In the event the Board of Directors determines, in its sole discretion, to levy any Annual Beach Preservation Fund Assessment in an amount less than the Maximum Assessment or to issue any refund of an Annual Beach Fund Assessment or portion thereof (other than a refund to a specific Property owner or set of Property owners on account of an assessment made in error), such reduction or refund, as applicable, shall be made for the benefit of the then-current Owners and shall be applied to all Properties in keeping with the percentages attributable thereto as established by the Allocation Table.

Each Annual Beach Preservation Fund Assessment shall be due and payable on the later of (a) June 30 of each calendar year during the Assessment Period or (b) the date that is thirty (30) calendar days after the Association deposits into the US mail written notice of such Annual Beach Preservation Fund Assessment.

### **Eligible Expenditures**

The Annual Beach Preservation Fund Assessments may only be used to pay or reimburse costs incurred or to be incurred by the Association for maintenance, preservation, renourishment, and improvement (including, without limitation, and upon proper permitting, the installation and maintenance of groins) and enhancement of the beach, and such associated costs (including, without limitation, legal costs, engineering, environmental & monitoring and consulting fees as arise in pursuit thereof) as arise in connection with any of the foregoing (the “Eligible Expenditures”). The Board of Directors of the Association shall have the power and authority to make the Eligible Expenditures and facilitate the projects contemplated hereby, including, without limitation, the power and authority to (a) execute and deliver contracts, agreements and purchase orders (b) borrow funds up to the amount that is to be assessed plus projected interest, (c) pledge the revenues of the Annual Beach Preservation Fund Assessments as security for such loans and agreements, and (d) execute, or authorize and direct any officer or officers to execute, any and all documents it deems necessary or desirable in furtherance of the foregoing.

### **The Funds**

All proceeds generated by the Annual Beach Preservation Fund Assessment (the “Proceeds”) shall be deposited into a separately designated escrow account (the “Escrow Account”). The Escrow Account shall be monitored in accordance with the terms of the Escrow Agreement between the Association and the CPA firm (the “CPA”). The Board of Directors shall require

the CPA to monitor and report not less than quarterly on the status of the Escrow Account to ensure compliance, and shall otherwise be on terms approved by the Board of Directors of the Association. The Proceeds shall be applied and disbursed by or at the direction of the Board of Directors, but subject to the limitation that the Proceeds shall be applied or disbursed solely to pay or reimburse Eligible Expenditures.

IN WITNESS WHEREOF, the undersigned have executed this Amendment to be effective as of the day, month, and year first set forth above.

DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC. a South Carolina nonprofit corporation

Witnesses:

By: *William L. Bowles*

William L. Bowles, President

*Edna J. [unclear]*  
*[unclear]*

[SEAL]

STATE OF Florida )))  
COUNTY OF Martin



*Darla McLeod*  
Florida

I, the undersigned Notary Public for the State of Florida, do hereby certify that William L. Bowles, President of DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC., a South Carolina nonprofit corporation, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 23 day of March, 2017.

Notary Public for the State of Florida  
Print Name of Notary Darla McLeod  
My Commission Expires: 3/13/2018

DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC., a South Carolina nonprofit corporation

DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC., a South Carolina nonprofit corporation

Witnesses:

[Signature]

Kelly H. Floyd

By: James C. Cooper  
James C. Cooper, Secretary

[SEAL]

STATE OF SC )  
COUNTY OF Georgetown )

I, the undersigned Notary Public for the State of South Carolina do hereby certify that James C. Cooper, Secretary of DEBORDIEU COLONY COMMUNITY ASSOCIATION, INC., a South Carolina nonprofit corporation, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 28 day of March, 2017.

[Signature]  
Notary Public for the State of SC  
Print Name of Notary Kelly H. Floyd  
My Commission Expires: 5/29/20







DeBORDIEU®

## DeBordieu Colony Annual Beach Preservation Fund Allocation Schedule for the years 2017 through 2033

Zones	#Props	Annual Payment	Zones	#Props	Annual Payment
<b>OCRM BASELINE</b>					
	12		<b>BEACH FRONT NORTH</b>	34	
Improved	10	\$9,625	Improved/Unimproved	6	\$4,375
Unimproved	2	\$6,426	Villas	28	\$1,844
<b>OCRM 20YR EROSION LINE</b>					
	35		<b>ISLAND ZONE 1</b>	288	
Improved	7	\$8,750	Improved/Unimproved	251	\$1,969
Unimproved	2	\$5,182	Villas	37	\$1,619
△ Improved 50 ft Key	8	\$6,707			
△ Unimproved 50 ft Key	2	\$4,492	<b>ISLAND ZONE 2</b>	60	\$1,181
Villas	16	\$2,512			
<b>OCRM SETBACK LINE</b>					
	51		<b>INLAND</b>	741	\$875
Improved	31	\$5,250			
Unimproved	5	\$3,699			
△ Improved 50 ft Key	13	\$4,593			
△ Unimproved 50 ft Key	2	\$3,263			

△ = 50 ft Key Properties on Zones Map

"Exhibit 1"



**EXHIBIT “1” (continued)**

<b>Zones</b>	<b>DeBordieu Properties by Deeded Plat Description</b>	
<b>OCRM BASELINE:</b>	Pleasant Place Block 1 (Lots 1, 3, 5, 7, 9) Proud Place Block 1 (Lots 1, 3, 5, 7, 9, 11, 13)	
<b>OCRM 20YR EROSION LINE:</b>	Ocean Green (Lots 1, 2/3, 7, 8, 9, 16, 17) Prospect Place Block 1 (Lots 13 & 15)	
<b>△ 50 ft KEY PROPERTIES</b>	Pleasant Place Block 1 (Lots 2, 4, 6, 8) Proud Place Block 1 (Lots 2, 4, 6, 8, 10, 12)	
<b>VILLAS</b>	Beach Villas (Unit 1 - 16)	
<b>OCRM SETBACK LINE:</b>	Ocean Green (Lots 4 - 6, 10 - 15, 18 & 19) Pioneer Place Block 1 (Lots 2, 4, 6, 8, 10, 12, 14, 16) Prospect Place Block 1 (Lots 1, 3, 5, 7, 9, 11) AND Block 6 (Lots 1 - 4) Pleasant Place Block 2 (Lots 1 - 7)	
<b>△ 50 ft KEY PROPERTIES</b>	Pioneer Place Block 1 (Lots 1, 3, 5, 7, 9, 11, 13, 15) Prospect Place Block 1 (Lots 2, 4, 6, 8, 10, 12, 14)	
<b>BEACH FRONT NORTH:</b>	Ocean Park Phase 2 (Lots 2, 3, 4, 5, 6, 7/8)	
<b>VILLAS</b>	North Beach Villas (Unit A1 - A5 and E1 - E5) Pioneer Place Villas (Unit SEA, SEB 1 & 2, SEC 1 & 2, SED, SEE, SEF, SEG, NEA, NEB 1 & 2, NEC 1 & 2, NED, NEE, NEF, NEG)	
<b>ISLAND ZONE 1:</b>	Dune Oaks (Alston Cove) Dune Oaks (Alston Cove) Block 1 (Lots 1 - 6) Dune Oaks Phase 1 Block 2 (Lots 1 - 18) AND Block 3 (Lots 19 - 41) Dune Oaks Phase 2 Block 4 (Lots 42 - 51) Dune Oaks Run Island Green (Lots 1 - 30) Marsh Creek Landing (Lots 1 - 9) Ocean Green (Lot 20) Ocean Green II (Lots 1 - 21)	Ocean Park Phase 1 (Lots 11 - 41) AND Phase 2 (Lot 1) Ocean Park West (Lots 1 - 14) Pioneer Place Block 2 (Lots 1 - 8), Block 3 (Lots 1 - 8) AND Block 4 (Lots 1 - 11) Prospect Place Block 2 (Lots 1 & 2), Block 3 (Lots 1 - 6), Block 4 (Lots 1 - 28), Block 5 (Lots 1 - 16) AND Block 6 (Lots 5 - 8) Proud Place Block 2 (Lots 1 - 7)
<b>VILLAS</b>	North Beach Villas Phase II (Units #02, #09, A1, B1 & 2, C1 & 2, D1 & 2, E2, F1 & 2, G1 & 2) AND Phase 3 Pioneer Place Villas (Unit 1 - 22)	
<b>ISLAND ZONE 2:</b>	Ocean Oaks (Lots 1 - 60)	
<b>INLAND:</b>	Colony Club Estates Phase 2 Colony Club Phase 3 Colony Club Villas Colony Pointe Community 1 Phase 1, 1A, 2, 3, 3A, 3B, 4 DeBordieu Homesteads Early Man Place Early Man Place North Fairway Oaks Villas LaBruce Pond Shores Marina Point	Marsh Lake Villas Marsh Point N. Collins Meadow Shores Option Lots Pate Estates Patewood North Patewood South Royal Tern Court Salt Creek Bank Teal Pond Shores Turpentine Ridge Block 1, 2, 3





# EXHIBIT "2"



"Exhibit 2"

