

Proposed By-laws for
~~Water~~ ~~Edge~~ POA

ATTACHMENT 1
BY-LAWS OF

ARTICLE I
Name and Location

The name of this Association is Wilderness Cove Association, Inc. Its principal office is located in Oconee County, South Carolina.

ARTICLE II
Purpose

The purpose of this Association is to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of that certain property which is Common Property of the Lot Owners of Wilderness Cove Subdivision.

ARTICLE III
Membership

Section 1. Members. The members shall consist of all of the Owners of that property located in Oconee County, South Carolina, known as Wilderness Cove Subdivision as shown by a Plat prepared by Barry L. Collins, July 27, 2005, revised October 18, 2005 and October 28, 2005, filed with the Oconee County Register of Deeds in Plat Book B-98 at page 10.

Section 2. Transfer. Except as provided herein membership shall not be transferable. The membership of each Lot Owner shall terminate upon a sale, transfer or other disposition of his ownership interest in the property, and thereupon the membership shall automatically transfer to and be vested in the new Owner succeeding to such ownership interest.

ARTICLE IV
Members' Meetings

Section 1. Annual Meeting. The annual members' meeting shall be held at a suitable place at **nine o'clock a.m. on the first Saturday of November** of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members. If that day is a legal holiday, the meeting shall be held at the same hour on the next day.

Section 2. Special Meetings. Special members' meetings shall be held whenever called by the President and Vice-President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

Section 3. Notice. Notice of all members' meetings, stating the time and place and the objects for which the meeting is called, shall be given by the President or Vice-President or Secretary, unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meetings may be waived before or after meeting.

Section 4. Quorum. A quorum at members' meetings shall consist of twenty (20) Lot Owners, either in person or by proxy. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting for at least ten (10) days, and adequate notice of the new date shall be given as described in Section 3 of this Article.

Section 5. Voting. The Owners of each Lot shall have one vote, no matter how title to the Lot is held.

Section 6. Majority. The vote of a majority of the Owners of Lots present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted upon by the members,

Section 7. Proxies. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary before the appointed time of the meeting.

ARTICLE V Board of Directors

Section 1. Function. The affairs of this Association shall be managed by a Board of three (3) Directors elected by the members at their annual meeting, who shall hold office for three (3) years and until their successors are elected and qualified. The initial Board of Directors shall serve terms of one, two, and three years respectively, determined by lot. The Declarant shall appoint the initial Board of Directors.

Section 2. Vacancies. Except as to vacancies provided 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.

Section 3. Removal. Any Director elected by the members may be removed by a majority of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

Section 4. Organizational Meeting. The organizational meeting of a the elected Board of Directors shall be held within ten (10) days of its election at such place and time as shall be fixed by the Directors at the meeting at which they were elected and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 5. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director personally or by mail, telephone, or fax at least three (3) days prior to the day named for such meeting.

Section 6. Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of two-thirds (2/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or fax at least three (3) days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 7. Waiver of Notice. 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. A quorum at Directors' meetings 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, except where approval by a greater number of Directors is required by the Declaration, or these By-Laws. If at any meeting of the Board of Directors less than a quorum is 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 might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

ARTICLE VI

Powers and Duties of the Board of Directors

Section 1. Powers and Duties. The Board of Directors 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, by the Declaration or by these By-Laws directed to be exercised and done by the Owners.

Section 2. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- a. Care, upkeep and surveillance of the project and the common areas and facilities.
- b. Collection of assessments from the Owners.
- c. Designation and dismissal of the personnel necessary for the maintenance and operation of the project and the common elements and facilities.

Section 3. Manager or Management Agent, Employees, Generally. The Board of Directors may employ for the Association a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 2 of this Article. The duties conferred upon the management agent or manager by the Board of Directors may be at any moment revoked, modified or amplified by the majority of Owners in a duly constituted meeting. The Board of Directors may employ any other employee or agents to perform such duties and at such salaries as the Board of Directors may establish.

ARTICLE VII Officers

Section 1. Positions. The principal officers of the association shall be a President, Vice-President, Secretary, and Treasurer, who shall be appointed by and from the Board of Directors. Except for the President, Officers may hold more than one office i.e. The Vice-President may also be the Secretary or Treasurer or the Secretary may also be the Treasurer.

Section 2. Appointments. The officers of the Association shall be appointed annually by the Board of Directors at the organizational meeting of each new Board and shall hold office for one (1) year and until their successors are appointed and qualified.

Section 3. Removal. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor appointed at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among the Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. In the absence of the President

or in the event of his death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such duties as are from time to time assigned to him by the President or Board of Directors.

Section 6. Secretary. The Secretary shall:

- a. Keep the minutes of the proceedings of the Members' Meetings and of the Board of Directors in one or more books provided for that purpose.
- b. See that all notices are duly given in accordance with the provisions of these By-Laws or as required by law.
- c. Be custodian of the records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized.
- d. In general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. The Treasurer shall:

- a. Have charge and custody of and be responsible for all funds, books and accounts of the Association.
- b. Have charge and be responsible for the collection of assessments as set forth in ARTICLE VIII of these By-Laws.
- c. In general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 8. Salaries. Officers of the Association generally serve without pay.

ARTICLE VIII Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January of each year,

except the first fiscal year of the Association shall begin at the date of organization.

Section 2. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principals and practices. Within a reasonable time after the close of each fiscal year, the Association shall furnish its members with a statement of the income and disbursements of the Association for such prior fiscal year.

3. Annual Budgets. Within ninety (90) days before the commencement of each fiscal year, the Board shall cause estimated annual budgets to be prepared based on its estimations of annual expenses and membership assessments, and copies of such budget shall be furnished to each member, and shall include, but not limited to:

- a. Management and administration expenses.
- b. Estimated cost of repairs, maintenance and replacements of Common Property.
- c. Maintenance of Subdivision Roads.
- d. Maintenance of Private Roads.
- e. Maintenance of Piers and Docks.
- f. Maintenance of Storage Lot and Storage Units.
- g. Cost of such utilities as may be furnished by the Association.
- h. Cost of insurance and taxes.
- i. Amount of such reserves as may be reasonably established by the Board, including general operating reserves, reserves for contingencies and reserves for replacements.
- j. Such other expenses of the Association as may be approved by the Board of Directors including operating deficiencies, if any, for prior periods.

4. Revised Assessments. If at any time during the course of any fiscal year, the Board shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimate of either expenses or other income, the Board shall prepare and cause to be delivered to the members revised estimated annual budgets for the balance of such fiscal year and thereafter assessments shall be determined and paid on the basis of such revision.

5. Assessments. On or before January 1 of each year each member shall pay as his respective share of the amount designated in the estimated annual budgets as membership assessments, Boatslip Lot assessments, Private Road assessments and Storage Unit assessments. At the discretion of the Board of Directors, such payments may be made in quarterly or annual installments.

6. Payment of Assessments. Until annual budgets for a fiscal year are sent to each member by the Board, the member shall continue to pay that amount which had been established on the basis of the previous estimated annual budgets.

7. Liens for Assessments in Default. If any member shall fail or refuse to make payment of his proportionate share of the common expenses, Boatslip Lot expenses, Private Road expenses, Storage Unit expenses or any other Assessments authorized by these Covenants, when due, the amount thereof shall constitute a lien on the interest of such member in the Lot or Lots owned by him. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided in this instrument or the By-Laws of the Association, or which are otherwise available at law or in equity for the collection of all unpaid assessments.

8. Transfer of Title or Interest in Lot. Upon the sale or conveyance of a Lot, all unpaid assessments against a Lot Owner for his pro-rated share of the expenses as referred to in these By-Laws shall first be paid out of the sales price or by the acquired in preference over any other assessments or charges of whatever nature except for unpaid taxes or liens payable under mortgage instruments.

9. Records of Assessments Due and Paid. The Treasurer shall maintain a record of the account of the assessments paid by each Lot Owner. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid, or if not paid, the amount of Assessment then due. Such certificate shall be binding upon the Association as of the date of issuance.

ARTICLE IX Rules and Regulations

In order to assure the peaceful and orderly use and enjoyment of the Common Property, the Association may from time to time adopt, modify, or revoke such reasonable rules and regulations governing the conduct of persons within the Subdivision as it may deem necessary or desirable. Such rules and regulations upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Lot Owner and shall be binding upon all Lot Owners and persons within the Subdivision.

**ARTICLE X
Parliamentary Rules**

Roberts Rules of Order (latest edition) shall govern the conduct of the meetings when not in conflict with the By-Laws and Statutes of South Carolina.

**ARTICLE XI
Dissolution**

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

**ARTICLE XII
Amendments**

These By-Laws may be amended or modified at any annual meeting by a vote of a majority of the Lot Owners. This Article shall not abridge, amend or alter the rights of institutional mortgagees without prior written consent.