

BYLAWS OF

**MAHAFFEY PLANTATION
PROPERTY OWNERS ASSOCIATION, INC.**

Adopted: _____

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**BY-LAWS OF MAHAFFEY PLANTATION PROPERTY OWNERS
ASSOCIATION, INC.**

ARTICLE I - NAME AND LOCATION

The name of this corporation shall be the Mahaffey Plantation Property Owners Association, Inc. (Corporation) and shall be located in Greenville County, South Carolina.

ARTICLE II - PURPOSE

The purpose and objective of the Corporation shall not be for business or profit, but shall be for the establishment of an organization to promote the pleasure and general recreation of its members, specifically to own and operate a recreational area, and to serve as representatives of the property owners of the Mahaffey Plantation Subdivision in enforcing the Restrictive and Protective Covenants of the Mahaffey Plantation Subdivision.

ARTICLE III - GOVERNANCE

SECTION 1 – The corporation shall be governed by a Board, Seven (7) members in number, each of whom shall serve without compensation until his successor is elected and shall qualify as provided in these By-Laws. The corporation may have such committees as are deemed necessary.

SECTION 2 – The initial Board shall be composed of Four (4) persons elected to a term of two years and Three (3) persons elected to a term of one year. Thereafter, the term of Board membership shall be two years.

SECTION 3 – At each annual membership meeting, new Board members shall be elected. Then the officers and the standing committee chairperson shall be elected. The officers and chairperson must be members of the Board. The one (1) standing committee is Architectural Review Committee. However, the corporation may have such other committees as are deemed necessary, but those chairpersons do not have to be members of the Board.

SECTION 4 – When any Board Member shall have three (3) consecutive unexcused absences from a Board meeting, his office may be declared vacant by majority vote of the Board. Also, any Board Member who shall cease to hold membership in the Corporation, automatically shall cease to be a member of the Board.

ARTICLE IV - BOARD

SECTION 1 – Consistent with these By-Laws, the Board shall:

- a.) Transact all Corporation business and make and amend rules and regulations for the use of Corporation property. It may appoint and remove such officers, clerks, agents, servants or employees as it may deem necessary and may fix their duties and compensation.
- b.) Fix, impose and remit penalties for violations of these By-Laws and rules of the Corporation.
- c.) Fill any vacancy in the membership of the Board to serve until the next annual meeting of the membership. Any vacancy will be filled by confirmation by a majority of a quorum of the Board as defined in Article IV, Section 4.

SECTION 2 – The Board shall elect one or more FDIC insured banks to act as depositories of the funds of the Corporation and shall determine the manner of receiving, depositing and disbursing the funds of the Corporation and the form of checks to be used. The Board shall always require the Treasurer or the President to sign any checks, drafts or other instruments for the payment of money drawn in the name of the Corporation.

SECTION 3 – Nothing in these By-Laws shall be construed to permit the Board to borrow or pledge the credit of the Corporation without the specific approval of a majority of those members in good standing attending and voting at a meeting held in accordance with these bylaws.

SECTION 4 – The Board shall hold its annual meeting each year immediately following the annual meeting of the membership. Thereafter, the Board shall meet at its convenience on call of the president, or upon five days' notice given by a majority of the Board to each individual Board member.

At all Board meetings a quorum shall consist of a majority of the members of the Board and a majority of such quorum may decide any questions that may come before the meeting which is not otherwise limited by these By-Laws.

SECTION 5 – All non-officers of the Board shall constitute the nominating committee. The Nominating Committee shall present: (a) a roster of nominees for the following three (3) officers' positions: Vice President/President-Elect, Secretary and Treasurer, and; (b) a roster of nominees for the Standing Committee Chairpersons to the membership at the annual meeting.

ARTICLE V - OFFICERS

SECTION 1 - The officers of this Corporation shall be a President, Vice President/President Elect, Secretary and Treasurer. The Vice President/President Elect will become the President and shall hold office until the end of the next annual membership meeting. The Vice President/President-Elect, Secretary and Treasurer shall be elected annually by the members in good standing and shall hold office until the end of the next annual membership meeting. An Assistant Secretary and Assistant Treasurer may be appointed by the Board and hold office at its pleasure. The Assistant Secretary and Assistant Treasurer shall not have voting rights at Board meetings unless they are an otherwise duly constituted Board Member.

SECTION 2 - The President shall preside at the meetings of the Corporation and of the Board. The President shall be the executive head of the Corporation and shall appoint, subject to confirmation by the Board, any special committees. The President shall be ex officio, a member of all committees.

SECTION 3 - The Vice President/President-Elect, in the absence or disability of the President, shall act in his stead. The Vice President/President-Elect shall be, ex officio, a member of all committees.

SECTION 4 - The Secretary shall send out the notices of the meetings of the Corporation and of the Board, keep the minutes and attend to the correspondence pertaining to this office. The Secretary shall be the custodian of the Corporate Seal, minute book and papers of the Corporation and shall perform all duties pertaining to this office as may be asked by the Board.

SECTION 5 - The Treasurer shall attend to keeping the accounts of the Corporation, maintaining the membership list, collecting its revenues and paying its bills as approved by the Board, or other agency authorized by the Board to incur them. The Treasurer shall deposit funds of the Corporation received in the name of the Corporation in such depository as may be authorized by the Board. The Treasurer shall perform such other duties pertaining to this office as may be asked by the Board.

SECTION 6 - The President and Treasurer will be bonded.

SECTION 7 - The Assistant Secretary and Assistant Treasurer shall perform such duties as may be assigned them by the Secretary and Treasurer, respectively, or by the Board.

ARTICLE VI - MEMBERS

SECTION 1 - An membership shall be by owning real property in Mahaffey Plantation. Membership requires the payment of the prevailing membership dues as established in accordance with these bylaws.

SECTION 2 – In voting for officers, or any issue before a general or special called meeting, each members in good standing shall be entitled to one vote.

- a.) All members in good standing of the Corporation, and permanent residents of the active member's household, shall be accorded the facilities of the association subject to the rules and regulations which shall be posted.
- b.) Upon written notice of approval by the Board, members in good standing may temporarily assign their memberships to renters in their homes, thereby relinquishing their own right of use thereunder during the term of the assignment. The renters to whom such assignments have been made shall be considered members for all purposes except voting during the period of assignment and may use the facilities accordingly. During the period of assignment, the active member (property owner) is responsible for payment of dues and fees.
- c.) Any guest(s) of an active member will pay any required Guest Fee as determined by the Board and must submit to all other rules and regulations as required.

SECTION 3 – The Corporation or the Board assumes no liability and no responsibility, and no members or guest shall have any claim against the Corporation or the Board for accidents or injuries or for property damage arising out of or in any way connected to the use of any Corporation facility or property. In any event, no Board Member, Director, Officer or Trustee shall have any personal liability.

ARTICLE VII - MEMBERSHIP

SECTION 1 – Property memberships are acquired in the Corporation by purchasing property (taking title to the property) in Mahaffey Plantation except when a vacant lot is purchased by a builder/developer as provided for in Article VI, Paragraph 6.1 of the Restrictive and Protective Covenants for the Mahaffey Plantation Subdivision.

SECTION 2 – All property memberships shall be subject to a lien on their property for enforcing the collection provisions of Article IX, Section 5.

ARTICLE VIII - MEMBERSHIP MEETINGS

SECTION 1 – The annual meeting of the members in good standing of the Corporation will be held during the month of May at a time and place to be designated by the Board. Notice of such meeting will be made and mailed to the last known address or delivered to each active member at least five (5) days in advance of the meeting.

SECTION 2 – Special meetings of the members in good standing may be called upon five (5) days' notice in writing to the members of record given by the president, majority of the Board or by the request from 20% of the members in good standing. The time, place and purpose of such meeting shall be specified in the written notice thereof.

SECTION 3 – At a duly called meeting of the Corporation with members in good standing in attendance, a majority of those present or by proxy and voting shall be sufficient for the transaction of business.

ARTICLE IX - DUES AND ASSESSMENTS

SECTION 1 – The Board will recommend an annual authorized operating budget, for approval by majority of the members in good standing attending the annual meeting, to include those essential maintenance, repair and operating costs required to insure the health and safety of the membership and those required to conform with any state and/or local regulations. The operating budget can include an expense category for the Capital Reserve Account. These aforementioned fees and moneys, on a pro rata basis, shall constitute the annual dues. Any increase to the annual dues cannot exceed 10% per year of the existing dues.

SECTION 2 – Any moneys remaining in the Operations Account, known as the Operations Surplus, will be allocated to the Capital Reserve Account for future capital improvements, major repairs, acquisitions or debt retirement as defined in Article X, and/or to the Operations Account for the succeeding year and shall be subtracted from the succeeding year's Operations Budget to determine the revenue required to be collected as annual dues as defined in Section 1 of this Article, as determined by the RW board of Directors.

SECTION 3 – The annual dues must be paid in full by June 1 of each year. The payment of the full annual dues is the responsibility of the active member who owns the property on June 1. Any prorating of the dues will be the responsibility of the owner at the time of the sale of the property.

In the event that the dues have not been paid at the time of closing, the new owner will be responsible for paying the entire annual dues before they are given privileges of membership.

SECTION 4 – Any assessments for non-budgeted items, and items which may include capital expenditures, must be presented for approval by majority vote at membership meetings as defined by Article VIII.

SECTION 5 – Annual dues and assessments consistent with the By-Laws of Mahaffey Plantation Property Owners Association, Inc. shall be levied against each member. These dues and assessments shall be levied upon all lots or portions of lots owned by the active member in connection with his residence. Any dues and assessments not paid within

thirty (30) days after the due date will be increased by 10% of the annual dues each calendar month or part thereof that they are delinquent. (For example: If the annual dues are \$450.00 and are due on June 1, a member would owe \$495.00 after July 1. On August 1, the member would owe \$544.50, etc.) This penalty shall accrue each month until the amount due is double the annual dues. No active member may waive or otherwise escape liability hereunder by the non-use of the facilities of the Corporation or abandonment of said membership.

When a lot or house is purchased in the subdivision from a builder or developer, the purchaser shall pay a proportional share of the assessment in effect for that year, which partial assessment shall be due and payable at closing.

EUCAT The Corporation shall have the right to suspend the voting rights and right to the use of the recreational facilities of an active member for any period during which any dues or assessments remain unpaid. In addition, the Corporation shall have the right to enforce by a proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and changes now or hereafter imposed by the provisions of this instrument. In the even of non-payment of any dues or assessments as set forth herein, the Corporation may bring an action against the active member to collect the same and/or to foreclose a lien against the property in the same manner that a real estate mortgage is foreclosed and interests, costs and attorneys fees shall be added to the amount of such dues and/or assessments. The lien of the Corporation against the property must be established by, and shall be effective from the time of filing of, a Notice of Lis Pendens in the office of the Clerk of Court of Greenville County. Failure by the Corporation, or any owner, to enforce any covenant or lien herein contained shall in no event be deemed a waiver of its right to do so.

The lien of the dues and assessments provided for herein shall be subordinate to the lien of any mortgage, lien of laborers, contractors or materialmen furnishing labor and materials in connection with the construction of improvements located on said property, unless prior to the filing thereof Notice of Lis Pendens has been filed by the Corporation for foreclosure due to nonpayment of its dues and assessments. Sale or transfer of any residence shall not affect the dues and assessments due on the lien. Nothing herein shall affect the right of the Corporation to enforce the collection of any charges that shall become payable after the acquisition of title by a subsequent purchaser.

SECTION 6 – A special assessment may be placed against any active member who has been found to be in violation of these By-Laws. Such assessment shall be in the amount determined by the Board of Directors to cover legal fees and the costs for a suitable remedy, but only after reasonable efforts have been made to equitably resolve the problem with the involved member.

ARTICLE X - REVENUE CLASSIFICATION AND REVENUE USE LIMITATION

SECTION 1 –

- a.) Capital revenues shall consist of (1) interest on bank deposits of capital funds, (2) any capital assessment voted by the membership, and (3) funds deposited into the capital reserve accounts as covered by Section 4 of this Article.
- b.) Operating revenues shall be annual dues collected from active members, interest on bank deposits of operating funds, guest fees (including clubhouse and pool), vending machine receipts and revenues from all other sources.

SECTION 2 – Operating costs shall be defined as those necessary to operate and maintain the physical facilities for the safe and convenient use of the membership. Such costs shall be under the jurisdiction and control of the Board exclusively. These costs shall be included in the annual operating budget from which the annual assessments are determined at the beginning of each fiscal year.

SECTION 3 – The Board shall be responsible for determining the need for making expenditures from the capital reserve account funds.

SECTION 4 – Moneys deposited in the Capital Reserve Account shall be used for future capital improvements, major repairs, acquisitions or debt retirement. Additional capital reserve accounts may be established for a specific identified purpose. Revenues may be deposited into the “specific” reserve account by the transfer of revenues from the capital reserve account or from the debt retirement capital account as defined by Article X, Section 1(a), or revenue received as the result of a special assessment.

ARTICLE XI - SUSPENSION AND REVOCATION OF MEMBERSHIP

SECTION 1 – The Board may deny any individual the use of the Corporation facilities upon a determination that the individual has violated the By-Laws or rules and regulations of the Corporation or has abused the Corporation property.

SECTION 2 – Any individual against whom action is taken under this Article shall be given at least five (5) days’ advance notice of the proposed action and shall be provided an opportunity to be heard at a meeting of the Board.

SECTION 3 – Denial of Corporation facilities to any individual for more than two (2) weeks shall be only by action of at least two-thirds of the Board Members at the meeting called for that purpose. Any individual whose privileges have been permanently revoked by the Board may file a written petition requesting a membership meeting of the purpose of reviewing the Board action. The petition shall require the signature of at least twenty

(20) members in good standing of the Corporation, and the notice of the membership meeting will include the fact that a petition has been filed for this meeting. If a majority of the members in good standing voting in person or by proxy at this meeting shall oppose the action of the Board, the permanent revocation shall be declared void.

SECTION 4 – Anything in this article to the contrary notwithstanding, the Board may suspend, or may delegate to an appropriate committee or person the power to suspend, for periods not exceeding one (1) week, any person under twenty-one (21) years of age found violating the regulations of this Corporation. Should the occasion warrant, such suspension may be made immediately without a hearing. In such event, the person imposing the suspension shall contact the parent of the person accused of the offense who may then request a hearing before the Board on such suspension.

ARTICLE XII - MISCELLANEOUS

SECTION 1 – Full and complete disclosures of their activities relative to the operations of the Corporation shall be made by each committee and the Board at the annual meeting of the Corporation.

SECTION 2 – All alcoholic beverages and food consumed on the property of the Corporation must be in compliance with all federal, state and local laws, rules and regulations.

SECTION 3 – Noxious or offensive activities as prohibited in the Restrictive and Protective Covenants for Mahaffey Plantation Subdivision, shall include but not be limited to:

- a.) Use of motorized vehicles on the common areas except as necessary for maintenance; or
- b.) Damage to or the unauthorized alteration of common areas, signs, etc.

ARTICLE XIII - AMENDMENTS

The By-Laws may be amended only at a meeting called for that purpose and by the vote of two-thirds of those members in good standing present or by proxy and voting as herein provided. All members in good standing on record shall be given not less than five (5) days notice of any meeting called for this purpose, which notice shall include any proposed amendments to the By-Laws.