

BY-LAWS OF EAGLES HARBOR
HOMEOWNERS ASSOCIATION, INC
(EHHOA) 9/19/2020

ARTICLE I IDENTITY

ARTICLE II DEFINITIONS

ARTICLE III MEMBERSHIP AND VOTING PROVISIONS

ARTICLE IV MEETING OF MEMBERSHIP

ARTICLE V DIRECTORS

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

ARTICLE VII MEETINGS OF DIRECTORS

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

ARTICLE IX LIABILITY OF THE DIRECTORS

ARTICLE X OFFICERS AND THEIR DUTIES

ARTICLE XI RESERVED FUTURE USE

ARTICLE XII BOOKS AND RECORDS

ARTICLE XIII ASSESSMENTS

ARTICLE XIV COMMITTEES

ARTICLE XV FISCAL YEAR

ARTICLEXVI CORPORATE SEAL

ARTICLEXVII INDEMNIFICATION

ARTICLE XVIII RULES OF ORDER

ARTICLE XIX AMENDMENTS

AMENDMENT HISTORY:

Enacted the 18th day of September 1997

Amended Date: 08/12/2006: Article X, section 8 Duties of Treasurer, paragraph (e):

Cause an annual compilation of the Association to be completed in a timely fashion by a qualified individual or individuals, as appointed by the Board of Directors, on an annual basis and the results of such compilation shall be reported to the board of Directors and the Members. The Board of Directors, at its discretion, shall contract a full audit of the Association financial records by a certified Public Accountant which shall be reported to the Board of Directors and the Members.

Amended Date: 09/29/2007: Article III, added section 4 (a) Members to have power to determine any encumbrances to common property areas:

As the common property of the Association is designated for the common use and enjoyment of all Members, the Members shall have the exclusive power to approve or reject any proposed encumbrance on or under the Common Property by a majority vote of the Members present at a duly called meeting at which a quorum exists as provided in Section 5 of Article III hereof. Section 4 becomes section 4 (b)

Amended Date: 03/01/2009 Added to Article 5, section 7:

A member who completes one year of service on the Board of Directors will not be required to pay the next annual assessment that becomes due for one lot. This shall apply to each complete year that he/she serves on the Board. This will not apply to special assessments.

Amended Date: 10/10/2015:

Adding that:

Notifications (meeting notifications, assessments, announcements, and correspondence) to EHHOA Members will be sent via email by default beginning in November, 2015. References: Article III, section 6; Article IV, sections 2,3,4

Adding: that if USPS delivery is required by owners for any notifications, there will be a surcharge applied beginning in 2016 (For 2016, that surcharge will be an additional ten dollars (\$10) per year. References article III, section 2

Adding: removal/change of active references to "Declarant" that was Southeastern Land Sales and, therefore, no longer applicable OR changed to the Board of Directors. References: Article III, sections 1,2,5; Article V-Sections 4,5; Article VI, section 2 and Article IX remove last paragraph; Amendments Sections 1,3

Amended Date: 9/19/2020: All of the following 16 Amendments

Amendment 1: Article III, section 1: **REPLACE** the paragraph with the following:

Membership: Every Owner of a Numbered Lot which is subject to the Declaration shall be a Member of the Association. Membership is appurtenant to and may not be assigned. Notwithstanding the foregoing, any property designated as an A-Lot on any Plat of the Property is to be utilized only for septic drain field purposes and does not entitle the Owner therefore to any voting or membership rights.

Amendment 2: Article III, section 2: Voting Rights: **DELETE** the sentence:

If a single family dwelling unit is constructed on more than one (1) lot, the Owner shall have one vote and shall have no additional vote for each other lot comprising a part of the total consolidated home or building site so long as such Lot remains a part of the consolidated site.

Amendment 3: Article III, section 5: **ALTER** the third sentence to read as follows:

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 there shall be a quorum requirement of twenty percent (20%) of the total vote of the members of the Association **provided the purpose(s) of the second meeting are the same as the first meeting.**

Amendment 4: Article III, section 6: Proxies: **REPLACE** the paragraph with the following:

All Members of the Association may vote and transact business at any meeting of the Association in person or by proxy. All appointments of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact and filed with the Secretary prior to the vote being taken at the meeting in the case of a vote that is taken at a scheduled meeting (or such other time set out on the appointment form or meeting notice) and by the deadline established by the appropriate notification of a vote to be taken in any other manner. Except as otherwise allowed herein or by written authorization of the Board of Directors of the Association, no appointment form shall confer on the proxy a broader authority than to vote on the matter(s) or at the meeting(s) than is defined on the appointment form. Every proxy shall be revocable at the pleasure of the Owner issuing it, up to the time that the vote for which it was issued is cast. A proxy shall automatically terminate and cease to be effective upon (i) the Member attending any meeting and voting in person, (ii) conveyance by the Member of such Member's Lot if such conveyance occurs before the Date of Record of the Meeting, (iii) receipt by the Secretary or other officer or agent authorized to accept proxies of a written notice, signed by the Member, revoking the proxy, or (iv) receipt by the Secretary or other officer or agent authorized to accept proxies of notice of the death of the Member prior to the proxy casting a vote.

Proxies shall not be required for any action which is subject to a Referendum, in which case the votes of all the Members polled shall be made by specially provided ballots to the Membership that are subsequently emailed or mailed back to the Association by the Members.

Amendment 5, Article IV, Sections 4 and 5:

Where it states "Annual Meeting" it will be **REPLACED** with **Annual Membership Meeting**, and where it states "Special Meeting" it will be **REPLACED** with **Special Membership Meeting** both in the title of the section and the body of the section, respectively.

Amendment 6: Article V, Section 2: **REPLACE** the entire paragraph with the following:

Qualifications and Selection of Board or Directors: All Directors of the Board must be Members of the Association. Each Director shall be entitled to one vote regarding all matters before the Board.

Amendment 7: Article V, Section 3: **REPLACE** the entire paragraph with the following:

Term of Office: The Directors shall hold staggered terms. The term's length shall be three (3) years. No Director may serve more than two (2) consecutive terms. If a Director is appointed by the Board to fill a vacant seat for an unexpired term, that Appointed Director can only be re-elected by the Membership to one additional consecutive term, such that no Director shall ever serve more than 6 consecutive years on the Board.

Amendment 8: Article VI, section 1: **Alter** the third sentence to say:

The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more other people **who shall be Members of the Association**.

Amendment 9: Article VII, Sections 1 and 2:

REPLACE: "Regular Meetings" with **Regular Board of Directors' Meetings** and "Special Meetings" with **Special Board of Directors' Meetings** both in the title of the Section and the body of the section, respectively.

Amendment 10: Article VII, section 3. **REPLACE** the entire paragraph:

Place of Meetings: Meetings of the Board of Directors shall be held in Greenwood County, South Carolina, whenever practical. However, this provision is in no way intended to invalidate in any way whatsoever meetings held somewhere other than Greenwood County, South Carolina, so long as such meetings are proper in all other respects.

Amendment 11: Article VIII, Section 1, paragraph (a):

ADD after thereof; **including monetary fines, which form a lien on the Owner's Lot and are collected in the same manner as assessments;**

Amendment 12: Article VIII, Section 2, paragraph (f): **REPLACE** the entire paragraph:

To provide insurance for all Directors, Officers and employees of the Association and the Association itself against financial and/or corporate malfeasance in an amount determined by the Board of the Association, and the premium on such insurance shall be paid by the Association.

Amendment 13: Add in its entirety Article VIII, section 3:

Section 3: Violations and Schedule of Fines and Procedures:

The Eagles Harbor Homeowners Association has the right and obligation to set Rules and Regulations and may impose monetary fines to achieve compliance. Violations and fines may apply to any breach of any Governing Document of the Association.

Payment of fines does not necessarily grant a variance for the violation; remediation of the violation will be determined by the Board of Directors based on the specifics of each violation.

Process for Imposing Fines: The following is the process for imposing fines for violations to the Declaration of Covenants, Conditions, and Restrictions, and/or Declaration of Restrictive Covenants and/or By-Laws and/or Construction Process and/or Rules and Regulations:

1. **Notice:** Notice of a Violation will be emailed or mailed to the Owner's last known address with the details of the specific violation. (This may be construed as an Official Warning and/or First Letter). If the Violation is not corrected within a reasonable amount of time, as determined by the sole discretion of the Board and provided to the Owner at the time of this initial notification, a second notice (This will be known as a Second Letter) will be sent to the Owner by First Class Mail with the imposed fine if the Violation is not corrected by a stated Deadline Date.
2. **Fine amount:** The Board of Directors will maintain a Violation Fee Schedule, which may be altered from time to time by consent of the Board and which shall be provided to the Membership. Violations will be fined based on this Violation Fee Schedule. However, if actual damage is done to Common Property of the Association, the fine will be in addition to any actual costs and Costs of Collections for remediating the repairs.
3. **Appeals Process:** The following is the process for appealing imposed fines for Violations:
 - a. The Owner will submit an Appeal in writing either by email or mail to the Eagles Harbor HOA Board of Directors which must be received within ten (10) days after the Deadline Date specified on the second written notice of Violation and fine. Failure to appeal within ten (10) days thereof shall be deemed acceptance of the fine and acknowledgement of the Violation.
 - b. An Appeals Committee consisting of three (3) members will be established by the appointment of the Board. There will be One Member on the Appeals Committee who is currently serving on the Board of Directors and this person will serve as the Chair of the Appeals Committee and Two Members from the Association at large. The Members of the Appeals Committee must assert that they are impartial towards the Owner who is assessed with the Violation. If it is a Director who is being assessed the violation and fine, he/she may neither serve on the Appeals Committee nor play any role in the establishment of that Appeals Committee for his/her specific appeal.
 - c. An Appeals Meeting will be scheduled within fourteen (14) days of the receipt of the appeal by the Board of Directors wherein the Owner will be allotted a reasonable amount of time to present their appeal to the Appeals Committee against the cited violation.
 - d. After the Appeals Meeting, the Appeals Committee, being chaired by the Board of Director's Member, will reach a decision with each member of the Appeals Committee casting one vote either in favor or opposed to the Violation. The majority will rule.
 - e. The Appeals Committee will make their decision known to the Board of Directors within seven (7) days of the Appeals Meeting in writing.
 - f. The Board of Directors will provide written notice by First Class Mail to the Owner of the Decision on the Violation (but not the specific vote) within fourteen (14) days of receiving the written report from the Appeals Committee. The determination of the exact fine will be predicated on the Violation Fee Schedule and will be made by the Board of Directors and will be considered final.
 - g. If a Violation and fine is not appealed, the fine shall commence on the Deadline Date of the Second Letter. If an Appeal is made, the fine shall commence on the Date the Board sends the Owner the Decision of the Appeals Committee.
 - h. The fine shall be paid within 30 days of the Deadline Date (or Decision of the Appeals Committee, if an appeal had been filed and it is determined that the Violation did in fact

occur). If it is not paid within 30 days it shall be considered to be delinquent and handled as any other delinquent assessment.

Amendment 14: Article X, **ALTER** Section 1 and **DELETE** Section 7:

Enumeration of Officers. The Officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other offices as the Board may from time to time by resolution create. The President may not serve in any other of these aforementioned titled offices. The Secretary and Treasurer, the Vice President and Secretary and the Vice President and Treasurer may be held by the same person or two or more persons but at no time shall all three non-Presidential offices be held concurrently by one Director. Offices of the Board are determined by the Board of Directors.

Amendment 15: Article XIII Assessments: **DELETE** the entire paragraph and **REPLACE** with:

As more fully provided in the Declaration of Conditions, Covenants and Restrictions: each Member is obligated to pay to the Association annual assessments, special assessments, costs of collections and other monetary fines which are secured by a continuing lien upon the Lot against which the Assessment is made.

Amendment 16: Article XIX, section 3: **ADD** to the end of the paragraph:

Any amendment made by the Board pursuant to this section, will be made known to the Members at the Annual Membership meeting including the reason that such change was made. If the Membership so decides, they can rescind any and all such changes by a simple majority vote of the Members present at this meeting if a quorum to conduct business is present. If rescission is not performed by the Membership, the change shall be considered a permanent part of the By-Laws.

Article I Identity

Section 1 Name

The name of the corporation is Eagles Harbor Homeowners Association, Inc. (hereinafter referred to as the "Association") which was created and exists as a non-profit corporation under the laws of the state of South Carolina

Section 2 Office of the Association

The office of the Association shall be at the offices of Eagles Harbor Homeowners Association, Inc. or at such other place as may be subsequently designated by the Board of Directors of the Association.

Section 3 Seal

The Seal of the Association shall bear the words "Eagles Harbor Homeowners Association, Inc." or an appropriate abbreviation thereof.

Article II DEFINITIONS

Section 1. General

All terms used herein and not otherwise defined shall be deemed to have the same meaning as defined in that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF EAGLES HARBOR SUBDIVISION, dated September 18, 1997, as amended from time to time, and recorded in the office of the clerk of court for Greenwood County, South Carolina ("Declaration") certain provisions of which Declaration may be repeated in full or in part and may be renumbered as they appear herein.

Article III MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership

Every Owner of a Numbered Lot which is subject to the Declaration shall be a Member of the Association. Membership is appurtenant to and may not be assigned.

Notwithstanding the foregoing, any property designated as an A-Lot on any Plat of the Property is to be utilized only for septic drain field purposes and does not entitle the Owner therefore to any voting or membership rights.

Section 2. Voting Rights

The Association shall have one (1) type of regular voting membership. The members shall be all those Owners of lots identified as numbered lots. A member shall be entitled to one (1) vote for each Lot he/she owns.

When any Lot entitling the Owner to Membership as a Member of the Association is owned of record in the name of two (2) 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, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same Property, then an instrument shall direct who shall cast the vote or votes, and it or a copy thereof shall be filed with the Secretary of the Association.

Section 3 Cumulative Voting Prohibited

Each member shall be entitled to the number of votes he is ordinarily entitled to based on his ownership of property and may cast that number of votes for each Director to be

elected, but may not cast all of such votes for any one (1) director, and all votes must be cast in whole numbers and not fractions thereof.

Section 4(a) Members to have Power to Determine any Encumbrances to Common Property Areas:

As the common property of the Association is designated for the common use and enjoyment of all Members, the Members shall have the exclusive power to approve or reject any proposed encumbrance on or under the Common Property by a majority vote of the Members present at a duly called meeting at which a quorum exists as provided in Section 5 of Article III hereof.

Section 4(b) Member to Have Power of Referendum in Certain Instances

Where specifically provided for herein, The Members, or some specific portion thereof, shall have the power to approve or reject by referendum certain actions proposed to be taken by the Association-including without limitation, the levy by the Association of any Special Assessment, and the addition or deletion of functions or services which the Association is authorized to perform. In the event that more than fifty percent (50%) of the votes actually returned to the Association within the time specified by the Board of Directors in the referendum ballots sent to all members 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 the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance. The Board of Directors may not undertake any action requiring a referendum without complying with the provisions hereof.

In the event of a dispute as to whether a Referendum is required, the following action may be taken: Within thirty (30) days after the adoption by the Directors of any action which is, in the opinion of the Members, subject to a Referendum, a petition signed by not less than forty percent (40%) of the total Membership of the Association or signed by a majority of the Directors may be filed with the Secretary of the Association requesting that any such action either repealed or submitted to a vote of the Members, and the Secretary shall thereafter within thirty (30) days send out the referendum to all Members.

Section 5. Quorum Required for any Action Authorized at Regular or Special Meetings of the Association:

The quorum required for any action which is subject to a vote of the Members at an open meeting of the Association (as distinguished from the Referendum) shall be as follows:

The first time a meeting of the Members of the Association is called to vote on a particular action proposed to be taken by the Association, the presence at the meeting of Members or proxies entitled to cast more than thirty percent (30%) of the total vote of the Membership shall constitute a quorum. 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 there shall be a quorum requirement of twenty percent (20%) of the total vote of the members of the Association provided the purpose(s) of the second meeting are the same as the first meeting. Unless otherwise provided, any reference hereafter to "votes cast at a duly called meeting" shall be construed to be subject to the quorum requirements established by this Article III, Section 5, and any other requirements for such "duly called meeting" which may be established by the By-Laws of the Association. This provision shall not apply when the proposed action is the amendment of the Declaration and the quorum requirement established by Part Four, Article II, Section 2 of the Declaration shall govern—in that instance. For the purpose of this Section 5, proper notice shall be deemed to be given when given to each Member not less than ten (10) days prior to the date of the meeting at which any proposed action is to be considered.

Section 6 Proxies

All Members of the Association may vote and transact business at any meeting of the Association in person or by proxy. All appointments of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact and filed with the Secretary prior to the vote being taken at the meeting in the case of a vote that is taken at a scheduled meeting (or such other time set out on the appointment form or meeting notice) and by the deadline established by the appropriate notification of a vote to be taken in any other manner. Except as otherwise allowed herein or by written authorization of the Board of Directors of the Association, no appointment form shall confer on the proxy a broader authority than to vote on the matter(s) or at the meeting(s) than is defined on the appointment form. Every proxy shall be revocable at the pleasure of the Owner issuing it, up to the time that the vote for which it was issued is cast. A proxy shall automatically terminate and cease to be effective upon (i) the Member attending any meeting and voting in person, (ii) conveyance by the Member of such Member's Lot if such conveyance occurs before the Date of Record of the Meeting, (iii) receipt by the Secretary or other officer or agent authorized to accept proxies of a written notice, signed by the Member, revoking the proxy, or (iv) receipt by the Secretary or other officer or agent authorized to accept proxies of notice of the death of the Member prior to the proxy casting a vote.

Proxies shall not be required for any action which is subject to a Referendum, in which case the votes of all the Members polled shall be made by specially provided ballots to the Membership that are subsequently emailed or mailed back to the Association by the Members.

Article IV MEETING OF MEMBERSHIP

Section 1 Place

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

Section 2 Membership List

The Board of Directors shall establish a record date not more than seventy (70) days prior to a meeting of the Association for determining the members entitled to notice of the meeting and a complete alphabetical list of Members of the Association on that date shall be prepared by the Secretary showing the address and number of votes each is entitled to vote. Such list shall be maintained in the office of the Association beginning the day after notice of the meeting is given through the meeting.

All notifications, assessments, and all other communications will be performed primarily via email. If an owner prefers to be notified via first class mail rather than email, this option would require that a surcharge of no less than \$10 be levied on that owner's annual assessment to cover the costs of supplies and postage along with the additional labor required. This surcharge will take effect beginning in November, 2015.

Section 3 Notice of Meetings:

Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized or qualified to call the meeting, by emailing or mailing first class a copy of such notice, with proper postage affixed, at least ten (10) days (but not more than sixty (60) days) before such meeting to each Member entitled to notice thereof, to the last known address of the person or entity who appears as Owner in the Association's Records on the first day of the calendar month in which said notice is mailed. Notice to one (1) or two (2) or more co-Owners of a Lot shall constitute notice to all co-Owners. It shall be the obligation of every Member to immediately notify the secretary of the Association in writing of any change of address. Any person who becomes an Owner and Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor-in-title. Such notice shall specify the place, day and hour of the meeting and a description of any matter that must be approved by the members under the South Carolina Non-profit Corporations Act of 1994, and, in the case of a special meeting, the purpose of the meeting. Evidence of such notice having been given may consist of an Affidavit of Mailing evidencing that the requisite notice was posted at least ten (10) days prior to such meeting. Any member may waive notice before or after the date and times

stated in the notice by written signed waiver and shall waive by attendance at a meeting unless he objects to the holding of the meeting at the beginning of the meeting.

Section 4 Annual Membership Meeting

The annual membership meeting shall be held at time set each year by the Board commencing in 1998 and from year to year thereafter with at least ten (10) days but not more than sixty (60) days notice thereof by email or first class mail to each Member for the purpose of electing directors and transacting any other business authorized to be transacted by the Members. At the annual meeting, the Members shall elect new members of the Board of Directors by plurality vote and in accordance with ARTICLE V of these Bylaws and shall transact such other business as may properly be brought before the meeting.

Section 5 Special Membership Meeting(s)

Special membership meeting(s) of the Members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President of the Association and shall be called by the President or Secretary of the Association at the request, in writing, of Members owning five percent (5%) or more of the total votes of the Members of the Association, which request shall state the purpose or purposes of the proposed meeting.

Section 6 Written Consent

Whenever the vote of Members at a meeting is required or permitted by any provision of these By-Laws to be taken in connection with any action of the Association, action may be taken if eighty percent (80%) of the voting power shall consent in writing to such action being taken; however, notice of such action shall be given to all Members unless all Members sign a written consent to such action. The consents shall be made a part of the minutes of the Association.

Section 7 Action by Written Ballot.

Any action may be taken without a meeting, if written ballots meeting the required quorum and voting requirements are delivered to the Association in compliance with South Carolina Non-Profit Corporations act, Section 33-31-708

ARTICLE V DIRECTORS

Section 1 Composition of the Board of Directors

The Association shall be governed by a Board of Directors initially consisting of five (5) Members. The number of Directors, in subsequent years, which shall not be less than five (5), shall be determined by a majority vote of the Board of Directors.

Section 2 Qualifications and Selection of Board Members

All Directors of the Board must be Members of the Association. Each Director shall be entitled to one vote regarding all matters before the Board.

Section 3. Term of Office

Term of Office: The Directors shall hold staggered terms. The term's length shall be three (3) years. No Director may serve more than two (2) consecutive terms. If a Director is appointed by the Board to fill a vacant seat for an unexpired term, that Appointed Director can only be re-elected by the Membership to one additional consecutive term, such that no Director shall ever serve more than 6 consecutive years on the Board.

Section 4. Removals

Any Director elected by the Members may be removed from the Board, with or without cause, by a majority vote of the Members of the Association at a meeting called for that purpose after notice of the meeting stating that purpose. Any director appointed by the Board of Directors may be removed by the Board of Directors. A successor may then and there be elected by a majority vote of the Members to fill the vacancy thus created. Should the Members of the Association fail to elect a successor, the board of directors may fill the vacancy in the manner provided in Section 5 below.

Section 5 Vacancies on Directorate

If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining members of the Board of Directors, though less than a quorum, as defined in Article VII, Section 5 below, shall choose a successor or successors, at any regular or special meeting of the Board of Directors. Such replacement Member of the board of Directors shall hold office for the balance of the unexpired term.

Section 6 Disqualification and Resignation of Directors.

Any Director may resign at any time by sending a written notice of such resignation to the office of the Association, delivered to the Board of Directors, its presiding officer, the President or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof. No Director shall continue to serve on the Board of Directors should he be more than thirty (30) days delinquent in the payment as a Member of any assessment against his Lot; and said delinquency shall automatically constitute a resignation, effective when such resignation is accepted by a majority of the Board of Directors then in office.

Section 7. Compensation.

Directors may receive compensation for any service he/she may render to the Association, if approved by a two-thirds (2/3) majority vote of the Membership. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties. Nothing herein shall prevent the Director from receiving compensation for services rendered or products sold in the Corporation pursuant to an agreement approved by the other Directors. A member who completes one year of service on the Board of Directors will not be required to pay the next annual assessment that becomes due for one Lot. This shall apply to each complete year that he/she serves on the board. This will not apply to special assessments.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination

Except as otherwise provided in Article V, nomination of the Members of the initial Board of Directors shall be made by the Declarant; thereafter, nomination for election to the Board of Directors by the Members shall be made by a Nominating Committee. Nominations may also be made from the floor at the meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more other people who shall be Members of the Association. The Nominating Committee shall be appointed by the Board of Directors to serve until the close of the annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Director as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election

Election to the Board of Directors shall be by secret written ballot or by show of hands (as directed by the President of the Association) and shall be held at the annual meeting of the Members. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes for each vacancy shall be elected. Cumulative voting is prohibited.

ARTICLE VII MEETINGS OF DIRECTORS

Section 1. Regular Board of Directors' Meetings

Regular Board of Director's meetings shall be held at least once every six (6) months without notice, at such date, place and time as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Although not required, notice of such regular meeting may be given to each Director personally or by mail, telephone, telegraph or mail at least three (3) days prior to the date of such meeting. All meetings of the Board, including special meetings in accordance with Section 2 below, shall be open to all Members.

Section 2. Special Board of Directors' Meetings

Special Board of Directors' meeting shall be held when called by the President of the Association, or by any two Members of the Board of Directors at least two (2) days' notice shall be given to all Members of the Board of Directors of the date, time, place and purpose of such meeting.

Section 3. Place of Meetings

Place of Meetings: Meetings of the Board of Directors shall be held in Greenwood County, South Carolina, whenever practical. However, this provision is in no way intended to invalidate in any way whatsoever meetings held somewhere other than Greenwood County, South Carolina, so long as such meetings are proper in all other respects.

Section 4. Directors, Waiver of Notice

Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting by signed written waiver placed in the minutes of the Association and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the date, time and place thereof, unless such Director timely objects to such meeting or vote. If all the Directors are present at any meeting of the Board without objections, no notice shall be required, and any business may be transacted at such meeting.

Section 5. Quorum

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

Section 6. Action Taken Without a Meeting

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting, by obtaining the written approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors and shall be included in the minutes of the Association.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration, this Association's Articles of incorporation, or these By-Laws, directed to be exercised and done by Owners. These powers and duties specifically include, but shall not be limited to, the matters hereinafter set forth.

Section 1. Powers

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

(a) to adopt and publish rules and regulations governing the use of the Common Areas, Limited Common Areas, if applicable, and facilities located thereon, Common Property and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof; including monetary fines, which form a lien on the Owner's Lot and are collected in the same manner as assessments;

(b) to suspend the voting rights and right to use of the recreational facilities of a

Member during any period in which such Member shall be in default in the payment of any Assessment levied by the Association. Such rights may also be suspended for such time as may be determined by the Board of Directors after notice to the Member and hearing before the Board of Directors for any infraction of rules and regulations;

(c) to exercise or delegate for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

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

(e) to employ a manager, independent contractors, accountants, attorneys, engineers, or such other employees or agents as they deem necessary, and to prescribe their duties;

(f) to secure Officers and Directors Liability Insurance covering the Officers and Directors of the Association at the expense of the Association;

(g) to borrow money to meet the financial needs of the Association and to mortgage the property of the Association and to pledge the revenues of the Association as security for such loans made to the Association the proceeds of which loans shall be used by the Association in performing its authorized functions.

Section 2. Duties

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

(a) to cause to be kept a complete record of its acts and corporate affairs;

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

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the Annual Assessment, Special Assessments, Assessments for the use of Limited Common Areas against each property ownership form as defined in the Declaration not later than the first calendar quarter in each year;

- (2) send written notice of each Assessment to every Owner subject thereto as soon as practicable after the fixing hereof; and
- (3) enforce the lien rights against any Lot for which Assessments or costs are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- (d) to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) to procure and maintain adequate liability and hazard insurance on property owned the Association in the form and amount required by the Board of Directors;
- (f) to provide insurance for all Directors, Officers and employees of the Association and the Association itself against financial and/or corporate malfeasance in an amount determined by the Board of the Association, and the premium on such insurance shall be paid by the Association.
- (g) to cause the Common Areas and Limited Common Areas and Common Property to be adequately maintained;
- (h) to review and amend, if appropriate, the annual budget as prepared by the Treasurer in accordance with Article X, Section 8 hereof;
- (i) to enforce the Restrictive Covenants and rules and regulations and if necessary, bring an action at law or in equity, against the Member to enforce same or recover damages resulting from the violations;
- (j) to carry out and enforce the guidelines, findings and directives (fines, etc.) of the ARC

Section 3: Violations and Schedule of Fines and Procedures:

The Eagles Harbor Homeowners Association has the right and obligation to set Rules and Regulations and may impose monetary fines to achieve compliance. Violations and fines may apply to any breach of any Governing Document of the Association.

Payment of fines does not necessarily grant a variance for the violation; remediation of the violation will be determined by the Board of Directors based on the specifics of each violation.

Process for Imposing Fines: The following is the process for imposing fines for violations to the Declaration of Covenants, Conditions, and Restrictions, and/or Declaration of Restrictive Covenants and/or By-Laws and/or Construction Process and/or Rules and Regulations:

1. Notice: Notice of a Violation will be emailed or mailed to the Owner's last known address with the details of the specific violation. (This may be construed as an Official Warning and/or First Letter). If the Violation is not corrected within a reasonable amount of time, as determined by the sole discretion of the Board and provided to the Owner at the time of this initial notification, a second notice (This will be known as a Second Letter) will be sent to the Owner by First Class Mail with the imposed fine if the Violation is not corrected by a stated Deadline Date.
2. Fine amount: The Board of Directors will maintain a Violation Fee Schedule, which may be altered from time to time by consent of the Board and which shall be provided to the Membership. Violations will be fined based on this Violation Fee Schedule. However, if actual damage is done to Common Property of the Association, the fine will be in addition to any actual costs and Costs of Collections for remediating the repairs.
3. Appeals Process: The following is the process for appealing imposed fines for Violations:
 - a. The Owner will submit an Appeal in writing either by email or mail to the Eagles Harbor HOA Board of Directors which must be received within ten (10) days after the Deadline Date specified on the second written notice of Violation and fine. Failure to appeal within ten (10) days thereof shall be deemed acceptance of the fine and acknowledgement of the Violation.
 - b. An Appeals Committee consisting of three (3) members will be established by the appointment of the Board. There will be One (1) Member on the Appeals Committee who is currently serving on the Board of Directors and this person will serve as the Chair of the Appeals Committee and Two (2) Members from the Association at large. The Members of the Appeals Committee must attest that they are impartial towards the Owner who is assessed with the Violation. If it is a Director who is being assessed the violation and fine, he/she may neither serve on the Appeals Committee nor play any role in the establishment of that Appeals Committee for his/her specific appeal.
 - c. An Appeals Meeting will be scheduled within fourteen (14) days of the receipt of the appeal by the Board of Directors wherein the Owner will be allotted a reasonable amount of time to present their appeal to the Appeals Committee against the cited violation.

- d. After the Appeals Meeting, the Appeals Committee, being chaired by the Board of Director's Member, will reach a decision with each member of the Appeals Committee casting one vote either in favor or opposed to the Violation. The majority will rule.
- e. The Appeals Committee will make their decision known to the Board of Directors within seven (7) days of the Appeals Meeting in writing.
- f. The Board of Directors will provide written notice by First Class Mail to the Owner of the Decision on the Violation (but not the specific vote) within fourteen (14) days of receiving the written report from the Appeals Committee. The determination of the exact fine will be predicated on the Violation Fee Schedule and will be made by the Board of Directors and will be considered final.
- g. If a Violation and fine is not appealed, the fine shall commence on the Deadline Date of the Second Letter. If an Appeal is made, the fine shall commence on the Date the Board sends the Owner the Decision of the Appeals Committee.
- h. The fine shall be paid within 30 days of the Deadline Date (or Decision of the Appeals Committee, if an appeal had been filed and it is determined that the Violation did in fact occur). If it is not paid within 30 days it shall be considered to be delinquent and handled as any other delinquent assessment.

ARTICLE IX LIABILITY OF THE DIRECTORS

Subject to the provisions of the South Carolina Non-Profit Corporations Act, the Members of the Board of Directors, officers, employees, agents, managing agents or management firm (herein collectively referred to as "Agents") shall not be liable to the Owners or the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith.

Subject to the provisions of the South Carolina Non-Profit Corporations Act, the Association shall indemnify and hold harmless each of the Agents and its agents or employees against contractual or tort liability to others arising out of contracts made, actions performed or omissions by the Agents on behalf of the Association unless any such contract, action or omission shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the Agents shall have no personal liability with respect to any contract made, action performed or omission by them on behalf of the Association.

ARTICLE X OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers

The Officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other offices as the Board may from time to time by resolution create. The President may not serve in any other of these aforementioned titled offices. The Secretary and Treasurer, the Vice President and Secretary and the Vice President and Treasurer may be held by the same person or two or more persons but at no time shall all three non-Presidential offices be held concurrently by one Director. Offices of the Board are determined by the Board of Directors.

Section 2. Election of Officers

The election of officers shall take place at the organization meeting of the Board of Directors following within ten (10) days after each annual meeting of the Members.

Section 3. Term

The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year and until their successors are chosen and assume office in their stead unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Appointive Officers

The Board of Directors may appoint Assistant Secretaries and Assistant Treasurers and such other officer as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 5. Resignation and Removal

Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance or acknowledgment of acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies

A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7. Duties

The duties of the officers are as follows:

President

The President shall be the chief executive officer of the Association. He/She shall preside at all meetings of the Owners and of the Board of Directors; shall see that orders and resolutions of the Board are carried out. He/She shall have executive powers and general supervision over the affairs of the Association and other officers. The President shall sign all leases, mortgages, deeds, contracts and other written instruments as required by resolution of the Board of Directors. He/She shall perform all of the duties incident to his/her office or which may be delegated to him/her from time to time by the Board of Directors.

Vice President

The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her from time to time by the Board of Directors.

Secretary

The Secretary shall issue notices of all Board of Directors' meetings and all meetings of the Members and shall attend and keep the minutes of same. The Secretary shall have charge of all the Association's books, records and papers, except those kept by the Treasurer. The Secretary shall prepare minutes of the Directors and Members meetings and authenticate the records of the Association. The Assistant Secretary shall perform duties of the Secretary when the Secretary is absent.

Treasurer

The Treasurer shall:

- (a) have custody of the Association's funds and securities, except the funds payable to any management firm, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of depositories as may be designated from time to time by the Board of Directors;
- (b) disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such

disbursements, and shall render to the president and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his/her transactions as the Treasurer and of the financial condition of the Association;

(c) collect the Assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors;

(d) give status reports to potential transferees on which reports the transferees may rely;

(e) cause an annual compilation of the Association to be completed in a timely fashion by a qualified individual or individuals, as appointed by the Board of Directors, on an annual basis and the results of such compilation shall be reported to the board of Directors and the Members. The Board of Directors, at its discretion, shall contract a full audit of the Association financial records by a certified Public Accountant which shall be reported to the Board of Directors and the Members.

(f) the duties of the Treasurer shall be performed by the Assistant Treasurer when the Treasurer is absent.

(g) the duties of the Treasurer or Secretary may be fulfilled by a management firm employed by the Association, in which event such management firm shall have custody of the books of the Association.

ARTICLE XI RESERVED FOR FUTURE USE

ARTICLE XII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable costs.

ARTICLE XIII ASSESSMENTS

As more fully provided in the Declaration of Conditions, Covenants and Restrictions: each Member is obligated to pay to the Association annual assessments, special

assessments, costs of collections and other monetary fines which are secured by a continuing lien upon the Lot against which the Assessment is made.

ARTICLE XIV COMMITTEES

The Board of Directors shall appoint a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall designate one or more committees or individuals which, to the extent provided in the resolution designating said committee, individual or individuals, shall have the powers of the Board of Directors in the management of affairs and business of the Association. The committee, committees, individual or individuals shall have such name or names as may be determined from time to time by the Board of Directors, and said committee(s) shall keep regular minutes of their proceedings and report the same to the Board of Directors, as required.

ARTICLE XV FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XVI CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Eagles Harbor Homeowners Association or an appropriate abbreviation thereof.

ARTICLE XVII INDEMNIFICATION

Subject to the provisions of the South Carolina Non-Profit Corporations Act, the Association and Owners shall indemnify every Director and every officer, his/her heirs, executors, and administrators, against all losses, costs and expenses reasonably incurred by him/her in connection with any action, suit or proceeding to which he/she may be made a party by reason of his/her being or having been a Director or officer of the Association, except as to

matters wherein he/she shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

ARTICLE XVIII PARLIAMENTARY RULES

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

ARTICLE XIX AMENDMENTS

Section 1

These By-Laws may be amended at a regular or special meeting of the Members by majority of the vote at a duly called meeting at which a quorum exists as provided in Section 5 of ARTICLE III hereof and provided that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in the Declaration.

Section 2

In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

Section 3

The Board of Directors reserves the right to amend from time to time these By-Laws without the vote of members, which amendment shall include, but not be limited to, the right to correct scrivener's errors or to conform with the requirements of VA, FHA, FHLMC, FNMA, State Housing Authority or insurers or purchasers of mortgage loans. Any amendment made by the Board pursuant to this section, will be made known to the Members at the Annual Membership meeting including the reason that such change was made. If the Membership so decides, they can rescind any and all such changes by a simple majority vote of the Members present at this meeting if a quorum to conduct business is present. If rescission is not performed by the Membership, the change shall be considered a permanent part of the By-Laws.

Enacted the 18th day of September, 1997

Amended Date: 08/12/2006

Amended Date: 09/29/2007

Amended Date: 03/01/2009

Amended Date: 10/10/2015

Amended Date: 9/19/2020