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THIS DECLARATION CONTAINS AN ARBITRATION AGREEMENT SUBJECT TO THE SOUTH
CAROLINA ARBITRATION ACT, SECTION 15-48-10, et. seq.
CODE OF LAWS OF SOUTH CAROLINA, 1999

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS FOR
ISLAND WEST HOMEOWNERS ASSOCIATION

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS IS MADE THIS
23rd DAY OF FEBRUARY , 2015

Upon recording, please return to:

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<u>Exhibit</u>	<u>Subject Matter</u>
"A-1"	Land Initially Submitted to Declaration
"A-2"	Land Submitted by Supplemental Declaration
"A-3"	Land Submitted to Duly Recorded Instruments
"B"	Land Subject to Annexation
"C"	Rules and Regulations of Island West Homeowners Association, Inc.
"D"	By-Laws of Island West Homeowners Association, Inc.
"E"	Rules of Arbitration
<u>Attachment</u>	
"1"	Attachment to Article X
<u>Secretary Certificate</u>	

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR ISLAND WEST**

This AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ISLAND WEST (the "Amended Declaration") is made and executed by Island West Homeowners Association, Inc. (the "Association"), a South Carolina non-profit corporation (the "Association"), to amend and restate the "Declaration of Covenants, Conditions and Restrictions for The Villages of Island West", dated April 11, 2000, as recorded in the Offices of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 1292 at Page 2032 (the "Initial Declaration"), the Supplemental Declaration of Covenants, Conditions and Restrictions for the Villages at Island West, dated March 20, 2002, as recorded in the Offices of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 1574 at Page 0321 (the "Supplemental Declaration"), and the First Amendment to Declaration of Covenants, Conditions and Restrictions for the Villages of Island West, dated October 1, 2014, as recorded in the Offices of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 3353 at Page 0375 (the "First Amendment").

W I T N E S S E T H

WHEREAS, D.R. Horton, Inc., a Delaware corporation, (the "Declarant"), initially developed certain lands known as "The Villages of Island West", located in Beaufort County, South Carolina (the "Community"), which land is described on Exhibit "A-1" attached hereto and incorporated herein and did expressly subject those lands to the "Declaration of Covenants, Conditions and Restrictions for The Villages of Island West", dated April 11, 2000, as recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 1292 at Page 2032 (the "Initial Declaration"); and,

WHEREAS, the Initial Declaration provided a mechanism by which further properties could be added and subjected to its provisions; and,

WHEREAS, said Declarant did subject those additional properties described in Exhibit "A-2", attached hereto and incorporated herein, to the Initial Declaration by that certain "Supplemental Declaration of Covenants, Conditions and Restrictions for the Villages at Island West", dated March 20, 2002, as recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 1574 at Page 0321 (the "Supplemental Declaration"), and,

WHEREAS, said Declarant did expressly subject to the Initial Declaration additional various Units, properties, easements, roads, common areas and open spaces by supplemental or other duly recorded instruments recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, resulting in those lands and properties expressly being subjected to the Initial Declaration, including but not limited to those lands and properties described in Exhibit "A-3" attached hereto and incorporated herein; and,

WHEREAS, as an integral part of the development plan, Island West Homeowners Association, Inc. (the "Association"), was on August 16, 1999, duly chartered by the Secretary of State of South Carolina as a not-for profit South Carolina Corporation, which Association is comprised of all owners of

real property subject to the Initial Declaration and which Association owns, operates and/or maintains those certain common areas and community improvements in Island West and administers and enforces this Amended Declaration and the other Governing Documents; and,

WHEREAS, the Initial Declaration provided for a "Declarant Control Period" for a period of ten (10) years from the date of recording of the Initial Declaration, which Control Period expired as of May 18, 2010; and,

WHEREAS, on September 23, 2014, the Association amended the Declaration by the First Amendment to Declaration of Covenants, Conditions and Restrictions for the Villages of Island West, dated October 1, 2014, as recorded in the Offices of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 3353 at Page 0375, amending Article X of the Declaration; and,

WHEREAS, pursuant to Article XVII, Section 17.1 of the Initial Declaration and "Notice of a Special Meeting" dated December 12, 2014, on February 3, 2015 a special meeting of the Island West Homeowners Association was held wherein the Owners holding at least two-thirds (2/3) of all of the Units of the Association approved the within Amended and Restated Declaration of Covenants, Conditions and Restriction for Island West Homeowners Association, including the approval pursuant to Article IV Section 4.2 (b) of the Initial Declaration of the within Amended and Restated Rules and Regulations of Island West Homeowners Association, Inc. of February 3, 2015 by Owners representing more than Fifty Percent (50%) of the total votes in the Association, and including the approval pursuant to Article VI Section 6.6 (b) of the within Amended and Restated By-Laws of Island West Homeowners Association, Inc. of February 3, 2015, by Owners representing more than Fifty Percent (50%) of the total votes in the Association, all as are more fully reflected in the Secretary Certificate dated February 23, 2015, a copy of which is attached hereto and incorporated herein by reference; and,

WHEREAS, the Association desires and does hereby declare that the Community formerly known and referred to as " The Villages of Island West" shall be known and referred to henceforth as "Island West"; and

WHEREAS, the Association desires to provide for the preservation of the values and amenities, for the maintenance of common facilities, services and properties, to update the Initial Declaration to assure clarity, and to their ends, the Association desires to subject the Property to the covenants, conditions, restrictions, easements, affirmative obligations, charges and liens as hereinafter set forth in this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Island West, each and all is hereby declared to be for the benefit of said Property and each and every owner of any and all parts thereof; and

WHEREAS, pursuant to the affirmative vote, or written consent, or any combination thereof, of more than two-thirds (2/3) of the Members, the Association approved, ratified and made this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Island West.

NOW, THEREFORE, Island West Homeowners Association, Inc., hereby declares that the Property as described in Exhibits "A-1", "A-2" and "A-3", and any additional property subsequently subjected hereto shall be held, transferred, sold, conveyed, given, purchased, leased, occupied, possessed, mortgaged, encumbered, improved, and used subject to this Amended Declaration. This Amended

Declaration, the benefits of this Amended Declaration, and the affirmative and negative burdens of this Amended Declaration, whether pertaining to items, benefits and obligations presently existing or to be created or executed in the future, do and shall, in equity and at law, touch and concern, benefit and burden, and run with the land and any estates in the land herein referred to as the Property, and this Amended Declaration is intended to be covenants and servitudes burdening and benefitting all persons now or hereafter deriving a real property estate in the Property whether by assignment, succession or inheritance or other method of conveyance.

The above "Whereas" clauses are hereby incorporated herein and made a part hereof.

Article I - - Community

1.1 Purpose and Intent

The recording of the Initial Declaration on May 18, 2000, in Book 1292, Page 2052, in the Beaufort County Office of the Register of Deeds created a general plan of development for the residential community known then as The Villages of Island West, and which by the recording of this Amended and Restated Declaration the community shall hereafter be known as "Island West." This Amended Declaration provides a flexible and reasonable procedure for the future development of Island West and for the overall development, administration, maintenance, and preservation of the real property now and hereafter comprising Island West. An integral part of the development plan is the creation of Island West Homeowners Association, Inc. ("Association"), an association comprised of all owners of real property in Island West, created to own, operate, or maintain various common areas and community improvements and to administer and enforce this Amended Declaration and the other Governing Documents as described in Exhibits "A-1", "A-2", and "A-3" (collectively the "Property").

1.2 Binding Effect

The property described in Exhibit "A-1", "A-2", and "A-3" and any additional property which is made a part of Island West in the future, shall be owned, conveyed, and used subject to all of the provisions of this Amended Declaration, which shall run with the title to such property. This Amended Declaration shall be binding upon all Persons having any right, title, or interest in any portion of Island West, their heirs, successors, successors-in-title, and assigns.

This Amended Declaration, as it may be further amended and supplemented from time to time, shall remain in effect and shall be enforceable by the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Amended Declaration is Recorded. After such time, this Declaration shall be extended automatically for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners has been Recorded within the year preceding any extension, agreeing to terminate this Amended Declaration, in which case it shall terminate as of the date specified in such instrument. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

1.3 Governing Documents

The Governing Documents create a general plan of development for Island West. Additional restrictions or provisions which are more restrictive than the provisions of this Amended Declaration may

be imposed on any portion of Island West, in which case, the more restrictive provisions will be controlling. However, no Person shall Record any additional covenants, conditions, or restrictions affecting any portion of Island West without the submission to the vote of Owners where not less than fifty percent (50%) of the Members eligible to cast a vote do so, and any such proposed amendment shall be deemed approved if more than sixty-seven percent (67%) of the votes cast are in favor of the proposed amendment. Any instrument Recorded without the required consent is void and of no force and effect.

All provisions of the Governing Documents shall apply to all Owners and to all occupants of their Units, as well as their respective tenants, guests, and invitees. Any lease on a Unit shall provide that the lessee and all occupants of the leased Unit shall be bound by the terms of the Governing Documents.

If any provision of this Declaration is determined by judgment or court order to be invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications.

Article II Concepts and Definitions

The terms used in the Governing Documents generally shall be given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms shall be defined as set forth below.

"Amended Declaration": This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Island West Homeowners Association, Inc., as it may be amended or supplemented from time-to-time.

"Architectural Guidelines": The architectural, design, and construction guidelines and review procedures adopted pursuant to Article V, as they may be amended.

"Architectural Review Committee": Also referred to herein as the **"ARC"**, a committee appointed by the Board who shall assume responsibility for and overview of, architectural matters, with those duties and powers as set forth in Article V herein.

"Area of Common Responsibility": The Common Area, together with such other areas, if any, for which the Association has or assumes responsibility pursuant to the terms of this Declaration, any Supplemental Declaration, or other applicable covenants, contracts, or agreements.

"Articles of Incorporation" or **"Articles"**: The Articles of Incorporation for Island West Homeowners Association, Inc., a South Carolina nonprofit corporation.

"Association": Island West Homeowners Association, Inc., a South Carolina nonprofit corporation, its successors or assigns.

"Base Assessment": Assessments levied on all Units subject to assessment under Article IX to fund Common Expenses, as determined in accordance with Section 9.1.

"Board of Directors" or **"Board"**: The body responsible for administering the Association selected as provided in the By-laws and serving the same role as the board of directors under South Carolina corporate law.

"By-Laws": The By-Laws of Island West Homeowners Association, Inc., attached for information purposes as Exhibit "D," as may be amended.

"Common Area": All real and personal property, including easements, which the Association owns, leases, or otherwise holds possessory or use rights in for the Owners' common use and enjoyment.

"Common Expenses": The actual and estimate expenses the Association incurs, or expects to incur for all Owners' general benefit, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents..

"Community": Also referred to as "Island West", the real property described in Exhibits "A-1", "A-2" and A-3", together with such additional property as is subjected to this Amended Declaration with Article X.

"Community-Wide Standard": The standard of conduct, maintenance, or other activity generally prevailing in Island West, or the standards established pursuant to the Architectural Guidelines, Rules and Regulations, and Board resolutions, whichever is the highest standard. The Community-Wide Standard may evolve as the needs and desires within Island West change.

"Declarant": D.R. Horton, Inc., a Delaware corporation, or any of its successors or assigns, who served as the initial developer of Island West for the purpose of development or sale during the Declarant Control Period, and who was designated as Declarant in the Initial Declaration.

"Declarant Control Period": The period of time during which Declarant was entitled to appoint a majority of the members of the Board, which Declarant Control Period expired as of May 18, 2010, as provided in the By-Laws. The Declarant shall have the right to appoint and remove the members of the Board until the first to occur of the following:

(a) When 75% of the Units permitted for development within the property described in Exhibits "A" and "B" have certificates of occupancy issued thereon and have been conveyed to Persons other than a successor Declarant;

(b) 10 years after this Declaration is Recorded; or

(c) Upon Declarant's surrender in writing of the authority to appoint and remove directors and officers of the Association.

"Governing Documents": A collective term referring to this Declaration, any applicable Supplemental Declaration, the By-Laws, the Articles, the Architectural Guidelines, and the Rules and Regulations, as each may be amended.

"Initial Declaration": The "Declaration of Covenants, Conditions and Restrictions for The Villages of Island West", dated April 11, 2000, as recorded in the Offices of the Register of Deeds for Beaufort County, South Carolina, in Official Record Book 1292 at Page 2032.

"Island West" Also referred to as the "Community", the real property described in Exhibits "A-1", "A-2" and A-3", together with such additional property is subjected to this Amended Declaration with Article X.

"Island West Management Company": Any company which may be retained by the Board that the Association employs to conduct the day-to-day business on behalf of the Association.

"Master Plan": The land use plan for the development of "The Villages of Island West" submitted to Beaufort County on July 23, 1990, as it may be amended, which includes all of the property described in Exhibits "A-1", "A-2" and "A-3" and all or a portion of the property described in Exhibit "B."

"Member": A person subject to membership in the Association pursuant to Section 7.3

"Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Unit. "Mortgagee" shall refer to a beneficiary or holder of a Mortgage. A "First Mortgage" shall be a Recorded Mortgage having first priority over all other Mortgages encumbering a Unit. "First Mortgagee" shall refer to a beneficiary or holder of a First Mortgage.

"Owner": One or more Persons, but not to exceed three (3) persons as set out herein, who hold the record title to any Unit, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a Recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) shall be considered the Owner.

"Person": An individual, corporation, partnership, trustee, or any other legal entity.

"Private Amenity": Certain real property and any improvements and facilities thereon located adjacent to, in the vicinity or, or within Island West, which are privately owned and operated by Persons other than the Association for recreational and related purposes, on a club membership basis or otherwise, and shall include, without limitation, the golf course, if any, which is so located and all related and supporting facilities and improvements.

"Property": The property described in Exhibit "A-1", "A-2", and "A-3" and any additional property which is made a part of Island West in the future.

"Record," "Recording," or "Recorded": The appropriate recordation or filing of any document in the Office of the Clerk of the Circuit Court of the County of Beaufort, State of South Carolina, or such other place which is designated as the official location for recording deeds and similar documents affecting title to real estate. The date of Recording shall refer to that time at which a document, map, or plat is Recorded.

"Rules and Regulations": The rules and regulations set forth in Exhibit "C," as they may be supplemented, modified, and repealed pursuant to Article IV.

"Special Assessment": Assessments levied in accordance with Section 9.3.

"Specific Assessment": Assessments levied in accordance with Section 9.4.

"Supplemental Declaration": A Recorded instrument which subjects additional property to the Initial Declaration of this Amended Declaration pursuant to Article X, designates Neighborhoods pursuant to Article XI, and/or imposes additional restrictions and obligations on the land described in such instrument.

"Unit": A portion of Island West, whether improved or unimproved, which may be independently owned and is intended for development, use, and occupancy. The term shall refer to the land which is part of the Unit as well as any improvements thereon.

In the case of a parcel of vacant land the parcel shall be deemed to contain the number of Units designated for residential use for such parcel on the Master Plan. After improvements are constructed, the portion encompassed shall contain the number of Units determined as set forth in the preceding paragraph and any portion not encompassed by such plan shall continue to be treated in accordance with this paragraph.

Article III Use, Occupancy, and Transfer

3.1 General

Various restrictions on the use, occupancy, and transfer of Units are set forth in this Article. Each Owner, by acceptance of a deed or other instrument granting an interest in any Unit, acknowledges and understands that the use of such Unit is subject to Rules and Regulations and restrictions on occupancy and transfer, as they may be expanded, modified, or otherwise amended in accordance with the procedures set forth in Article XVIII.

3.2 Restrictions on Use

Island West shall be used only for residential, recreation, and related purposed consistent with the Governing Documents.

3.3 Restrictions on Occupancy

All occupants of a single Unit shall be a member of a single housekeeping unit. The number of occupants in each Unit shall be limited to a reasonable number based on the Unit's facilities and size and its fair use of the Common Area.

3.4 Restrictions on Transfer; Changes in Ownership of Units

Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven days prior written notice of the name, phone number, E-mail and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Unit, including assessment obligations, until the Board receives such notice, notwithstanding the transfer of title.

Article IV Conduct

4.1 Framework for Regulation

The Governing Documents establish a framework of affirmative and negative covenants, easements, and restrictions governing Island West. Within that framework, the Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends, and technology which inevitable will affect Island West, its Owners, and residents.

Toward that end, this Article establishes procedures for modifying and expanding the Rules and Regulations set forth in Exhibit "C."

4.2 Regulation Making Authority

(a) Board Authority: Subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and its Members, the Board may adopt, repeal, and modify regulations (Exhibit "C") governing matters of conduct and aesthetics and the activities of Members, residents, and guests within Island West. The Board shall send notice by mail to all Members concerning any such proposed action at least five business days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

(b) Members' Authority: Alternatively, Members representing more than fifty percent (50%) of the total votes in the Association, at an Association meeting duly called for such purpose, may vote to adopt regulations which modify, cancel, limit, create exceptions to, or expand the Rules and Regulations then in effect.

(c) Notice; Opportunity to Disapprove: Notice of any Board resolution or Member action adopting, repealing, or modifying regulations shall be sent to all Members at least thirty (30) days prior to the effective date. The resolution or Member action shall become effective on the date specified in the notice unless:

- (i) Members petition for a special meeting, in accordance with the By-Laws, to reconsider such resolution; and,
- (ii) The resolution is disapproved at the meeting by Members representing more than fifty percent (50%) of the total votes in the Association.

(d) Conflicts: Nothing in this Article shall authorize the Board or the Members to modify, repeal, or expand the Architectural Guidelines or other provisions of this Declaration. In the event of a conflict between the Architectural Guidelines and the Rules and Regulations, the Architectural Guidelines shall control.

(e) Common Area Administrative Rules: The procedures required under this Section 4.2 shall not apply to the enactment and enforcement of Board resolutions or administrative rules and regulations governing use of the Common Area unless the Board chooses in its discretion to submit to such procedures. Examples of such administrative rules and regulations shall include, but not limited to, house of operation of a recreational facility, and the method of allocation or reserving use of a facility (if permitted) by particular individuals at particular times. The Board shall exercise business judgment and act in accordance with the business judgment rule, as described in Section 3.24 of the By-Laws, in the enactment, amendment, and enforcement of such administrative rules and regulations.

(f) Limitations: Except as may be contained in this Declaration either initially or by amendment or in the initial Rules and Regulations set forth in Exhibit "C," all Rules and Regulations shall comply with the following provisions:

- (i) Similar Treatment: Similarly situated Owners shall be treated similarly.

- (ii) Signs and Displays: The rights of Owners to display religious and holiday signs, symbols, and decorations inside their Units of the kinds normally displayed in single-family residential neighborhoods shall not be abridged. The Association may adopt time, place, and manner restrictions with respect to displays. .

No rules shall regulate the content of political signs; however, rules may regulate the time, place, and manner of posting such signs (including design criteria) and limit to a reasonable number the number of signs that may be posted.

- (iii) Household Composition: No rule established pursuant to this Article shall interfere with the Owners' freedom to determine the composition of their households. Section 3.3 shall govern restrictions on occupancy.
- (iv) Activities Within Dwelling: No rule established pursuant to this Article shall interfere with the activities carried on within the confines of dwellings, except that the Association may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of others, that generate excessive noise, parking congestion or traffic, that create unsightly conditions visible outside the dwelling, or that create an unreasonable source of annoyance.
- (v) Allocation of Burdens and Benefits: No rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who abuse the Common Area or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Article IX.
- (vi) Alienation: No rule promulgated pursuant to this Section shall prohibit leasing or transfer of any Unit, or require consent of the Association or Board for leasing or transfer of any Unit; however, the Association or the Board may require a minimum lease term of up to twelve (12) months. The Association requires that Owners use lease forms approved by the Association and a copy shall be provided to the Island West Management Company and/or the Association, but shall not impose any fee on the lease of any Unit greater than an amount reasonably based on the costs to the Association of administering that lease. In addition, the Owner is required to provide to renters or lessees all Island West Governing Documents, including the ARC Guidelines.
- (vii) Abridging Existing Rights: No rule shall require an Owner to dispose of personal property that was in or on a Unit prior to the adoption of such rule and which was in compliance with all rules previously in force. This dispensation shall apply only for the duration of such Owner's ownership of the Unit personally, and this right shall not run with title to any Unit.

The limitations in subsections (i) through (vii) of this subsection 4.2(f) shall limit only regulation making authority exercised under Section 4.2; they shall not apply to amendments to this Declaration adopted in accordance with Article XVIII.

4.3 Owners' Acknowledgment and Notice to Purchasers

All Owners and prospective purchasers are given notice that use of their Units and the Common Area is limited by the Rules and Regulations, as they may be amended, expanded, and otherwise modified hereunder. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected by this provision, that the Rules and Regulations may change from time to time, and that the current Rules and Regulations may not be set forth in a Recorded instrument. All purchasers of Units are on notice that the Association may have adopted changes to the Rules and Regulations. The Association shall provide a copy of the current Rules and Regulations to any Member of Mortgagee upon request and payment of the reasonable cost of such copy.

Article V Architecture and Landscaping

5.1 General

No structure or thing shall be placed, erected, or installed upon any Unit and no improvements or other work (including staking, clearing, excavation, grading, and other site work, exterior alterations of existing improvements, or planting or removal of landscaping) shall take place on such Unit except pursuant to approval in compliance with this Article and the Architectural Guidelines.

Any improvements constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect and/or licensed contractor unless otherwise approved by the Board, in its sole discretion, after review and recommendation by the ARC.

5.2 Architectural Review

(a) By the Association. Each Owner, by accepting a deed or other instrument conveying any Unit, acknowledges that, the Association has a substantial interest in ensuring that improvements within the Community enhance Island West's reputation and do not impair any Owner's ability to market, sell, or lease property. Therefore, each Owner agrees that he or she shall not commence any activity on his or her Unit until the Board, directly or through the Island West Management Company, has given its prior written or E-mail approval for such activity, which approval may be granted or withheld in the Board's or its designee's sole discretion.

(b) By the Architectural Review Committee ("ARC"). The Association, acting through an architectural review committee appointed by the Board ("ARC"), shall make recommendations to the Board regarding architectural matters. The ARC shall consist of at least three (3), but not more than nine (9) persons who shall serve and may be removed and replaced in the Board's discretion. The members of the ARC need not be representatives of Members, and may, but need not, include architects, engineers, or similar professionals, whose compensation, if any, the Board shall establish from time to time.

(c) Fees. The Board, directly or acting through the Island West Management Company, may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals.

5.3 Guidelines and Procedures.

(a) Architectural Guidelines. The ARC, with the advice and consent of the Board, has established Architectural Guidelines applicable to all Units. The Architectural Guidelines are provided for guidance to Owners regarding matters of particular concern to the ARC in considering applications hereunder. The Architectural Guidelines are not the exclusive basis for the ARC recommendations to the Board nor the Board's decisions and compliance with the Architectural Guidelines does not guarantee approval of any application.

The ARC shall have the authority to recommend amendment of the Architectural Guidelines to the Board. Any amendments to the Architectural Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Architectural Guidelines less restrictive.

The Association shall maintain a copy of the Architectural Guidelines and shall make them available to members or Owners for inspection and copying upon reasonable notice during Island West Management business hours; such Guidelines shall also be posted for viewing on the Association's web page. Such Architectural Guidelines may be Recorded, in which event the Recorded version, as it may be amended, shall control in the event of any dispute as to which version of the Architectural Guidelines was in effect at any particular time.

(b) Procedures: Except as the Architectural Guidelines otherwise specifically provide, not activity described in Section 5.1 shall commence on any Unit until an application for approval has been submitted to Island West Management Company and approved by the Board after review and recommendation by the ARC. Such application shall include plans and specifications showing site layout, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation, and other features of proposed construction as applicable. The ARC may require the submission of such additional information as deemed necessary to consider any application.

In reviewing each submission, the ARC may consider any factors it deems relevant, including, without limitation, harmony of external design with surrounding structures and environment. Decisions may be based solely on aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability or attractiveness of particular improvements. The ARC, through Board approval, shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment. Such determinations shall not be subject to review so long as they are made in good faith and in accordance with the procedures described in this Article.

The ARC shall make a determination on each application in accordance with the current ARC Guidelines after receipt of a completed application and all required information. The ARC shall make recommendations to the Board for the:

- (i) Approval of the application, with or without conditions;
- (ii) Approval of a portion of the application and disapprove other portions, with or without conditions; or,
- (iii) Disapproval of the application.

If requested, the Board shall specify the reasons for any objections or offer suggestions for curing any objections.

In any event, the Island West Management Company shall notify the applicant in writing of a final determination within forty-five (45) days after its receipt of a completed application and all required information.

Notice shall be deemed to have been given at the time the envelope containing the response is deposited with the U.S. Postal Service. Personal or E-mail delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery or transmission to the applicant.

If construction does not commence on a project for which plans have been approved within one (1) year after the date of approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to reapply for approval before commencing construction of any proposed improvements. Once construction is commenced, it shall be diligently pursued to completion. All work shall be completed within the commencement time frame in accordance with the current ARC Guidelines unless otherwise specified in the ARC notice of approval or unless the ARC, with Board approval, grants an extension in writing, which it shall not be obligated to do. If approved work is not completed within the required time, it shall be considered nonconforming and shall be subject to a re-application and re-approval, or enforcement action by the Board or any aggrieved Member.

The Board, upon recommendation of the ARC, may by resolution exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

5.4 No Waiver of Future Approvals

Each Owner acknowledges that the members of the ARC reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Architectural Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features until work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the Board, upon recommendation of the ARC, may refuse to approve similar proposals in the future. Approval of applications or plans, or in connection with any other matter requiring approval, shall not constitute a binding precedent in any other matter or waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

5.5 Variances

The Board, upon recommendation of the ARC, may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, not only in accordance with duly adopted rules and regulations. No variance shall:

- (a) Be effective unless in writing;
- (b) Be contrary to this Declaration; or
- (c) Stop the Reviewer from denying a variance in other circumstances.

For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

5.6 Limitation of Liability

The standards and procedures this Article establishes are intended as a mechanism for maintaining and enhancing the overall aesthetics of the Community; they do not create any duty to any Person. Review and approval of any application pursuant to this Article may be based on aesthetic considerations only. The Board and/or the ARC shall not bear any responsibility for ensuring:

- (a) The structural integrity or soundness of approved construction or modifications;
- (b) Compliance with building codes and other governmental requirements;
- (c) That Units are of comparable quality, value, size, or of similar design, aesthetically pleasing, or otherwise acceptable to neighboring property owners;
- (d) That views from other Units or the Area of Common Responsibility are protected;
- (e) That no defects exist in approved construction.

The Association, the Board, any committee, or any member of any of the foregoing shall not be held liable for soil conditions, drainage, or other general site work; any defects in plans revised or approved hereunder; any loss or damage arising out of the actions, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents; or any injury, damages, or loss arising out of the manner or quality of approved construction or modifications to any Unit. In all matters, the Association shall defend and indemnify the Board, the ARC, and any members thereof as provided in Sections 8.7.

5.7 Certificate of Compliance

Any Owner may request that the ARC, through the Island West Management Company, issue a certificate of architectural compliance certifying that such Owner's Unit has no known violations of this Article or the Architectural Guidelines. The Association shall either grant or deny such request within thirty (30) days after receipt of a written request and may charge a reasonable administrative fee for issuing such certificates. Issuance of such certificate shall stop the Association from taking enforcement action with respect to any condition as to which the Association had notice as of the date of such certificate.

5.8 View Impairment

The Association does not guarantee or represent that any view over and across any portion of the Community or any adjacent property will be preserved without impairments. Any additions or changes, whether occurring in the course of developing or maintaining the Community, may diminish or obstruct any view from Units and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

Article VI Maintenance and Repair

6.1 Maintenance of Units

Each Owner shall maintain his or her Unit and all landscaping, irrigation systems, and other improvements comprising the Unit in a manner consistent with the Governing Documents, the Community-Wide Standard, and all applicable covenants, unless the Association assumes such maintenance responsibility pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Unit.

Except as provided in a Supplemental Declaration, each Owner shall also be responsible for maintaining and irrigating the landscaping within that portion of any adjacent Common Area or public right-of-way lying between the Unit boundary and any wall, fence, or curb located on the Common Area or right-of-way within 10 feet of the Unit boundary; however, there shall be no right to remove trees, shrubs, or similar vegetation from this area without prior approval pursuant to Article V.

6.2 Responsibility for Repair and Replacement

Unless the Governing Documents or other instruments creating and assigning maintenance responsibility specifically provide otherwise, responsibility for maintenance shall include responsibility for repair and replacement as necessary to maintain the property to a level consistent with the Community-Wide Standard.

By virtue of taking title to a Unit, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible. If the Association assumes responsibility for obtaining any insurance coverage on behalf of Owners, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Unit and the Owner pursuant to Section 9.3.

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Unit, the Owner shall proceed promptly to repair or to reconstruct such structures in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article V. Alternatively, the Owner shall clear the damaged portions of the Unit and maintain the Unit in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds.

Article VII The Association and its Members

7.1 Function of Association

The Association is the entity responsible for management, maintenance, operation, and control of the Area of Common Responsibility. The Association also is the primary entity responsible for enforcing the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and South Carolina law.

7.2 Board of Directors

The Board shall govern the Association as more particularly described in the By-Laws. Except as to matters specifically requiring Members' approval as set forth in the Governing Documents, the Board may exercise all rights and powers granted to the Association without membership approval.

7.3 Membership

(a) Qualification: An "Owner" shall be deemed to consist of one (1) or more Persons, as defined herein, who hold joint legal title to a Unit, but shall not consist of more than three (3) Persons. Every Owner shall be a Member of the Association. There shall be only one membership per Unit. If a Unit is owned by more than one Person, all co-owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set for in Section 7.3(b) and in the By-Laws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners under this Declaration and the other Governing Documents. The membership rights of an Owner which is not an individual may be exercised by any officer, director, partner, member, manager of a limited liability company, or trustee, or by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

(b) Voting: As to all matters with respect to which Members are given the right to vote under the Governing Documents, each Member shall be entitled to one vote for each Unit he or she owns. No vote shall be exercised for any property which is exempt from assessment under Section 9.8 or excluded per paragraph 7.3 (c) 7. 3 (d).

In any situation where a Member is entitled to exercise the vote for his or her Unit, and there is more than one Owner of such Unit, the vote for such Unit shall be exercised as the co-Owners determine among themselves and advise the Secretary of the Board in writing prior to the vote being taken. Absent such advice, the Unit's vote shall be suspended if more than one Person seeks to exercise it.

(c) No owner will be entitled to exercise their vote for his or her Unit unless they are in "Good Standing" in the Community, "Good Standing" for the purposes of this paragraph is an Owner regarded as not being in compliance with the terms and conditions of this Amended Declaration, By-laws and Rules and Regulations, including but not limited to delinquent in the payment of Assessments.

(d) Transfer of Membership: Membership in the Association is appurtenant to Unit ownership and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except upon a transfer of title to such Unit, and then only to the transferee. Any prohibited transfer of an Association membership shall be void and of no force or effect. Any transfer of title or interest to a Unit shall operate automatically to transfer the appurtenant membership rights in the Association to the new Owner. Prior to any transfer of title to such a Unit, the transferring Owner shall give seven days' prior written notice to the Board of such transfer, which shall include the name and address of the acquitting Owner and the date of transfer.

7.4 Island West Management Company

A Management Company with the following minimum criteria may be selected and hired by the Board to manage the day-to-day administrative operations on behalf of the Association Membership:

- (a) Reputable Company
- (b) Competitive Cost
- (c) Contract renewal and continuity based on performance

Article VIII Association Powers and Responsibilities

8.1 Acceptance and Control of Association Property

- (a) The Association may acquire, hold, and dispose of tangible and intangible personal property and real property, subject to the provisions of Article 16.2 (a).
- (b) f The Association shall accept and maintain such property at its expense for the Members' benefit, subject to any restriction set forth in the deed or other instrument transferring such property to the Association.
- (c) The Association shall be responsible for management, operation, and control of the Common Area, subject to any covenants and restrictions set forth in the deed or other instrument transferring such property to the Association. The Board may adopt such reasonable rules regulations use of the Common Area as it deems appropriate.

8.2 Maintenance of Area of Common Responsibility

The Association shall maintain, in accordance with the Community-Wide Standard, the Area of Common Responsibility, which shall include, but need not be limited to:

- (a) All portions of and structures situated on the Common Area, including but not limited to the private streets and gates serving The Villages of Island West;
- (b) Landscaping within public rights-of-way within or abutting Island West;
- (c) Such portions of any additional property included within the Area of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, or any contract, covenant, or agreement for maintenance thereof entered into by, or for the benefit of, the Association;
- (d) All lakes, ponds, streams, or wetlands located within Island West which serve as part of the storm water drainage system, and improvements and equipment installed therein or used in connection therewith;
- (e) Any part of the irrigation system for Island West, if any, installed by Declarant and located within Island West and all improvements and equipment used in connection therewith, including irrigation ditches, head gates, and siphons; and

The Association may maintain other property which it does not own, including, without limitation, publicly-owned property, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

The Association guarantees that drainage will flow off the Area of Common Responsibility on the intended drainage course. The Association shall not bear any responsibility for ensuring that drainage follows intended drainage patterns off of the Area of Common Responsibility.

The Association shall not be liable for any damage or injury occurring on, or arising out of, the condition of property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

The Association shall maintain the facilities and equipment within the Area of Common Responsibility in continuous operation, except for any periods necessary, as determined in the Board's sole discretion, to perform required maintenance or repairs, unless Members representing more than seventy-five percent (75%) of the votes in the Association agree by vote to discontinue such operation.

The costs associated with maintenance, repair, and replacement of the Area of Common Responsibility shall be a Common Expense; provided, the Association may seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to this Declaration, other Recorded covenants, or agreements with the owner(s) thereof.

8.3 Insurance

(a) Required Coverage's: The Association shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverage's as are reasonably available:

- (i) Blanket property insurance for all insurable improvements on the Common Area and within the Area of Common Responsibility to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership. All property insurance policies the Association obtains shall have policy limits sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.

The Association shall be deemed trustee of all Members' interests in all insurance proceeds paid to the Association under any such policies and shall have full power to receive and to deal with such proceeds. The insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, except as otherwise provided in this Section;

- (ii) Commercial general liability insurance on the Area of Common Responsibility. Coverage shall include, without limitation, liability for personal injuries and activities in connection with the ownership, operation, maintenance, and other use of the Area of Common Responsibility. The Board shall use its business judgment in deciding upon per occurrence limits for such coverage, and shall consider any applicable secondary mortgage guidelines relating to such coverage.

The liability insurance shall name, as separately protected insured's, Declarant,, any property manager, the Association, the Board, the ARC, and their respective representatives, members, agents, and employees with respect to any liability arising out of the maintenance or use of the Area of Common Responsibility;

- (iii) Workers' compensation insurance and employers' liability insurance, if and to the extent required by law;
- (iv) Directors' and officers' liability coverage;
- (v) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one-quarter of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation; and
- (vi) Such additional insurance as the Board, in its business judgment, determines advisable.

Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses, unless the Board reasonably determines that other treatment of the premiums is more appropriate. The Association shall include such premiums in the assessments it levies. The Board shall review the limits of all Association insurance policies at least once a year and shall adjust the policy limits as the Board deems necessary or appropriate.

(b) Policy Requirements: The Association shall arrange for a periodic review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with replacement costs in the Beaufort County area. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

The policies may contain a reasonable deductible. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment pursuant to Section 9.3.

All insurance coverage obtained by the Board shall:

- (i) Be written with a company authorized to do business in South Carolina which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;
- (ii) Be written in the name of the Association as trustee for the benefited parties. Policies on the Common Areas shall be for the benefit of the Association and its Members;
- (iii) Not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;
- (iv) Contain an inflation guard endorsement;

- (v) Include an agreed amount endorsement, if the policy contains a co-insurance clause;
- (vi) Provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's membership in the Association or interest in the Common Area as a Member in the Association (provided, this provision shall not be construed as giving as Owner any interest in the Common Area other than that of a Member);
- (vii) Include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer conditioning recovery on account of an act or omission of any one or more Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; and

Include an endorsement precluding the insurer from denying a claim by an Owner or conditioning recovery under the policy based upon or due to the negligent acts or omissions of the Association or any other Owner.

(c) In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners (as a class) as additional insured's for claims arising in connection with the ownership, existence, use, or management of the Common Area and provide:

- (i) A waiver of subrogation as to any claims against the Association's board of directors, officers, employees, and its manager, the Owners and their tenants, servants, agents, and guests;
- (ii) A waiver of the insurer's rights to repair and reconstruct instead of paying cash; and
- (iii) An endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

8.4 Repair and Reconstruction of Association Property

The Association shall have the authority and the duty to repair or reconstruct Common Area or other property which the Association is obligated to insure ("Insured Property") that is damaged or destroyed unless such repair or reconstruction would be illegal under any state or local ordinance governing health or safety, or Members represent more than seventy-five percent (75%) of the total vote of the Association vote not to repair or reconstruct.

Except as otherwise provided in this Section the Board diligently shall pursue to completion the repair or reconstruction of that part of the Insured Property damaged or destroyed. The Association may take all necessary or appropriate action to affect such repair or reconstruction. Such repair or reconstruction shall be in accordance with the original plans and specifications unless other plans are approved by a vote of Members representing more than fifty percent (50%) of the total vote of the Association pursuant to Article V.

The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction of Insured Property. In the proceeds of insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, then the Board, pursuant to Section 9.3, may levy

in advance a Special Assessment sufficient to provide funds to pay such estimated or actual costs or repair or reconstruction. Such assessment shall be allocated and collected as provided in Article IX. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction. The insurance proceeds held by the Association and the amounts received from the assessments provided for in Article IX constitute a fund for the payment for costs of repair or reconstruction after casualty. If a balance exists after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners of the Units in proportion to the contributions made by each Owner to the Association.

If a decision is made not to restore the damaged improvements, and no alternative improvements are authorized, the Association shall clear the affected property of all debris and ruins and thereafter shall maintain such improvements in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The cost of removal and landscaping shall be paid for with insurance proceeds. The Association shall retain the remaining proceeds in its general or other funds or shall allocate or distribute such funds as the Board determines appropriate, provided any such distribution of insurance proceeds shall be proportionate to the Members' interests.

8.5 Compliance and Enforcement

(a) Every Owner and occupant of a Unit shall comply with the Governing Documents. The Board may impose sanctions for violating the Governing Documents after notice and an opportunity for a hearing in accordance with the procedures set forth in Section 3.23 of the By-Laws. Such sanctions may include, without limitation:

- (i) Imposing reasonable monetary fines which shall constitute a lien upon the violator's Unit. (In the event any occupant, guest, or invitee of an Owner violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; however, if the violator does not pay the fine within the time period the Board sets, the Owner shall pay the fine upon notice from the Board);
- (ii) Suspending an Owner's right to vote;
- (iii) Suspending any services the Association provided to an Owner or the Owner's Unit if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association;
- (iv) Exercising self-help or taking action to abate violation of the Governing Documents in a non-emergency situation;
- (v) Requiring an Owner, at its own expense, to remove any structure or improvement on such Owner's Unit that violates Article V and to restore the Unit to its previous condition and, upon the Owner's failure to do so, the Board or its designee shall have the right to enter the property, remove the violation, restore the property to substantially the same condition as previously existed, and levy a Specific Assessment against the Owner's Unit in accordance with Section 9.4. Any such action shall not be deemed a trespass;
- (vi) Without liability to any Person, precluding any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of Article V and the Architectural Guidelines from continuing or performing any further activities in the Community; and

- (vii) Levying a Specific Assessment against an Owner in the manner provided in Section 9.4 to collect any costs the Association incurs in curing any violation, plus a reasonable administrative fee to discourage noncompliance, or to collect any fine that remains unpaid for a period of ten (10) days or more.

In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents without the necessity of complying with the procedures set forth in Section 3.23 of the By-Laws:

- (i) Exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations); and
- (ii) Bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both.

In addition to any other enforcement rights, if an Owner fails to perform his or her maintenance responsibility properly, the Association may Record a notice of violation or perform such maintenance responsibilities and assess all costs the Association incurs against the Unit and the Owner as a Specific Assessment pursuant to Section 9.3. Except in an emergency situation, the Association shall provide the Owner reasonable notice and an opportunity to cure the problem prior to taking such enforcement action.

All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs reasonably incurred in such action.

(b) The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

- (i) The Association's position is not strong enough to justify taking any or further actions;
- (ii) The covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;
- (iii) Although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (iv) That it is not in the Association's best interest, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed as a waiver of the Association's right to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction, or rule.

The Association, by contract or other agreement, may enforce applicable county ordinance and Beaufort County may enforce its ordinances within the Community.

8.6 Implied Rights; Board Authority

The Association may exercise any right or privilege given to it expressly by the governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege.

The Board may institute, defend, settle, or intervene on the Association's behalf in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Area of Common Responsibility, enforcement of the Governing Documents, or any other civil claim or action. However, the Governing Documents shall not be construed as creating any independent legal duty to institute litigation on behalf of or in the name of the Association or its Members.

In exercising the Association's rights and powers, making decisions on the Association's behalf, and conducting the Association's affairs, Board members shall be subject to, and their actions shall be judged in accordance with, the standards set forth in Section 3.23 of the By-Laws.

8.7 Indemnification of Officers, Directors, and Others

Subject to South Carolina law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including attorneys' fees, reasonable incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except in the extent that such officers or directors may also be Members). The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonable available.

Decisions whether to institute litigation are no different from other decisions directors make. There is no independent legal obligation to bring a civil action against another party. In deciding whether to bring a civil action against another party, a director is protected by the business judgment rule as explained in Section 3.23 of the By-Laws.

8.8 Security

The Association may, but shall not be obligated to maintain or support certain activities, structures, or devices within Island West designed to make Island West safer than it otherwise might be. The Association shall not in any way be considered insurers or guarantors of security within Island West, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to Island West, (e.g., a gated entry, guard house whether manned or unmanned, etc.) cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended.

Each Owner acknowledges, understands, and covenants to inform its tenants and all occupants of its Unit that the Association, its Board and committees are not insurers of safety within Island West and that each Person using Island West assumes all risks of personal injury and loss or damage to property, including Units and the contents of Units, resulting from acts of third parties.

8.9 Provision of Services

The Association may provide or provide for services and facilities for the Members, their guests, lessees, and invitees, and shall be authorized to enter into and terminate contracts of agreements with other entities to provide such services and facilities. The Board may charge use and consumption fees for such services and facilities. By way of example, some services and facilities which might be offered include landscape maintenance, snow removal, pest control service, cable television service, security, caretaker services, transportation, fire protection, utilities, including access to fiber optics networks, and similar services and facilities. Nothing herein shall be construed as a representation by the Association as to what, if any, services shall be provided. In addition, the Board, in its discretion, shall be permitted to modify or cancel existing services provided unless otherwise required by the Governing Documents. No Owner shall be exempt from the obligation to pay for such services, if provided to all Owners as a Common Expense, based upon non-use or any other reason.

8.10 Relations with Other Properties

The Association may enter into contractual agreements or covenants to share costs with any neighboring property to address issues of an area-wide concern. Examples of issues which may be addressed include road and right-of-way maintenance, drainage issues, open space, and to contribute funds for, among other things, shared or mutually beneficial property or services or a higher level of Common Area maintenance.

Article IX Association Finances

9.1 Budgeting and Allocating Common Expenses

Assessments for Common Expenses shall be levied at least annually in accordance with this Article and limited to an annual increase less than or equal to ten percent (10%) unless seventy-five percent (75%) of the Owners approve by vote of a greater levy.

At least sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year. The budget shall include any contributions to be made to a reserve fund for repair and replacement of capital assets, based on a separate reserve budget which takes into account the number and nature or replaceable assets, the expected life of each asset, and each asset's expected repair or replacement cost. The budget shall reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Units, and the amount to be

generated through the levy of Base Assessments and Special Assessments against the Units, as authorized in Section 9.4.

The Association is hereby authorized to levy Base Assessments equally against all Units subject to assessment under Section 9.4 to fund the Common Expenses. In determining the Base Assessment rate per Unit, the Board may consider any assessment income expected to be generated from any additional Units reasonably anticipated to become subject to assessment during the fiscal year.

The Board shall send a summary of the final budget, together with notice of the amount of the Base Assessment to be levied pursuant to such budget, to each Owner within thirty (30) days of adoption of the proposed budget and at least thirty (30) days prior to the effective date of such budget. The notice shall set a date for a meeting of the Members to consider the budget, which shall be not less than 14 nor more than 30 days after mailing of the summary. The budget automatically shall become effective unless Members representing more than seventy-five percent (75%) of the votes in the Association disapprove such budget at the meeting.

If Members disapprove any proposed budget or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

The Board may revise the budget and adjust the Base Assessment from time to time during the year, subject to the notice requirements and the right of the Members to disapprove the revised budget as set forth above.

9.2 Special Assessments

In addition to other authorized assessments, the Association may levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against the entire membership. Except as otherwise specifically provided in this Declaration, any Special Assessment shall require the affirmative vote or written consent of Owners representing more than fifty percent (50%) of the total votes allocated to Units subject to such Special Assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special assessment is approved.

9.3 Specific Assessments

The Association shall have the power to levy Specific Assessments against a particular Unit as follows:

- (a) to cover the costs, including overhead and administrative costs, of providing services to Units upon request of an Owner pursuant to any menu of special services which the Association may offer (which might include the items identified in Section 8.9). The Association may levy Specific Assessments for special services in advance of the provision of the requested service; and
- (b) to cover costs incurred in bringing the Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing, in accordance with the By-Laws, before levying any Specific Assessment under this subsection (b).

9.4 Authority to Assess Owners; Time of Payment

The Association is hereby authorized to levy assessments as provided for in this Article and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Unit on the first day of the month following the issuance of a Certificate of Occupancy of a residence constructed on a Unit.. The first annual Base Assessment levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. The Board may authorize that assessments may be paid in two or more installments. Unless the Board provides otherwise, the Base Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may require the outstanding balance on all assessments to be paid in full immediately.

9.5 Personal Obligation for Assessments

Each Owner, by accepting a deed or entering into a Recorded contract of sale for any portion of the Community, covenants and agrees to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of ten percent (10%) per annum or such higher rate as the Board may establish, subject to the limitations of South Carolina law), late charges as determined by Board resolution, costs, and reasonable attorneys' fees, shall be each Owner's personal obligation and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at a time of conveyance.

The Board's failure to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such even, each Owner shall continue to pay Base Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any short falls in collections.

No Owner may exempt himself from liability for assessments by non-use of Common Area, abandonment of his or her Unit, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

9.6 Statement of Account

Upon written request of any Member, Mortgagee, prospective Mortgagee, or prospective purchaser of a Unit, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Unit, the amount of the current periodic assessment and the date on which such assessment becomes or became due, and any credit for advanced payments or prepaid items. Such statement shall be delivered to the requesting Person personally or by certified mail, first-class postage prepaid, return receipt requested. The Association may require the payment of a reasonable processing fee for issuance of such statement.

9.7 Lien for Assessments

Subject to the limitations of any other applicable provisions of South Carolina law, the Association shall have a charge and continuing lien against each Unit to secure payment of delinquent assessments, as well as interest, late charges and costs of collection (including attorneys' fees). Such lien shall be perfected upon the Recordation of this Declaration.

Such lien shall be superior to all other liens, except: (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior; and, (b) the lien or charge of any institutional Recorded First Mortgage made in good faith and for value.

Such lien, when delinquent, may be enforced in the same manner as provided for the foreclosure of Mortgages under South Carolina law. All such costs and expenses of any such foreclosure shall be secured by the lien being foreclosed.

The Association may bid for the Unit, as applicable, at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. While a Unit is owned by the Association following foreclosure; (a) no right to vote shall be exercise on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had the Association not acquired it. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the Lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the First Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure, except as otherwise provided in this Section. Uncollected assessments shall be deemed Common Expenses collectible from Owners of all Units subject to assessment under Section 9.4, including such acquirer, its successors, and assigns. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 9.4, including such acquirer, its successors, and assigns.

9.8 Exempt Property

The following property shall be exempt from payment of Base Assessments, Specific Assessments, and Special Assessments:

- (a) All Common Area; and,
- (b) Any property dedicated to and accepted by any governmental authority or public utility.

9.9 Capitalization of Association

Upon acquisition of record title to a Unit by the first Owner thereof other than Declarant or a builder, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount equal to one-sixth of the annual Base Assessment per Unit for that year. This amount shall be in addition to, not in lieu of, the annual Base Assessment and shall not be considered an advance payment of such assessment. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association for use in covering operating expenses and other expenses incurred by the Association pursuant to this Declaration and the By-Laws.

9.11 Transfer Fee

(a) Authority: The Board shall have the authority to establish and collect a "Transfer Fee" from the transferring Owner upon each transfer of title to a Unit in the Community, which fee shall be payable to the Association at the closing of the transfer and shall be secured by the Association's lien for assessments under Section 9.8. A transferring owner shall notify the Association's secretary of a pending title transfer at least seven days prior to the transfer. Such notice shall include the name of the buyer, the date of title transfer, and other information as may be required by the Board.

(b) Fee Limit: The Board shall have the sole discretion to determine the amount and method of determining any such Transfer Fee. The Board is authorized, but is not required, to determine the resale assessment based upon a sliding scale which varies in accordance with the "gross selling price" of the property or any other factor the Board determines. However, in no event shall any such resale assessment exceed 0.25% of the gross selling price of the Unit. For the purpose of determining the amount of the resale assessment, the gross selling price shall be the total cost to the purchaser of the Unit, excluding taxes and title fees as shown by the amount of tax imposed by Beaufort County, South Carolina.

(c) Purpose: All Transfer Fees which the Association collects shall be deposited into a segregated account used for the maintenance of Common Area and roads within and adjacent to the Community.

(d) Exempt Transfers: Notwithstanding the above, no Transfer Fee shall be levied upon transfer of title to a Unit:

- (i) By a builder who held title solely for purposes of development and resale;
- (ii) By a co-owner to any Person who was a co-owner immediately prior to such transfer;
- (iii) To the Owner's estate, surviving spouse, or child upon the death of the Owner;
- (iv) To an entity in which the grantor has more than fifty percent (50%) ownership interest; provided, upon any subsequent transfer of an ownership interest in such entity, the resale assessment shall become due;
- (v) To an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage.

Article X Expansion of the Community

10.1 Expansion by Declarant

During the Declarant Control Period which expired as of May 18, 2010, certain Units were subjected to the Declaration by recorded instrument. Said Units are more fully set forth in Attachment "1", which is hereby affirmed. Declarant's right to unilaterally subject all or

any portion of the real property described in Exhibit "B" to the provisions of this Declaration, as amended, expired as of said date.

10.2 Expansion by the Association

The Association may subject any real property to the provisions of this Declaration with the consent of the owner of such property and the affirmative vote of representing 67% of the total votes of the Board of Directors.

The Association shall subject such property in accordance with the provisions of this Amended Declaration by Recording a Supplemental Declaration describing the property being subjected. Any such Supplemental Declaration shall be signed by the President, the Secretary of the Association, and by the owner of the subjected property. Any such subjection of property shall be effective upon Recording unless otherwise provided therein.

10.3 Effect of Filing Supplemental Declaration

Any such Recorded Supplemental Declaration or instrument of conveyance shall be effective upon Recording unless such Supplemental Declaration or instrument specifies otherwise. On the effective date of the Supplemental Declaration or instrument, any additional property subjected to this Declaration shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Amended Declaration.

Article XI Development Rights and Protections

11.1 Reasonable Rights to Develop

(a) Builders may, in accordance with the provisions of this Amended Declaration, undertake the work of constructing improvements within the Community, including Units.

11.2 Construction of Improvements

Every Person that acquires any interest in Island West acknowledges that Island West is a planned community, the development and management of which is likely to extend over many years, and such Persons agree not to protest, challenge, or otherwise object to Community changes made in conformity and accordance with the provisions of this Amended Declaration.

11.3 Right to Transfer or Assign Declarant Rights

Pursuant to the provisions of the Initial Declaration, any or all of Declarant's special rights and obligations set forth in said Initial Declaration may be transferred in whole or in part to other Persons; however, the transfer shall not reduce an obligation nor enlarge a right beyond that which Declarant had under said Initial Declaration. No such transfer or assignment shall be effective unless Declarant executes a written, Recorded instrument. The foregoing sentence shall not preclude Declarant from permitting other Persons to exercise, on a one time or limited basis, any right reserved to Declarant in said Initial Declaration where Declarant does not intend to transfer such right in its entirety. In such case it shall not

be necessary to Record any written assignment unless necessary to evidence Declarant's consent to such exercise.

11.4 Exclusive Rights to Use Name of Development

No Person shall use the name "Island West" or any derivative of such name in any printed or promotional material without the Board's prior written consent. However, Owners may use the name "Island West" in printed or promotional matter where such term is used solely to specify that particular property is located within Island West, and the Association shall be entitled to use the words "Island West" in its name.

11.5 Neighborhoods

Any Neighborhood ("Neighborhood" being as defined in any publication of the Board or in any petition for enhanced services made to the Board) may request that the Association provide a higher level of service than that which the Association generally provides to all Neighborhoods, or may request that the Association provide special services for the benefit of Units in such Neighborhood. Upon the affirmative vote, written consent, or a combination thereof, of Owners of a majority of the Units within the Neighborhood, the Association shall provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided, any such administrative charge shall apply at a uniform rate per Unit to all Neighborhoods receiving the same service), shall be assessed against the Units within such Neighborhood as a Neighborhood assessment.

Article XII Easements

12.1 Easements in Common Area

Each Owner shall have a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitations contained in any deed conveying an interest in such property to the Association;
- (c) The Board's right to:
 - (i) adopt and enforce rules regulating use and enjoyment of the Common Area;
 - (ii) dedicate or transfer all of any part of the Common Area, subject to such approval requirements as may be set forth in this Declaration; and
 - (iii) mortgage; pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board. An Owner who

leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease, forfeiting their own rights during such lease period.

12.2 Easements of Encroachment

Reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment have been granted between each Unit and any adjacent Common Area and between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restriction) to a distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

12.3 Easements for Maintenance, Emergency, and Enforcement

The Association has easements over Island West as necessary to enable the Association to fulfill its maintenance responsibilities under Section 8.2. Specifically, the Association shall have a right of entry upon and easement of access through every Unit, but not through a structure, for the purpose of maintaining any property or improvement for which the Association has maintenance responsibility. The Association also shall have the right, but not the obligation, to enter upon any Unit for emergency, security, and safety reasons, to perform maintenance, and in inspect for the purpose of ensuring compliance with and enforce the Governing Documents. Such right may be exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

12.4 Easements for Pond and Wetland Maintenance and Flood Water

The Association and its successors, assigns, and designees, has the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Area of Common Responsibility to (a) install, operate, maintain, and replace pumps to supply irrigation water to the Area of Common Responsibility; (b) construct, maintain, and repair structures and equipment used for retaining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. The Association, and its successors, assigns, and designees shall have an access easement over and across any of Island West abutting or containing bodies of water or wetlands to the extent reasonably necessary to exercise their rights under this Section.

The Association and its successors, assigns, and designees in perpetuity, has a nonexclusive right and easement of access and encroachment over the Common Area and Units (but not the dwellings thereon) adjacent to or within one hundred (100) feet of bodies of water and wetlands within Island West, in order to (a) temporarily flood and back water upon and maintain water over such portion of Island West; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Area of Common Responsibility; and (c) maintain and landscape the slopes and banks pertaining to such areas. All persons entitled to exercise these easements shall use reasonable care in and repair any damage resulting from the intentional exercise of such easements. Noting herein shall be construed to make the Association or any other Person liable for damage resulting from flooding due to heavy rainfall or other natural occurrences.

No Person shall exercise an easement pursuant to this Section in violation of, or for any purpose which violates local, state, or federal laws or regulations.

12.5 Easements for Irrigation System

The Association and its successors, assigns, and designees, has the nonexclusive right and easement, but not the obligation, to enter upon every Unit and the Common Area to install, operate, maintain, and replace irrigation systems or portions thereof, including irrigation ditches, head gates, and siphons. The Association, and their successors, assignees, and designees has an access easement over and across any of Island West abutting or containing irrigation systems to the extent reasonably necessary to exercise their rights under this Section. Notwithstanding the above, Unit Owners are responsible for maintaining irrigation systems exclusively serving their Unit.

12.6 Easements for Golf Course

Every Unit and the Common Area are burdened with an easement permitting golf balls unintentionally to come upon such areas, and for golfers at reasonable times and in a reasonable manner to come upon the Common Area or the exterior portions of a Unit to retrieve errant golf balls; however, if any Unit is fenced or walled, the golfer shall seek the Owner's permission before entry. The existence of this easement shall not relieve golfer of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injuries resulting from the exercise of this easement: Declarant; the Association or its Members (in their capacities as such); the owner of the golf course, its successors, successors-in-title, and assigns; any builder or contractor (in their capacity as such); any officer, director, or partner of any of the foregoing, or any officer or director of any partner.

The owner of any golf course within or adjacent to any portion of the Community, its agents, successors, and assigns, shall at all times have a right and non-exclusive easement of access and use over those portions of the Common areas reasonably necessary to the operation, maintenance, repair, and replacement of its golf course.

Any portion of the Community immediately adjacent to any golf course is hereby burdened with a non-exclusive easement in favor of the adjacent golf course. Under no circumstances shall the Association or the owner of such golf course be held liable for any damage or injury resulting from such overspray or the exercises of this easement.

The owner of any golf course within or adjacent to any portion of the Community, its successors and assigns, shall have a perpetual, exclusive easement of access over the Community as necessary to retrieve golf balls from bodies of water within the Common Area lying reasonably within range of golf balls hit from its golf course.

12.7 Easement for Use of Private Streets

A perpetual, nonexclusive easement has by the Initial Declaration and by this Amended Declaration is further granted for access, ingress, and egress over the private streets within the Community for law enforcement, firefighting, paramedic, rescue, and other emergency vehicles, equipment, and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel; and for vehicles, equipment, and personnel providing garbage collection service to the Community; however, such easement shall not authorize any such Persons to enter the Community except while acting in their official capacities.

The existence of this easement shall not preclude the Association from maintaining gates or other devices or systems designed to limit general vehicular access to the Community, provided that the

Association at all times maintains systems and/or procedures to permit the uncontested entry of Persons authorized to exercise the easements granted in this Section without unreasonable interference or delay.

Article XIII Dispute Resolution and Limitation on Litigation

13.1 Consensus for Association Litigation

Except as provided in this Section, the Association shall not commence a judicial or administrative proceeding without the approval of Members representing more than seventy-five percent (75%) of the total votes of the Association. This Section shall not apply, however, to (a) actions brought by the Association to enforce the Governing Documents (including without limitation, the foreclosure of liens); (b) the collection of assessments; (c) proceeding involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

13.2 Alternative Method for Resolving Disputes

The Association, its officers, directors, and committee members, all Persons subject to this Declaration, any builder within Island West, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound parties") agree to encourage the amicable resolution of disputes involving Island West, without the emotional and financial costs of litigation. Accordingly, each Board Party covenants and agrees to use good faith efforts to resolve those claims, grievances, or disputes described in Sections 13.3 ("Claims") using the procedures set forth in Section 13.4.

13.3 Claims

Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application, or enforcement of the Governing Documents, or the rights, obligations, and duties of any Bound Party under the Governing Documents or relating to the design or construction of improvements within Island West (other than matters of aesthetic judgment under Article IV, which shall not be subject to review) shall be subject to the provisions of Section 13.4.

Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 13.4:

- (a) any suit by the Association against and Bound Party to enforce the provisions of Article IX;
- (b) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article III, Article IV, and Article V;

- (c) any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;
- (d) any suit which an indispensable party is not a Bound Party; and
- (e) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 13.4(a) unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Section 13.4.

13.4 Mandatory Claim Procedures

(a) Notice of Claims Any Bound Party having a Claim ("Claimant") against any other Board Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

- (i) the nature of the Claim, including the Persons involved and Respondent's role in the Claim;
- (ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises)';
- (iii) Claimant's proposed remedy; and
- (iv) That Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(c) Negotiation and Mediation of Claims

- (i) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.
- (ii) If the Parties do not resolve the Claim within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have 30 additional days to submit the Claim to mediation under an independent agency providing dispute resolution services in Beaufort County or surrounding areas.
- (iii) If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; however, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

- (iv) Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.
- (v) Within five days of the Termination of Mediation, the Claimant shall make a final written demand ("Settlement Demand") to the Respondent, and the Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimants' original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

(d) Final and Binding Arbitration of Claims

- (i) If the Parties do not agree in writing to a settlement of the Claim within 15 days of the Termination of Mediation, the Claimant shall have 15 additional days to submit the Claim to arbitration in accordance with the rules of arbitration contained in Exhibit "e" or such rules as may be required by the agency providing the arbitrator. If not timely submitted to arbitration or if the Claimant fails to appear for the arbitration proceeding, the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; however, nothing herein shall release or discharge Respondent from any liability to Persons other than Claimant.
- (ii) This subsection (c) is an agreement to arbitrate and is specifically enforceable under any applicable arbitration laws of the State of South Carolina. The Arbitration award ("Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the state of South Carolina.

13.5 Allocation of Costs of Resolving Claims

- (a) Subject to Section 13.5(b), each Party shall bear its own costs, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator(s) and all filing fees and costs of conducting the arbitration proceeding ("Post Mediation Costs").
- (b) Any Award which is equal to or more favorable to Claimant than Claimant's Settlement Demand shall add Claimant's Post Mediation Costs to the Award, such costs to be borne equally by all Respondents. Any Award which is equal to or less favorable to Claimant than any Respondents' Settlement Offer shall award such Respondent its Post Mediation Costs.

13.6 Enforcement of Claims Resolution

If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Section 13.4 and any Party thereafter fails to abide by the terms of such agreement, or if any Party fails to comply with an Award, then any other Party may file suit or initiate administrative proceedings to

enforce such agreement without the need to again comply with the procedures set for in Section 14.4. In such even, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

Article XIV Private Amenities (e.g. Golf Course, etc.)

14.1 General

Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use any Private Amenity. Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as may be determined from time to time by the respective owners of the Private Amenities. The owners of the Private Amenities shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities, including, without limitation, eligibility for and duration of use rights, categories of use and extend of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether, subject to the terms of any written agreements with their respective members.

14.2 Conveyance of Private Amenities

All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by Declarant, the Association, any builder, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership or operating of any Private Amenity. No purported representation or warranty in such regard, either written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity. The ownership or operation of the Private Amenity may change at any time by virtue of, but without limitation, (a) the sale to or assumption of operation of any Private Amenity by a Person other than the current owner or operator; (b) the establishment of, or conversion of the membership structure to, and "equity" club or similar arrangement whereby the members of the Private Amenity or an entity owned or controlled by its members become the owner(s) and/or operator(s) of the Private Amenity. Consent of the Association or any Owner shall not be required to effectuate any change in ownership or operation of any Private Amenity, for or without consideration and subject to or fee of any mortgage, covenant, lien, or other encumbrance.

14.3 Shared Costs

In consideration of the fact that the Private Amenity will benefit from maintenance of the roads, rights-of-way, and Common Areas within Island West, the Association may enter into a contractual arrangement or covenant to share costs with any Private Amenity obligating the Private Amenity to contribute funds for, among other things, shared property or services and/or a higher level of Common Area maintenance.

Article XV Mortgage Provisions

The following provisions are for the benefit of holders, insurers, and guarantors of First Mortgages on Units in Island West. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

15.1 Notices of Action

An institutional holder, insurer, or guarantor of a First Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), shall be entitled to timely written notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of Island West or which affects any Unit on which there is a First Mortgage held, insured, or guaranteed by such Eligible Holder;
- (b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within sixty (60) days;
- (c) Any lapse, cancellation, or material modification of any insurance policy the Association maintains; or
- (d) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

15.2 Other Provisions for First Lien Holders

To the extent not inconsistent with South Carolina law:

- (a) Any restoration or repair of Island West after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specification unless Eligible Holders representing at least 50% of the votes of Units subject to Mortgages held by Eligible Holders elect otherwise; and
- (b) Termination of the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible Holders representing more than fifty percent (50%) of the votes of Units subject to Mortgages held by Eligible Holders.

15.3 No Priority

No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the First Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

15.4 Notice to Association

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

15.5 Failure of Mortgagee to Respond

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

15.6 Construction of Article XV

Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration, the By-Laws, or South Carolina law for any of the acts set out in this Article.

15.7 HUD/VA Approval

Until the termination of the Declarant Control Period, the following actions shall require the prior approval of the U.S. Department of Housing and Urban Development or the U.S. Department of Veterans Affairs, if either such agency is insuring or guaranteeing the Mortgage on any Unit: merger, consolidation, or dissolution of the Association; annexation of additional property than that described in Exhibit "B"; dedication, conveyance, or mortgaging of Common Area; or material amendment of this Declaration or the By-Laws. The granting of easements for utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a conveyance within the meaning of this Section.

Article XVI Changes in Common Area

16.1 Condemnation

If a Unit or portion thereof shall be taken by eminent domain, compensation and the Owner's interests in the Common Area shall be evenly allocated. If any part of the Common AREA shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members representing more than sixty-seven percent (67%) of the total votes in the Association) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining Common Area to the extent available, unless within sixty (60) days after such taking Declarant, during the Declarant Control Period, and Members representing more than seventy-five (75%) of the total votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 8.4 regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

16.2 Transfer, Partition, or Encumbrance of Common Area

(a) Except as this Declaration otherwise specifically provides, the Common Area shall not be judicially partitioned or subdivided into Units, nor shall the ownership of the Common Area be otherwise divided or encumbered in any manner after conveyance to the Association, except upon the approval of Members representing more than seventy-five percent (75%) of the total votes in the Association.

(b) The Association shall have the authority, subject to approval of Members representing a majority of the total votes in the Association to transfer portions of the Common Area and improvements thereon to appropriate governmental entities or tax-exempt organizations for the maintenance, operation, and preservation thereof; provided, that any such transfer shall not relieve such Common Area from the rights and benefits of the Association and the Members as provided in this Declaration and shall otherwise be subject to the provisions of this Declaration.

Article XVII Miscellaneous

17.1 Amendment

This Declaration may be amended at any time by the Board:

(a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation, or judicial determination which shall be in conflict therewith;

(b) if such amendment is necessary to enable any title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration;

(c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association, the Department of Housing and Urban Development, the Veterans Administration, or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on Units subject to this Declaration; or

(d) if such amendment is necessary to enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Units subject to this Declaration; however, any such amendment shall not adversely affect title to any Unit unless such Unit's Owner consents in writing.

This Declaration may be amended upon the submission to the vote of the Owners where not less than fifty percent (50%) of those Members eligible to cast a vote do so, and any such proposed amendment shall be deemed approved if more than sixty-seven percent (67%) of the votes cast are in favor of the amendment.

17.2 Validity and Effective Date of Amendment

If an Owner consents to any amendment to this Declaration or the By-Laws, it shall be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party shall affect the validity of such amendment.

Any amendment shall become effective upon Recording, unless it specifies a later effective date. Any procedural challenge to an amendment must be made within one year of its Recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change or conditions in the Community or circumstance operate to amend any provisions of this Declaration.

17.3 Exhibits

Exhibits "A-1", "A-2", "A-3", "B," and "E", and Attachment "1" to Article X attached to this Declaration are incorporated by this reference and amendment of such exhibits shall be governed by this Article. Exhibit "C" is incorporated by this reference and may be amended in accordance with Articles IV or this Article. Exhibit "D" is attached for informational purposes and may be amended as provided therein.

CERTIFICATION AND ATTESTATION ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Island West Homeowners Association, Inc., has executed this instrument the 23rd day of February, 2015:

ISLAND WEST HOMEOWNERS
ASSOCIATION, INC.

Samuel L. Dechant

By:

Robert N. Gold

Robert Gold

Its: Secretary

WOWHA

Attest:

James J. Cuff

James J. Cuff

Its: President

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

I, the undersigned Notary Public, do hereby certify that, ROBERT GOLD as Secretary of Island West Homeowners Association, Inc., and attested by James J. Cuff its President, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 23rd day of February, 2015.

WOWHA

Notary Public for South Carolina

My Commission Expires:

7/20/2016



EXHIBIT "A-1"

Land Initially Submitted by Declaration

ALL THOSE certain lots or parcels of land within the Island West subdivision in Beaufort County, South Carolina, shown and depicted as Lots **3, 5, 6, 7, 12, 13, 15, 44, 46, 48, 50, 51, 52, 53, 70, 73, and 74** on that certain plat entitled "Boundary Survey of Phase IA A Section of Island West Subdivision" prepared by Terry H. Hatchell, S.C.R.L.S. 11059 of Surveying Consultants dated July 12, 1999 and recorded in the Beaufort County Register of Deeds Office of July 28, 1999 in Plat Book 71 at Page 16. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL those certain lots or parcels of land within the Island West subdivision in Beaufort County, South Carolina shown and depicted as Lots **55, 58, 59, 61, 62, 64, 65, 66, and 67** on that certain plat entitled "Boundary Survey of Phase IB A Section of Island West Subdivision" prepared by Terry H. Hatchell, S.C.R.L.S. 11059 of Surveying Consultants dated July 12, 1999 and recorded in the Beaufort County Register of Deeds Office on April 5, 2000 in Plat Book 74 at Page 5. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

This being the same property conveyed by Island West Associates, Inc., by Deeds dated August 17, 1999, September 8, 1999, January 19, 2000, April 20, 2000 and May 5, 2000, and recorded in the Beaufort County Register of Deeds Office, Beaufort, South Carolina.

EXHIBIT "A-2"

Land Submitted by Supplemental Declaration of Covenants, Conditions and Restrictions

ALL that certain property shown and depicted as Lots **1, 2, 20, 24, 27, 30, 31, 32, 33, 34, 40, 41, 42, 43, 45, and 47** as depicted on the plat entitled "A Subdivision of Phase 1A, A Section of Island West Subdivision" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc. dated March 7, 2001, revised May 22, 2001, and recorded on May 25, 2001 in the Beaufort County Register of Deeds Office in Plat Book 80 at Page 67 and 68 and the plat entitled "A Subdivision of Phase 1B, A Section of Island West Subdivision" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc. dated March 7, 2001 and recorded on May 30, 2001 in the Beaufort County Register of Deeds Office in Plat Book 79 at Page 13 and 14. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

EXHIBIT "A-3" Page 1 of 2
Land Submitted by duly Recorded Instrument

ALL that certain property shown and depicted as **Lots 4, 8, 9, 10, 11, 14, 49, and 75 through 101** as depicted on the plat entitled "A Subdivision of Phase 1A, A Section of Island West Subdivision" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on May 25, 2001 in the Beaufort County Register of Deeds Office in Plat Book 80 at Page 67 and 68. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL that certain property shown and depicted as **Lots 16, 17, 18, 19, 21, 23, 25, 26, 28, 29, 54, 56, 57, 60, 63, 68, 69** as depicted on the plat entitled "A Subdivision of Phase 1B, A Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on January 24, 2002, in the Beaufort County Register of Deeds Office in Plat Book 84 at Pages 115 and 116. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL that certain property shown and depicted as **Lots 103 through 125, and 127** as depicted on the plat entitled "A Subdivision of Phase 2A, A Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on August 2, 2002, in the Beaufort County Register of Deeds Office in Plat Book 88 at Page 133. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL that certain property shown and depicted as **Lots 128 through 132, 133 through 146, and 148 through 173** as depicted on the plat entitled "A Subdivision of Phase 2B, A Section of Island West Subdivision" Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on September 3, 2003, in the Beaufort County Register of Deeds Office in Plat Book 99 at Page 17. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL that certain property shown and depicted as **Lots 174, 176 through 188, 207 through 214, 216 through 220, 222 through 243, and 245 through 268**, as depicted on the plat entitled "A Subdivision of Phase 3A, A", a Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina, prepared by Gary Blair Burgess, S.C.R.L.S. # 15229, of Andrews Engineering Co., Inc., recorded on June 3, 2005 in the Beaufort County Register of Deeds Office in Plat Book 106 at Pages 179 and 180. For a more particular description of the courses, metes, bounds and distances of said lots, reference is hereby made to said plat of record.

AND ALSO, ALL real property designated as "Common Property" as defined in the Declaration of Covenants, Conditions, and Restrictions for the Villages of Island West, recorded in Book 1292, at Page 2032, which certain property is shown and depicted as "open spaces", "amenities", "Access Easements," "Roadway Easements," "Lagoon Maintenance Easements," "Drainage Easements," "Wetland Buffers," "Wetlands," "Lagoon Open Space," "Maintenance & Equipment Area," "Daniels Island Way," "Daniels Island Court," "Island West Drive," "Island West Court," "Island West Park," "Sea Island Drive," "Sappelo Island Lane," "Blythe Island Drive," "Blythe Island Court," "Yonges Island Drive," "Yonges Island Court," "Wasaw Island Court," "Jekyll Court," "Wilmington Island Court," "Sullivans Island Court," and "St. Simons Drive," on those plats entitled "A Subdivision of Phase 1A, A Section of Island West Subdivision" prepared by Michael R. Dunigan S.C.R.L.S. #11905

EXHIBIT "A-3" Page 2 of 2

of Coastal Surveying Co., Inc., recorded on May 25, 2001 in the Beaufort County Register of Deeds Office in Plat Book 80 at Page 67 and 68, and the plat entitled "A Subdivision of Phase 1B, A Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on January 24, 2002, in the Beaufort County Register of Deeds Office in Plat Book 84 at Pages 115 and 116, and the plat entitled "A Subdivision of Phase 2A, A Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on August 2, 2002, in the Beaufort County Register of Deeds Office in Plat Book 88 at Page 133, and the plat entitled "A Subdivision of Phase 2B, A Section of Island West Subdivision" Bluffton Township, Beaufort County, South Carolina" prepared by Michael R. Dunigan S.C.R.L.S. #11905 of Coastal Surveying Co., Inc., recorded on September 3, 2003, in the Beaufort County Register of Deeds Office in Plat Book 99 at Page 17, and the plat entitled "A Subdivision of Phase 3A, A", a Section of Island West Subdivision, Bluffton Township, Beaufort County, South Carolina, prepared by Gary Blair Burgess, S.C.R.L.S. # 15229, of Andrews Engineering Co., Inc., recorded on June 3, 2005 in the Beaufort County Register of Deeds Office in Plat Book 106 at Pages 179 and 180. For a more particular description of the courses, metes, bounds and distances of said Common Areas, Easements, Wetlands, and Roadway Rights-of-Way, reference is hereby made to said plat of record.

EXHIBIT "B"

ANY AND ALL real property lying and being within five (5) miles from any boundary of the property described in Exhibits "A-1" and "A-2".

EXHIBIT "C"

AMENDED AND RESTATED INITIAL RULES AND REGULATIONS

OF

ISLAND WEST HOMEOWNERS ASSOCIATION, INC.

FEBRUARY 3, 2015

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The following restrictions shall apply to all of Island West until such time as they are amended, modified, repealed, or limited pursuant to Article IV of the Declaration.

1. General

Island West shall be used only for residential, recreation, and related purposes consistent with this Declaration and any Supplemental Declaration.

2. Restricted Conditions and Activities ... May Require Prior Authorization

The following are **restricted** conditions and/or activities within Island West unless expressly authorized by and then subject to such conditions as the Board may impose:

A. Pool and Exercise facilities:

Rules specific to the use of the Island West pool and exercise facilities are posted in each of the areas and must be adhered to by all members and their guests. These rules may be changed by the Board as needed to meet Federal or State regulations and to provide healthy and safe enjoyment for all in the Community.

B. Parking:

- (a) Any vehicles on streets or thoroughfares within the Community between the hours of 2 AM and 6 AM unless okayed by a call to the Island West Management Company identifying the vehicles involved;
- (b) Parking on the grass, center islands, or vacant areas, or parking of commercial vehicles (unless indistinguishable from non-commercial vehicles other than by the window stickers; that is, no signs covered or not, ladders, or other equipment left out) or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, snowmobiles, stored vehicles, or inoperable vehicles in places other than enclosed garages;
- (c) Construction, service, and delivery vehicles shall be exempt from above parking provision during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;
- (d) A homeowner may park a commercial vehicle at their home for a lunch break for up to 2 hours;
- (e) Overnight parking is permissible at the Palm House parking lot with prior approval from the Island West Management Company;
- (f) Boats, RV's, utility trailers, etc. may be parked in property owners driveway for up to 72 hours as long as the Island West Management Company is notified in advance and intentions are stated. The equipment to be parked in the property owners driveway must be owned by that property owner and/or their guest and cannot be parked at any other location within Island West. Parking of any equipment in a property owner's driveway

cannot exceed more than 3 consecutive nights or 6 nights per month without expressed written permission from the Island West Management Company, approved by the BOD.

All above vehicles may not be used for additional living quarters. All vehicles may be parked for loading, unloading, general cleanup and washing and maintenance. However, all materials and waste generated must be disposed of in an environmentally acceptable manner.

Any vehicle that does not fit in owner's driveway and any vehicle parked on the street overnight requires Island West Management notification.

C. Pets:

- (a) A reasonable number of dogs and cats is allowed (the combined number of dogs and cats not to exceed three) or other usual and common household pets may be permitted in a Unit;
- (b) Those pets whose Owners allow them to roam free, or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units, shall be removed upon the Board's request. If the pet Owner fails to honor such request, the Board may remove the pets. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling if not contained by a fence or electronic fence that does not encroach upon the easement.
- (c) Pets shall be registered, licensed, and inoculated as required by law;
- (d) Owners must clean up after their dogs and cats, as per Beaufort County Law, anywhere in Island West.

D. Residence:

- (a) Signs: No commercial signs, including "for rent" or "for sale" and other similar signs, shall be erected or maintained on a Unit or anywhere within the Property by anyone, including, but not limited to, the Owner, a realtor, a contractor or subcontractor.
- (b) Obstruction or rechanneling drainage flows on any Unit after location and installation of drainage swales, storm sewers, or storm drains, except that the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent;
- (c) On-site storage of gasoline, heating, or other fuels, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Article V;

- (d) Accumulation of rubbish, trash, or garbage except between regular garbage pick-ups, and then only in approved containers. Such containers shall be either screened from view or kept inside, except as reasonably necessary for garbage pick-ups. Trash in closed garbage pails may be put out the night before; trash in black plastic bags of 30 gallons or larger size may be put out the morning of pickup. Trash not picked up that day should be taken inside;
- (e) Any business, trade, garage sale, moving sale, rummage sale, or similar activity except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (ii) the business activity conforms to all zoning requirements for Island West; (iii) the business activity does not involve door-to-door solicitation of residents of Island West; (iv) the business activity does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked within Island West which is noticeably greater than that which is typical of Units in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of the community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents within Island West, as may be determined in the sole discretion of the Board.

The term "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

Leasing of a Unit shall not be considered a business or trade within the meaning of this subsection.

- (f) Conversion of any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Article V;
- (g) Any construction, creation, placement, or modification of anything, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, except in strict compliance with the provisions of Article V of the Declaration. This shall include, without limitation, landscaped or grassed areas, signs, swing sets, and similar sports and play equipment; clotheslines; garbage cans; woodpiles; in-ground swimming pools; docks, piers, and similar structures; and hedges, wall, dog runs, animal pens, or fences of any kind. Under no circumstances shall the ARC approve the replacement of all or a majority of the grasses area of a Unit with mulch or stone; and
- (h) If a holiday display creates a significantly increased traffic flow within the Community, the Unit's Owner or occupant responsible for such display shall remove it upon request of

the Board. If the Owner or occupant does not remove such display within a reasonable time, the Board may remove the display.

- (i) Satellite dishes, antennas, and similar devices for the transmission of televisions, radio, satellite, or other signals of any kind, except that the Association shall have the right, without obligation, to erect or install and maintain any such apparatus for the benefit of all or a portion of Island West;
 - i. satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter;
 - ii. satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter or diagonal measurement;
 - iii. antennas designed to receive television broadcast signals

(i), (ii), and (iii), collectively, shall be permitted; however, any of these permitted devices must be placed in the least conspicuous location on the Unit (generally being the rear) at which an acceptable quality signal can be received and is not visible from the street, Common Area, or neighboring property or is screened from the view of adjacent Units in a manner consistent with the Community-Wide Standard and the Architectural Guidelines.

E. Personal Activity:

- (a) Swimming, boating, use of personal flotation devices, or other active use of lakes, ponds, streams, or other bodies of water within Island West, except that fishing from the shore shall be permitted with appropriate licenses. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of rivers, lakes, ponds, streams. Or other bodies of water within or adjacent to of Island West;
- (b) Capturing, trapping, or killing of wildlife within Island West, except in circumstances posing an imminent threat to the safety of person using Island West or damage to property.
- (c) Adding your own plants in unplanted common island areas except by approval from the board.

3. Prohibited Conditions and Activities

The following are **prohibited** conditions and/or activities within Island West:

A. General:

- (a) Any activity which violates local, state, or federal laws or regulations;

- (b) Any activity which emits foul or obnoxious odors outside the Unit or creates noise or other conditions which tend to disturb the peace or threaten the safety of the occupants of other Units;
- (c) Pursuit of hobbies or other activities which tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit;
- (d) Any noxious or offensive activity (including, without limitation, barking dogs) which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Area or to the occupants of other Units;
- (e) Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within Island West;
- (f) Operation of motorized vehicles on pathways or trails maintained by the Association;

B. Pets:

- (a) Dogs and cats are prohibited from being walked on the golf course, cart paths or other homeowner's lawns, driveways, mail posts or property.
- (b) Raising, breeding (including pets raised for commercial purpose), or keeping animals, livestock, or poultry of any kind (except as outlined above in section 2, paragraph titled "Pets");

C. Personal Activity:

- (a) Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except alarm devices used exclusively for security purposes;
- (b) Use and discharge of firecrackers and other fireworks;
- (c) Discharge of firearms; a firearm is a portable gun, being a barreled weapon that launches one or more projectiles often defined by the action of an explosive or any object that discharges a projectile that may cause harm.
- (d) No solid or liquid waste may be dumped in any drainage ditch, storm drain, stream, pond, lake or on any land within Island West. This may include grass clippings, leaves, other debris, pet waste, petroleum products, fertilizers or any potentially hazardous or toxic substances. Fertilizers may be applied to landscaping provided care is taken to minimize runoff;
- (e) Children under the age of 16 fishing in Island West ponds or lagoons without adult supervision;

- (f) Operating golf carts, dirt bikes, and other motorized recreational vehicles on the roads of Island West unless licensed by the state of South Carolina, insured, and driven by licensed drivers;
- (g) Plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Island West;
- (h) Outside burning of trash, leaves, debris, or other materials
- (i) Operating noisy equipment such as mowers and blowers between the hours of 8 PM and 8 AM;

D. Residence:

- (a) Builders dumping and burying rocks and trees removed from a building site on such building site;
- (b) Structures, equipment, or other items on the exterior portions of a Unit which have become rusty, dilapidated, or otherwise fallen into disrepair;
- (c) Use of any Unit for operation as a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating schedule over a period of years;
- (d) Subdivision of a Unit into two or more units, or changing the boundary lines of any Unit after a subdivision plat including such Unit has been approved and Recorded;
- (e) Installation of any sprinkler or irrigation systems or wells of any type, which draw upon water from lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within Island West, except that the Association shall have the right to draw water from such sources;

4. Leasing of Units

“Leasing,” for purposes of this Paragraph, is defined as regular exclusive occupancy of a Unit by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All Leases shall be in writing.

- (a) The Association requires a minimum Lease term of **twelve months**.
- (b) Notice of any Lease, together with such additional information as may be required by the Board, shall be given to the Island West Management Company by the Unit Owner within ten days of execution of the Lease.
- (c) The Owner MUST make available to the Lessee copies of ALL the Island West Homeowner Association Governing Documents.

EXHIBIT "D"

**AMENDED AND RESTATED
BY-LAWS**

OF

ISLAND WEST HOMEOWNERS ASSOCIATION, INC.

OF FEBRUARY 3, 2015

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AMENDED AND RESTATED BY-LAWS
OF
ISLAND WEST HOMEOWNERS ASSOCIATION, INC.

Article I Name, Principal Office, and Definitions

1.1 Name

The name of the corporation is Island West Homeowners Association, Inc. ("Association").

1.2 Principal Office

The Association's principal office shall be located in Beaufort County, South Carolina. The Association may have such other offices, either within or outside the state of South Carolina, as the Board of Directors may determine or as the Association's affairs require.

1.3 Definitions

The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Condition, and Restrictions for Island West filed in the Office of the Clerk of the Circuit Court of Beaufort County, South Carolina, as it may be amended ("Declaration"), unless the context indicates otherwise.

Article II Association: Membership, Meetings, Quorum, Voting, Proxies

2.1 Membership

The Association shall have one class of membership as more fully set forth in the Declaration, the terms of which pertaining to membership are incorporated by this reference.

2.2 Place of Meeting

Association meetings shall be held at the Association's principal office or at such other suitable place convenient to the Members as the Board may designate.

2.3 Annual Meetings

Regular annual meetings shall be of the Members and shall be held each year at a time set by the Board.

2.4 Special Meetings

The Board may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed by more than twenty-five percent (25%) of the Members. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

2.5 Notice of Meetings

It shall be the duty of the Island West Management Company, or the Board Secretary if no such management company is engaged, to mail or to cause to be delivered to the Owner of each Unit (as shown in the records of the Association) a notice of each annual or special meeting of the Association stating the time and place where it is to be held and in the notice of a special meeting, the purpose thereof. If an Owner wishes notice to be given at an address other than the Unit, the Owner shall designate by notice in writing to the Island West Management Company, or the Secretary, such other address. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices for annual and special meetings shall be served at least thirty (30) days but not more than sixty (60) days in advance of such meeting.

If mailed, the notice of a meeting shall be deemed to be delivered upon the earliest of:

- (a) The date received;
- (b) Five days after its deposit in the United States mail, as evidenced by its postmark, if mailed with first class postage affixed;
- (c) The date shown on the return receipt, if mailed by registered or certified mail, return receipt requested, and signed by or on behalf of the addressee; or,
- (d) Thirty days after its deposit in the United States mail, as evidenced by the postmark, if mailed with other than first class, registered, or certified postage affixed.

2.6 Waiver of Notice

Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7 Adjournment of Meetings

If any meetings of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.8 Voting

The Declaration, Article 7.3, shall set forth the Members' voting rights; such voting rights provisions are specifically incorporated by this reference.

2.9 Proxies

At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with Island West Management Company, or the Secretary if no such management company is engaged, before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of such member's Unit, or upon receipt of notice by the Island West Management Company, or the Secretary if no such management company is engaged, of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

2.10 Majority

As used in these By-Laws, the term "majority" shall mean those votes, Members, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

2.11 Quorum

The presence, in person or by proxy, of twenty-five percent (25%) of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. Any amendment to this Section shall comply with the provisions of Section 33-31-1023 of the South Carolina Nonprofit Corporation Code.

2.12 Conduct of Meetings

The Board President shall preside over all Association meetings, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.13 Action Without a Meeting

Any action to be taken at a meeting of the Members, or which may be taken at a meeting of the Members, may be taken without a meeting if written consents setting forth the action so taken are signed by Members holding more than eighty percent (80%) of the Association's voting power. Action taken without a meeting shall be effective on the date that the last consent is executed. Each signed consent shall be delivered to the Association and shall be included in the minutes of meetings of Members filed in the permanent records of the Association.

Article III Board of Directors: Number, Powers, Meetings

A. Composition and Selection

3.1 Governing Body; Composition

A board of directors, each of whom shall have one equal vote, shall govern the Association's affairs. The directors shall be Members or residents; however, no Owner and resident representing the same Unit may serve on the Board at the same time. A "resident" shall be any person 18 years of age or older whose principal residence is a Unit within the Community. In the case of a Member which is not an individual, any officer, director, partner, member or manager of a limited liability company, or trust officer of such Member shall be eligible to serve as a director unless a written notice to the Association signed by such Member specifies otherwise; however, no Member may have more than one such representative on the Board at a time.

3.2 Number of Directors

The Board shall consist of three (3) to seven (7) directors, as provided in Section 3.5 below.

3.3 Nomination and Election Procedures

- (a) Nomination of Directors: Ninety (90) days before the Annual Meeting the Island West Management Company, or the Secretary if there is no such management company engaged, shall send out a notification ("Notice") to all Owners stating the number of Director positions that are open for election that year. Individuals desiring to be a candidate for one of the open positions may, on or before sixty (60) days prior to the meeting, send their request for candidacy and a resume to the Island West Management Company or Secretary, as directed in the Notice. Resumes should include the prospective candidate's qualifications and a statement of the candidate's views on how they will benefit the Island West Community. All Members, except those who are not in good standing with the Association, may be considered eligible candidates for office. The Island West Management Company or Secretary shall by U.S. Mail or E-mail send all such candidacy requests and resumes to all Members on or before thirty (30) days prior to the meeting. The Board shall establish a date and time no less than ten (10) days prior to the meeting for a "Meet the Director Candidates Night" at which time all such candidates may appear and be given a reasonable opportunity to communicate their qualifications and vision for Island West management and operation.
- (b) Election Procedures Each Owner may cast one (1) vote assigned to his Unit for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.4 Election and Term of Office

Owner-elected directors shall be elected and hold office as follows:

Board of Directors: Directors shall be elected at the Association's Annual Meeting. All eligible Members of the Association shall be entitled and requested to vote on all directors to be elected, and the candidate(s) receiving the most votes cast shall be elected.

Each director shall be elected to serve for a term of two (2) years. The directors shall hold office until their respective successors shall have been elected by the Association.

Upon a vote to approve by two-thirds (2/3) of the Members, the number of directors may be expanded to any odd number up to and including seven (7) directors.

3.5 Removal of Directors and Vacancies

At any regular or special meeting of the Association duly called, any one or more of the directors may be removed, with or without cause, by a vote of a majority of the Members and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Members shall be given at least ten days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than 30 days may be removed by a majority vote of the remaining directors at a meeting.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term.

B. Meetings

3.6 Organizational Meetings

The Board shall hold an organizational meeting within ten (10) days following each annual Association meeting at such time and place the Board shall fix.

3.7 Regular Meetings

The Board may hold regular meetings at such time and place a majority of the directors shall determine, but the Board shall hold at least four such meetings during each fiscal year with at least one per quarter.

The Board shall give notice of the time and place of a regular meeting to directors not less than six (6) days prior to the meeting; provided, the Board need not give notice of a meeting to any director who has signed a waiver of notice or a written consent to holding the meeting.

3.8 Special Meetings

The Board may hold special meetings when called by written notice signed by the President, the Vice President, or any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by:

- (a) Personal delivery;
- (b) First class mail, postage prepaid;
- (c) Telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or,
- (d) Facsimile, E-mail, or other electronic communication device, with confirmation or transmission.

All such notices shall be given at the director's telephone number, fax number, E-mail address, or sent to the director's address as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least six (6) business days before the time set for the meeting. Notices given by personal deliver, telephone, or electronic communication shall be delivered or communicated at least seventy-two (72) hours before the time set for the meeting. Notices of such meetings shall also be delivered to the Members contemporaneously with the directors' notices.

3.9 Waiver of Notice

The transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if:

- (a) A quorum is present; and,
- (b) Either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting.

Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10 Telephonic Participation in Meetings

Members of the Board or any committee the Board designates may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence at such meeting.

3.11 Quorum of Board of Directors

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless the By-Laws or the Declaration specifically provide otherwise. A meeting at which a quorum is present initially may continue to transact business, notwithstanding the withdrawal of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact without further notice any business which it might have transacted at the original meeting. Any amendments to this Sections shall comply with the provisions of Section 33-31-1024 of the South Carolina Nonprofit Corporation Code.

3.12 Compensation

Directors shall not receive any compensation from the Association for acting as such. The Association may reimburse any director for expenses incurred on the Association's behalf. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director makes his or

her interest known to the Board prior to entering into such contract and a majority of the Board, excluding the interested director, approves such contract.

3.13 Conduct of Meetings

The Board President shall preside over all Board meetings, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceeding occurring at such meetings.

3.14 Open Meetings

Subject to the provisions of Section 3.15, all Board meetings shall be open to all Members, but attendees other than directors may not participate in any discussion or deliberation unless a director requests permission for that person to speak. In such case, the President may limit the time such person may speak. Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may excluded persons other than directors. Only the following matters are open for discussion in executive session:

- (a) Matters pertaining to Association employees or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
- (b) Consultation with legal counsel regarding disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (a) Investigative proceedings concerning possible or actual criminal conduct;
- (e) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure; and,
- (f) Any matter the disclosure of which would constitute an unwarranted invasion of Individual privacy.

3.15 Action Without a Formal Meeting

Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties

3.16 Powers

The Board shall have all of the powers and duties necessary for managing the Association's affairs and for performing all responsibilities and exercising all of the Association's rights as set forth in the governing Documents as provided by law. The Board may do or cause to be done all acts and things as are not by the Governing Documents or South Carolina law directed to be done and exercised exclusively by the Members or the membership generally.

3.17 Duties

The Board's duties shall include, without limitation:

- (a) Preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses and any Neighborhood Expenses;
- (b) Levying and collecting such assessments from the Owners;
- (c) Providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility and entering into agreements with adjacent property owners to allocate maintenance responsibilities and costs of certain public rights-of-way and other property within or adjacent to the Community;
- (d) Designating, hiring, and dismissing the personnel necessary to carry out the Association's rights and responsibilities and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) Depositing all funds received on the Association's behalf in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' business judgment, in depositories other than banks;
- (f) Making and amending Rules and Regulations in accordance with the Declaration;
- (g) Opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) Making or contracting for the making or repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;
- (i) Enforcing by legal means the provisions of the Governing Documents and bringing any proceeding which may be instituted on behalf of our against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in Section 8.5 of the Declaration;
- (j) Obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (k) Paying the cost of all services rendered to the Association;
- (l) Keeping books with detailed accounts of the receipts and expenditures of the Association;
- (m) Making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 6.4;

- (n) Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Community;
- (o) Indemnifying an Association director, officer, or committee member, or former Association director, officer, or committee member to the extent such indemnity is Required by South Carolina law, the Articles of Incorporation, or the Declaration; and
- (p) Assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

3.18 Management; Operational, Regulatory, Financial and Banking

The Board may employ for the Association a an Island West Management Company at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority.

The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the Island West Management Company, if any, which might arise between Board meetings.

3.19 Accounting;

The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) Accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) Accounting and controls should conform to generally accepted accounting principles;
- (c) The Association's cash accounts shall not be commingled with any other accounts;
- (d) The Island West Management Company shall accept no remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;
- (e) The Island West Management Company shall disclose to the Board promptly any financial or other interest which the managing agent may have in any firm providing goods or services to the Association;
- (f) An annual report consisting of at least the following shall be made available to all Members within 120 days after the close of the fiscal year:
 - (1) A balance sheet;
 - (2) An operating (income) statement; and,
 - (3) A statement of changes in financial position for the fiscal year.

Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant; however, upon written request of any holder, guarantor, or insurer of any first Mortgage on a Unit, the Association shall

provide an audited financial statement. During the Declarant Control Period, the annual report shall include certified financial statements.

3.20 Borrowing

The Association shall have the power to borrow money for any legal purpose; however, the Board shall obtain Member approval in the same manner provided in Section 9.2 of the Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed twenty percent (20%) of the Association's budgeted gross expenses for that fiscal year. No Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent, or any combination thereof, of Members representing more than eighty percent (80%) of the total vote in the Association.

3.21 Right to Contract

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with residential or nonresidential owners' associations within and outside the Community; however, any common management agreement shall require the Board's consent.

3.22 Enforcement Powers

In addition to such other rights as are specifically granted under the Declaration, the Board shall have the power to impose reasonable monetary fines, which shall constitute a lien upon the Unit of the violator, and to suspend an Owner's right to vote for violation of any duty imposed under the Governing Documents.

In addition, the Board may suspend any services the Association provides to an Owner or an Owner's Unit if the Owner is more than thirty (30) days delinquent in paying any assessment or other charges owed to the Association.

In the event that any occupant, tenant, employee, guest, or invitee of a Unit violates the Governing Documents and a fine is imposed, the Association shall first assess the fine against the occupant, tenant, employee, guest, or invitee; however, if the occupant does not pay the fine within the time period the Board sets, the Owner shall pay the fine upon notice from the Association.

The Board's failure to enforce any provision of the Governing Documents shall not be deemed a waiver of the Board's right to do so thereafter.

(a) Notice Prior to imposition of certain sanctions requiring notice under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing:

- (1) The nature of the alleged violation;
- (2) The proposed sanction to be imposed;
- (3) A period of not less than Ten (10) days within which the alleged violator may present a written request for a hearing to the Board;

- (4) A statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice; and,
 - (5) If a timely challenge is not made, the sanction stated in the notice shall be imposed; however, the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.
- (b) Hearing If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.
- (c) Additional Enforcement Rights Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, towing vehicles that are in violation of parking rules) or, following compliance with the dispute resolution procedures set forth in Article XV of the Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred. Any entry onto a Unit for purposes of exercising this power of self-help shall not be deemed as trespass.

3.23 Standards

While conducting the Association's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a director from liability for actions taken or omissions made in the performance of such director's duties, except for liability for wanton and willful acts or omissions.

In fulfilling its governance responsibilities, the Board's actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

The burden of proof in any challenge to an action or inaction by a director shall be on the party asserting liability.

The operational standards of the Board and any committee the Board appoints shall be the requirements set forth in the Governing Documents or the minimum standards which Declarant, the Board, and the Architectural Review Committee may establish. Such standard shall, in all cases, meet or exceed the standards set by Declarant and the Board during the Declarant Control Period. Operational standards may evolve as the needs and demands of the Community change.

Article IV Officers

4.1 Officers

The Association's officers shall be a President, Vice President, Secretary, Treasurer and Member-at-Large. The President and Secretary shall be elected from among the Board members; other officers may, but need not be Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. The same person may hold any two or more offices, except the offices of President and Secretary. Moreover, the Secretary shall be responsible for preparing minutes of all directors' and Members' meetings and for authenticating records of the corporation.

4.2 Election and Term of Office

The Board shall elect the officers of the Association at the first Board meeting following each annual meeting of the Members, to serve until their successors are elected.

4.3 Officer Removal and Vacancies

The Board may remove any officer whenever in its judgment the Association's best interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4.4 Powers and Duties

The Association's officers shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Secretary shall prepare, execute, certify, and Record amendments to the Declaration as provided in Section 17.2 of the Declaration. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5 Resignation

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 Agreements, Contracts, Deeds, Leases, Checks, Etc.

All agreements, contracts, deeds, leases, checks, and other Association instruments shall be executed by at least two officers or by such other person or persons as a Board resolution may designate.

4.7 Compensation

Officers' compensation shall be subject to the same limitations as directors' compensations under Section 3.12

Article V Association and Board Committees

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

Article VI Miscellaneous

6.1 Fiscal Year

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2 Parliamentary Rules

Except as may be modified by Board resolution, Robert's Rules of Order (the then current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law or the Governing Documents.

6.3 Conflicts

If there are conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

6.4 Written Records

- (a) Inspection by Members and Mortgagees The Board shall make available for inspection and copying by any holder, insurer, or guarantor of a first Mortgage on a Unit, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the declaration, By-Laws, and Articles of Incorporation, including any amendments, any Supplemental Declarations, the Rules and Regulations, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the Island West Management Company's Office, or at such other place within the Community as the Board shall designate.
- (b) Rules for Inspection The Board shall establish rules with respect to:
- (1) Notice to be given to the custodian of the records;
 - (2) Hours and days of the week when such an inspection may be made; and

(3) Payment of the cost or reproducing copies of documents requested.

- (c) Inspection by Directors Every director shall have the absolute right at any reasonable time to inspect all Association books, records, and documents and the physical properties the Association owns or controls. The director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

6.5 Notices (Communications)

Unless the Declaration or these By-Laws otherwise provide, all notices, demands, bills, statements, or other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage paid;

- (a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or
- (b) If to the Association, the Board, or the Island West Management Company, at the principal office of the Association or the Island West Management Company, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 By-Laws Amendment

- (a) By the Board: The Board may amend these By-Laws at any time and from time to time if such amendment is necessary to:
1. Bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination;
 2. Enable any reputable title insurance company to issue title insurance coverage on the Units; or,
 3. Enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Units; provided, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent thereto in writing.
- (b) By Members: Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing more than fifty percent (50%) of the total vote in the Association. In addition, the approval requirements set forth in Article XVII of the Declaration shall be met, if

applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

- (c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon Recordation, unless the amendment specifies a letter effective date. Any procedural challenge to an amendment must be made within one year of its Recordation or such amendment shall be resumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws. The Secretary shall prepare, execute, certify, and Record amendments to these By-Laws.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Island West Homeowners Association, Inc., a South Carolina corporation;

That the foregoing By-Laws constitute the Amended and Restated By-Laws of said Association, as duly adopted at a special meeting of the Island West Homeowners Association, Inc., thereof held on the 3rd day of February, 2015.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association the 23rd day of February, 2015.

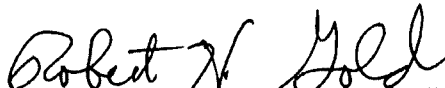
 [SEAL]
Secretary of the Board of Directors of
Island West Home Owners Association, Inc.

EXHIBIT "E"

Rules of Arbitration

1. Claimant shall submit a Claim to arbitration under these Rules by giving written notice to all other Parties stating plainly and concisely the nature of the Claim, the remedy sought and Claimant's submission of the Claim to arbitration ("Arbitration Notice").

2. The Parties shall select arbitrators ("Party Appointed Arbitrators") as follows: all the Claimants shall agree upon one Party Appointed Arbitrator, and all the Respondents shall agree upon one Party Appointed Arbitrator. The Party Appointed Arbitrators shall, by agreement, select one neutral arbitrator ("Neutral") so that the total arbitration panel ("Panel") has three arbitrators.

3. If the Panel is not selected under Rule 2 within 45 days from the date of the Arbitration Notice, any party may notify the nearest chapter of The Community Association Institute, for any dispute arising under the Governing Documents, or the American Arbitration Association, or such other independent body providing arbitration services, for any dispute relating to the design or construction of improvements on the Properties, which shall appoint one Neutral ("Appointed Neutral;"), notifying the Appointed Neutral and all Parties in writing of such appointment. The Appointed Neutral shall thereafter be the sole arbitrator and any Party Appointed Arbitrators or their designees shall have no further duties involving the arbitration proceedings.

4. No person may serve as a neutral in any arbitration in which that person has any financial or personal interest in the result of the arbitration. Any person designated as a neutral or Appointed Neutral shall immediately disclose in writing to all Parties any circumstance likely to affect impartiality, including any bias or financial or personal interest in the outcome of the arbitration ("Bias Disclosure"). If any Party objects to the service of any Neutral or Appointed Neutral after receipt of that neutral's Bias Disclosure, such Neutral or Appointed Neutral shall be replaced in the same manner in which that Neutral or Appointed Neutral was selected.

5. The Appointed Neutral or neutral, as the case may be, ("Arbitrator") shall fix the date, time, and place for the hearing. The place of the hearing shall be within Island West unless otherwise agreed by the Parties. In fixing the date of the hearing, or in continuing a hearing, the Arbitrator shall take into consideration the amount of time reasonably required to determine Claimant's damages accurately.

6. Any Party may be represented by an attorney or other authorized representative throughout the arbitration proceedings. In the even the Respondent fails to participate in the arbitration proceeding, the Arbitrator may not enter an Award by default, but shall hear Claimant's case and decide accordingly.

7. All persons who, in the judgment of the Arbitrator, have a direct interest in the arbitration are entitled to attend hearings. The Arbitrator shall determine any relevant legal issues, including whether all indispensable parties are Bound Parties or whether the claim is barred by the statute of limitations.

8. The hearing shall be conducted in whatever manner will, in the Arbitrator's judgment, most fairly and expeditiously permit the full presentation of the evidence and arguments of the Parties. The Arbitrator may issue such orders as he or she deems necessary to

safeguard rights of the Parties in the dispute without prejudice to the rights of the Parties or the final determination of the dispute.

9. If the Arbitrator decides that he or she has insufficient expertise to determine a relevant issue raised during arbitration, the Arbitrator may retain the services of an independent expert who will assist the Arbitrator in making the necessary determination. The scope of such professional's assistance shall be determined by the Arbitrator in their own discretion. Such independent professional must not have any bias or financial or personal interest in the outcome of the arbitration, and shall immediately notify the Parties of any such bias or interest by delivering a Bias Disclosure to the Parties. If any Party objects to the service of any professional after receipt of a Bias Disclosure, such professional shall be replaced by another independent licensed professional selected by the Arbitrator.

10. No formal discovery shall be conducted in the absence of order of the Arbitrator or express written agreement among all the Parties. The only evidence to be presented at the hearing shall be that which is disclosed to all parties at least 30 days prior to the hearing; however, no Party shall deliberately withhold or refuse to disclose any evidence which is relevant and material to the Claim and is not otherwise privileged. The Parties may offer such evidence as is relevant and material to the Claim, and shall produce such additional evidence as the Arbitrator may deem necessary to an understanding and determination of the Claim. The Arbitrator shall be the sole judge of the relevance and materiality of any evidence offered, and conformity to the legal rules of evidence shall not be necessary. The Arbitrator shall be authorized, but not required, to administer oaths to witnesses.

11. The Arbitrator shall declare the hearings closed when he or she is satisfied the record is complete.

12. There will be no post hearing briefs.

13. The Award shall be rendered immediately following the close of the hearing, if possible, and no later than 14 days from the close of the hearing, unless otherwise agreed by the Parties. The Award shall be in writing, signed by the Arbitrator, and acknowledged before a notary public. If the Arbitrator believes an opinion is necessary, it shall be in summary form.

14. If there is more than one arbitrator, all decisions of the Panel, including the Award, shall be by majority vote. Each Party agrees to accept as legal delivery of the Award the deposit of a true copy in the mail addressed to that Party or its attorney at the address communicated to the Arbitrator at the hearing.

ATTACHMENT 1

"Units Submitted by duly Recorded Instrument"

UNIT	ADDRESS	PIN	UNIT	ADDRESS	PIN
1	1 Island West Court	R600 022 000 0254 0000	63	32 Sea Island Drive	R600 022 000 0351 0000
2	3 Island West Court	R600 022 000 0255 0000	64	30 Sea Island Drive	R600 022 000 0352 0000
3	5 Island West Court	R600 022 000 0256 0000	65	28 Sea Island Drive	R600 022 000 0353 0000
4	7 Island West Court	R600 022 000 0257 0000	66	26 Sea Island Drive	R600 022 000 0354 0000
5	9 Island West Court	R600 022 000 0258 0000	67	24 Sea Island Drive	R600 022 000 0355 0000
6	11 Island West Court	R600 022 000 0259 0000	68	22 Sea Island Drive	R600 022 000 0356 0000
7	10 Island West Court	R600 022 000 0260 0000	69	20 Sea Island Drive	R600 022 000 0357 0000
8	8 Island West Court	R600 022 000 0261 0000	70	10 Sea Island Drive	R600 022 000 0283 0000
9	6 Island West Court	R600 022 000 0262 0000	71	8 Sea Island Drive	R600 022 000 0284 0000
10	4 Island West Court	R600 022 000 0263 0000	72	6 Sea Island Drive	R600 022 000 0285 0000
11	2 Island West Court	R600 022 000 0264 0000	73	4 Sea Island Drive	R600 022 000 0286 0000
12	101 Island West Drive	R600 022 000 0265 0000	74	2 Sea Island Drive	R600 022 000 0287 0000
13	103 Island West Drive	R600 022 000 0266 0000	75	145 Island West Drive	R600 022 000 0288 0000
14	105 Island West Drive	R600 022 000 0267 0000	76	147 Island West Drive	R600 022 000 0289 0000
15	3 Daniels Island Way	R600 022 000 0268 0000	77	149 Island West Drive	R600 022 000 0290 0000
16	15 Daniels Island Way	R600 022 000 0318 0000	78	151 Island West Drive	R600 022 000 0291 0000
17	17 Daniels Island Way	R600 022 000 0319 0000	79	153 Island West Drive	R600 022 000 0292 0000
18	8 Daniels Island Court	R600 022 000 0320 0000	80	155 Island West Drive	R600 022 000 0293 0000
19	6 Daniels Island Court	R600 022 000 0321 0000	81	157 Island West Drive	R600 022 000 0294 0000
20	4 Daniels Island Court	R600 022 000 0322 0000	82	159 Island West Drive	R600 022 000 0295 0000
21	2 Daniels Island Court	R600 022 000 0323 0000	83	161 Island West Drive	R600 022 000 0296 0000
22	19 Daniels Island Way	R600 022 000 0324 0000	84	163 Island West Drive	R600 022 000 0297 0000
23	21 Daniels Island Way	R600 022 000 0325 0000	85	165 Island West Drive	R600 022 000 0298 0000
24	23 Daniels Island Way	R600 022 000 0326 0000	86	167 Island West Drive	R600 022 000 0299 0000
25	25 Daniels Island Way	R600 022 000 0327 0000	87	169 Island West Drive	R600 022 000 0300 0000
26	27 Daniels Island Way	R600 022 000 0328 0000	88	1 Sappelo Island Lane	R600 022 000 0301 0000
27	29 Daniels Island Way	R600 022 000 0329 0000	89	3 Sappelo Island Lane	R600 022 000 0302 0000
28	31 Daniels Island Way	R600 022 000 0330 0000	90	5 Sappelo Island Lane	R600 022 000 0303 0000
29	33 Daniels Island Way	R600 022 000 0331 0000	91	7 Sappelo Island Lane	R600 022 000 0304 0000
30	30 Daniels Island Way	R600 022 000 0332 0000	92	154 Island West Drive	R600 022 000 0305 0000
31	24 Daniels Island Way	R600 022 000 0333 0000	93	156 Island West Drive	R600 022 000 0306 0000
32	18 Daniels Island Way	R600 022 000 0334 0000	94	158 Island West Drive	R600 022 000 0307 0000
33	12 Daniels Island Way	R600 022 000 0335 0000	95	160 Island West Drive	R600 022 000 0308 0000
34	10 Daniels Island Way	R600 022 000 0336 0000	96	162 Island West Drive	R600 022 000 0309 0000
40	100 Island West Drive	R600 022 000 0269 0000	97	164 Island West Drive	R600 022 000 0310 0000
41	102 Island West Drive	R600 022 000 0270 0000	98	166 Island West Drive	R600 022 000 0311 0000
42	104 Island West Drive	R600 022 000 0271 0000	99	168 Island West Drive	R600 022 000 0312 0000
43	106 Island West Drive	R600 022 000 0272 0000	100	170 Island West Drive	R600 022 000 0313 0000
44	108 Island West Drive	R600 022 000 0273 0000	101	172 Island West Drive	R600 022 000 0314 0000
45	110 Island West Drive	R600 022 000 0274 0000	103	11 Sappelo Island Lane	R600 022 000 0867 0000
46	112 Island West Drive	R600 022 000 0275 0000	104	13 Sappelo Island Lane	R600 022 000 0868 0000
47	114 Island West Drive	R600 022 000 0276 0000	105	15 Sappelo Island Lane	R600 022 000 0869 0000
48	116 Island West Drive	R600 022 000 0277 0000	106	17 Sappelo Island Lane	R600 022 000 0870 0000
49	118 Island West Drive	R600 022 000 0278 0000	107	19 Sappelo Island Lane	R600 022 000 0871 0000
50	120 Island West Drive	R600 022 000 0279 0000	108	21 Sappelo Island Lane	R600 022 000 0872 0000
51	122 Island West Drive	R600 022 000 0280 0000	109	23 Sappelo Island Lane	R600 022 000 0873 0000
52	124 Island West Drive	R600 022 000 0281 0000	110	25 Sappelo Island Lane	R600 022 000 0874 0000
53	126 Island West Drive	R600 022 000 0282 0000	111	27 Sappelo Island Lane	R600 022 000 0875 0000
54	19 Sea Island Drive	R600 022 000 0342 0000	112	29 Sappelo Island Lane	R600 022 000 0876 0000
55	21 Sea Island Drive	R600 022 000 0343 0000	113	31 Sappelo Island Lane	R600 022 000 0877 0000
56	23 Sea Island Drive	R600 022 000 0344 0000	114	33 Sappelo Island Lane	R600 022 000 0878 0000
57	25 Sea Island Drive	R600 022 000 0345 0000	115	35 Sappelo Island Lane	R600 022 000 0879 0000
58	27 Sea Island Drive	R600 022 000 0346 0000	116	44 Sappelo Island Lane	R600 022 000 0880 0000
59	29 Sea Island Drive	R600 022 000 0347 0000	117	42 Sappelo Island Lane	R600 022 000 0881 0000
60	31 Sea Island Drive	R600 022 000 0348 0000	118	40 Sappelo Island Lane	R600 022 000 0882 0000
61	33 Sea Island Drive	R600 022 000 0349 0000	119	38 Sappelo Island Lane	R600 022 000 0883 0000
62	34 Sea Island Drive	R600 022 0350 0000	120	36 Sappelo Island Lane	R600 022 000 0884 0000

121	34 Sappelo Island Lane	R600 022 000 0885 0000	188	16 Yonges Island Drive	R600 029 000 0715 0000
122	32 Sappelo Island Lane	R600 022 000 0886 0000	207	5 Wassaw Island Court	R600 029 000 0718 0000
123	30 Sappelo Island Lane	R600 022 000 0887 0000	208	40 Yonges Island Drive	R600 029 000 0719 0000
124	28 Sappelo Island Lane	R600 022 000 0888 0000	209	42 Yonges Island Court	R600 029 000 0720 0000
125	26 Sappelo Island Lane	R600 022 000 0889 0000	210	44 Yonges Island Court	R600 029 000 0721 0000
126	24 Sappelo Island Lane	R600 022 000 0890 0000	211	48 Yonges Island Court	R600 029 000 0722 0000
127	18 Sappelo Island Lane	R600 022 000 0891 0000	212	58 Yonges Island Court	R600 029 000 0723 0000
128	206 Blythe Island Drive	R600 021 000 0282 0000	213	60 Yonges Island Court	R600 029 000 0724 0000
129	208 Blythe Island Drive	R600 021 000 0281 0000	214	62 Yonges Island Court	R600 029 000 0725 0000
130	210 Blythe Island Drive	R600 021 000 0280 0000	216	61 Yonges Island Court	R600 029 000 0727 0000
131	6 Blythe Island Court	R600 021 000 0279 0000	217	59 Yonges Island Court	R600 029 000 0728 0000
132	8 Blythe Island Court	R600 021 000 0278 0000	218	57 Yonges Island Court	R600 029 000 0729 0000
133	10 Blythe Island Court	R600 021 000 0277 0000	219	55 Yonges Island Court	R600 029 000 0730 0000
134	218 Blythe Island Drive	R600 021 000 0276 0000	220	53 Yonges Island Court	R600 029 000 0731 0000
135	220 Blythe Island Drive	R600 021 000 0275 0000	222	49 Yonges Island Court	R600 029 000 0733 0000
136	222 Blythe Island Drive	R600 021 000 0274 0000	223	47 Yonges Island Court	R600 029 000 0734 0000
137	224 Blythe Island Drive	R600 021 000 0273 0000	224	45 Yonges Island Court	R600 029 000 0735 0000
138	226 Blythe Island Drive	R600 021 000 0272 0000	225	43 Yonges Island Court	R600 029 000 0736 0000
139	228 Blythe Island Drive	R600 021 000 0271 0000	226	41 Yonges Island Court	R600 029 000 0737 0000
140	230 Blythe Island Drive	R600 021 000 0270 0000	227	39 Yonges Island Court	R600 029 000 0738 0000
141	235 Blythe Island Drive	R600 021 000 0269 0000	228	37 Yonges Island Court	R600 029 000 0739 0000
142	233 Blythe Island Drive	R600 021 000 0268 0000	229	35 Yonges Island Court	R600 029 000 0740 0000
143	231 Blythe Island Drive	R600 021 000 0267 0000	230	33 Yonges Island Court	R600 029 000 0741 0000
144	229 Blythe Island Drive	R600 021 000 0266 0000	231	31 Yonges Island Court	R600 029 000 0742 0000
145	227 Blythe Island Drive	R600 021 000 0265 0000	232	29 Yonges Island Court	R600 029 000 0743 0000
146	223 Blythe Island Drive	R600 021 000 0264 0000	233	27 Yonges Island Court	R600 029 000 0744 0000
148	18 St. Simons Drive	R600 021 000 0262 0000	234	25 Yonges Island Court	R600 029 000 0745 0000
149	20 St. Simons Drive	R600 021 000 0261 0000	235	23 Yonges Island Drive	R600 029 000 0746 0000
150	22 St. Simons Drive	R600 021 000 0260 0000	236	21 Yonges Island Drive	R600 029 000 0747 0000
151	24 St. Simons Drive	R600 021 000 0259 0000	237	19 Yonges Island Drive	R600 029 000 0748 0000
152	26 St. Simons Drive	R600 021 000 0258 0000	238	17 Yonges Island Drive	R600 029 000 0749 0000
153	28 St. Simons Drive	R600 021 000 0257 0000	239	15 Yonges Island Drive	R600 029 000 0750 0000
154	30 St. Simons Drive	R600 021 000 0256 0000	240	181 Blythe Island Drive	R600 029 000 0751 0000
155	32 St. Simons Drive	R600 021 000 0255 0000	241	No Address	R600 029 000 0752 0000
156	34 St. Simons Drive	R600 021 000 0254 0000	242	177 Blythe Island Drive	R600 029 000 0753 0000
157	36 St. Simons Drive	R600 021 000 0253 0000	243	175 Blythe Island Drive	R600 029 000 0754 0000
158	39 St. Simons Drive	R600 021 000 0252 0000	245	165 Blythe Island Drive	R600 029 000 0756 0000
159	37 St. Simons Drive	R600 021 000 0251 0000	246	163 Blythe Island Drive	R600 029 000 0757 0000
160	35 St. Simons Drive	R600 021 000 0250 0000	247	161 Blythe Island Drive	R600 029 000 0758 0000
161	33 St. Simons Drive	R600 021 000 0249 0000	248	159 Blythe Island Drive	R600 029 000 0759 0000
162	31 St. Simons Drive	R600 021 000 0248 0000	249	157 Blythe Island Drive	R600 029 000 0760 0000
163	29 St. Simons Drive	R600 021 000 0247 0000	250	155 Blythe Island Drive	R600 029 000 0761 0000
164	27 St. Simons Drive	R600 021 000 0246 0000	251	2 Sullivans Island Court	R600 029 000 0762 0000
165	25 St. Simons Drive	R600 021 000 0245 0000	252	4 Sullivans Island Court	R600 029 000 0763 0000
166	23 St. Simons Drive	R600 021 000 0244 0000	253	5 Sullivans Island Court	R600 029 000 0764 0000
167	21 St. Simons Drive	R600 021 000 0243 0000	254	3 Sullivans Island Court	R600 029 000 0765 0000
168	19 St. Simons Drive	R600 021 000 0242 0000	255	151 Blythe Island Drive	R600 029 000 0766 0000
169	7 Jekyll Court	R600 021 000 0241 0000	256	149 Blythe Island Drive	R600 029 000 0767 0000
170	5 Jekyll Court	R600 021 000 0240 0000	257	147 Blythe Island Drive	R600 029 000 0768 0000
171	3 Jekyll Court	R600 021 000 0239 0000	258	145 Blythe Island Drive	R600 029 000 0769 0000
172	1 Jekyll Court	R600 021 000 0238 0000	259	150 Blythe Island Drive	R600 029 000 0770 0000
173	205 Blythe Island Drive	R600 021 000 0237 0000	260	152 Blythe Island Drive	R600 029 000 0771 0000
174	201 Blythe Island Drive	R600 021 000 0236 0000	261	154 Blythe Island Drive	R600 029 000 0772 0000
175	200 Blythe Island Drive	R600 021 000 0235 0000	262	156 Blythe Island Drive	R600 029 000 0773 0000
176	194 Blythe Island Drive	R600 029 000 0703 0000	263	158 Blythe Island Drive	R600 029 000 0774 0000
177	192 Blythe Island Drive	R600 029 000 0704 0000	264	6 Wilmington Island Court	R600 029 000 0775 0000
178	190 Blythe Island Drive	R600 029 000 0705 0000	265	5 Wilmington Island Court	R600 029 000 0776 0000
179	188 Blythe Island Drive	R600 029 000 0706 0000	266	3 Wilmington Island Court	R600 029 000 0777 0000
180	186 Blythe Island Drive	R600 029 000 0707 0000	267	1 Wilmington Island Court	R600 029 000 0778 0000
181	184 Blythe Island Drive	R600 029 000 0708 0000	268	164 Blythe Island Drive	R600 029 000 0779 0000
182	182 Blythe Island Drive	R600 029 000 0709 0000			
183	180 Blythe Island Drive	R600 029 000 0710 0000			
185	189 Blythe Island Drive	R600 029 000 0712 0000			
186	187 Blythe Island Drive	R600 029 000 0713 0000			
187	185 Blythe Island Drive	R600 029 000 0714 0000			

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

SECRETARY CERTIFICATE

Pursuant to Article XVII, Section 17.1 and Article IV, Section 4.2 (b) of the Declaration of Covenants, Conditions, and Restrictions for the Villages of Island West recorded in Official Records Book 1292 at Page 2032, as amended (the "Declaration"), which constitute covenants running with certain lands as described in the Declaration recorded in Official Records Book 1292 at Page 2032 and subsequently recorded instruments including the Supplemental Declaration of Covenants, Conditions and Restrictions for the Villages at Island West recorded in Official Records Book 1574 at Page 0321 and First Amendment to Declaration of Covenant and Restrictions for the Villages of Island West recorded in Official Records Book 3353 at Page 375, I, the Secretary of the Island West Homeowners Association, Inc. do hereby certify as follows:

That, pursuant to Article XVII, Section 17.1 and Article IV, Section 4.2 (b) of the Declaration and Article VI Section 6.6 (b) of the By-Laws of Island West Homeowners Association, Inc., the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Island West Homeowners Association (including Exhibit "C" thereto entitled "Amended and Restated Rules and Regulations of February 3, 2015", and Exhibit "D" thereto entitled "Amended and Restated By-Laws of Island West Homeowners Association, Inc." dated February 3, 2015) to which this certificate is attached were duly adopted at a properly noticed and duly constituted special meeting of the Island West Homeowners Association, Inc. held February 3, 2015, with said Amended and Restated Declaration of Covenants, Conditions and Restrictions for Island West Homeowners Association (including Exhibits "C" and "D") to be effective upon recording. The total number of votes necessary to adopt the Amendment and the total number of votes cast for and against the Amendments are shown below:

Issue	Total Eligible Votes	Number of Votes Required to Amend Declaration	Votes Cast for Covenant Amendment	Votes Against Covenant Amendment	Units Not Voting
Amended and Restated Declaration of Covenants, Conditions and Restrictions (including Exhibit "C" Amended and Restated Rules and Regulations of February 3, 2015 and Exhibit "D" thereto entitled "Amended and Restated By-Laws of Island West Homeowners Association, Inc." dated February 3, 2015	237	158	170*	12**	55

*In person or by proxy

**By proxy

[CERTIFICATION and ACKNOWLEDGMENT ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Secretary of the Association has caused these presents to be executed on this 23 day of February, 2015.

WITNESSES:

Samuel L. Dickland
W. H. H. A.

ISLAND WEST HOMEOWNERS
ASSOCIATION, INC.

Robert H. Gold

By: ROBERT H. GOLD

Its: Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I, Weston Newton Notary Public for South Carolina do hereby certify that ROBERT H. GOLD, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 23 day of February, 2015.

Weston Newton
Notary Public for South Carolina
My Commission expires: 9/20/2016

