

AMENDED AND RESTATED
BY-LAWS OF TREELOFT VILLAS OWNERS ASSOCIATION,
A SOUTH CAROLINA NONPROFIT ORGANIZATION

WHEREAS, by instrument entitled "By-Laws of Treeloft Villas Owners Association, A South Carolina Nonprofit Organization" dated August 14, 1978, and recorded August 24, 1978, in Book U116, Page 91, as amended, the Treeloft Villas Owners Association, established and published its By-Laws for the property known as Treeloft Villas, as shown on a plat recorded in Plat Book AL, Page 30, in the RMC Office for Charleston County, South Carolina; and,

WHEREAS, said By-Laws authorize the amendment of same upon the affirmative vote of three-fourths (3/4) of the members at a duly called meeting of the Association; and,

WHEREAS, the within amendment of the provisions of said covenants were put to a vote of the members of Treeloft Villas, and such amendment was approved by the requisite number of members as required in the By-Laws; and,

WHEREAS, the results of said vote have been duly certified by the Association;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the By-Laws of Treeloft Villas, Seabrook Island, dated August 14, 1978, and recorded August 24, 1978, in Book U116, Page 91, as amended, are hereby amended, modified and restated so that the terms and provisions of said By-Laws are as follows:

ARTICLE I

NAME, LOCATION AND PURPOSE:

Section 1. The name of this corporation shall be Treeloft Villas Owners Association.

Section 2. Its principal office shall be located at Seabrook Island, Charleston County, South Carolina.

Section 3. The object, purpose and business which this corporation proposes to do shall be to own, acquire, build, operate and maintain open spaces, streets and certain other common facilities incident to its ownership of the common properties located at the Treeloft Villas, Seabrook Island,

Charleston County, South Carolina.

(a) To fix assessments or charges to be levied against the lots in the Treeloft Villas.

(b) Enforce any and all covenants, restrictions and agreements applicable to the lots.

(c) Pay taxes, if any, on the common property and facilities at the Treeloft Villas, Seabrook Island, Charleston County, South Carolina.

ARTICLE II - SEAL

The corporation shall have a seal bearing the words "Seal" in the center, and having the words "Treeloft Villas" encircling the edge.

8

ARTICLE III - OFFICERS

Section 1. The Executive Officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. ~~The First President shall hold office for two (2) years, after which time the President shall be elected annually by the Board of Directors.~~ All ~~other~~ officers shall be elected annually by the Board of Directors, hereinafter sometimes referred to as the Board. They shall take office immediately after election. ~~The officers of the corporation the first year need not be members of Treeloft Villas Owners Association. Thereafter,~~ All officers shall be members of Treeloft Villas Owners Association.

Section 2. Subject to the direction of the Board of Directors, the President shall be chief executive officer of the corporation, and shall perform such other duties as from time to time may be assigned to him by the Board. The President shall be ex-officio a member of all committees.

Section 3. The Vice President shall have the power and perform such duties as maybe assigned to him by the Board of Directors or the President. In case of the absence or disability of the President, the duties of that officer shall be performed by the Vice President.

Section 4. The Secretary shall keep the minutes of all

proceedings of the Board of Directors and all committees and the minutes of members' meetings and books provided for that purpose; he shall have the custody of the corporate seal and such books and papers as the Board may direct, and he shall in general perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors and the President.

Section 5. The Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the corporation, and shall perform all duties incident to the office of treasurer, subject to control of the Board of Directors and the President. If required by the Board, he shall give a bond for faithful discharge of his duties in such sum as the Board may require.

Section 6. The President, with the approval of the Board of Directors, may appoint such other officers and agents as the Board may deem necessary, who shall hold office during the pleasure of the Board, and who shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. The affairs of the corporation shall be managed by a Board of Directors. The initial Board of Directors shall consist of five Directors, who shall hold office for one year or until the election of their successors. At each annual meeting, five directors shall be elected for a term of one year.

Section 2. Vacancies in the Board of Directors shall be filled by the majority of the remaining Directors and any such appointed Director shall hold office until his successor is elected by the members, who may make such election at the next annual meeting of the members or at any special meeting duly called for that purpose.

Section 3. The Board shall meet for the transaction of business at such place as may be designated from time to time. Special meetings of the Board may be called by the President or two members of the Board for any time and place, provided reasonable notice of such meeting shall be given to each Board member before the time appointed for such meeting.

Section 4. The Directors shall act only as a Board and the

individual Directors shall have no power as such. A majority of the Directors in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same, from time to time, without notice, until a quorum be at hand. The act of a majority of Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise provided by law.

Section 5. The Board of Directors, after the close of the fiscal year, shall submit to the members of the corporation a report as to the condition of the corporation and its property and shall submit also an account of the financial transactions of the past year.

Section 6. The Board of Directors shall have the power:

(a) To call special meetings of the members whenever it deems necessary and it shall call a meeting of the voting membership, as provided herein.

(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security and fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.

(c) To establish, levy and assess, and collect the assessments or charges referred to in Section 4 of the Protective Covenants, provided that no assessment of liquidated damages as authorized by subsection (e) herein shall be made earlier than thirty (30) days after the subject violation and the amount of liquidated damages to be assessed if the violation is not corrected.

(d) To adopt and publish rules and regulations governing the use of the common properties and facilities and the conduct of the members and their guests thereon, and any pets of the members or their guests.

(e) To adopt a schedule of liquidated damages for the violation of any rules, regulations, covenant or restriction to be assessed against the lot on any person or persons violating such rule, regulation, covenant or restriction.

(f) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the meeting or to members in the covenants.

(g) To suspend the enjoyment of rights of any member for any period during which any assessment remains unpaid; and, to suspend the enjoyment of rights of any member, for a period not to exceed thirty (30) days for any infraction of the published Rules and Regulations of the Association. Any action taken pursuant to this subsection shall be cumulative to any and all other remedies available to the Association.

Section 7. It shall be the duty of the Board of Directors:

(a) To keep records of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such is requested in writing by three members of the voting membership, as provided herein.

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

(c) As more fully provided in Sections 4 and 5 of the Protective Covenants, applicable to the Properties:

(1) To fix the amount of the assessments against each lot for each assessment period at least thirty days in advance of such date or period and, at the same time;

(2) To prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member, and, at the same time;

(3) To send written notice of each assessment to every owner subject thereto.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person certificate setting forth whether any assessment has been paid.

(e) It shall be incumbent upon the Association's Board to promptly make available, for examination by the Members, on reasonable notice during normal business hours, copies of the minutes of meetings of the membership and of regular meetings of

the Board.

Section 8. INDEMNIFICATION OF THE BOARD MEMBERS AND OFFICERS:

(1) No Board member or officer of the Association shall be liable to any member for any decision, action or omission made or performed by such Board member or officer in the course of his duties unless such Board member or officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of these By-Laws.

(2) The Association shall indemnify and defend each Board Member or officer of the Association from any liability claimed or imposed against him by reason of his position or decision, action or omission as a Board Member or any officer of the Association if all of the following conditions are satisfied:

(a) Such Board Member or officer has not acted in bad faith or in reckless disregard of the rights of any person or of the terms of these By-Laws.

(b) Such Board Member or officer gives the Association adequate notice of the claim or imposition of liability to permit the Association reasonable opportunity to defend against the same.

(c) Such Board Member or officer cooperates with the Association in defending against the liability. The expense of indemnifying a Board member or an officer shall be borne by all the members, including such Board Member or officer and shall be collected by a special assessment.

ARTICLE V - MEETINGS OF MEMBERS

Section 1. Annual Meetings. There shall be an annual meeting of the members of the Association to be held each year, at such date, time and place as fixed by the Board, for the purpose of electing directors and for the transaction of other business. Notice of each special meeting, stating the time, place, and in general terms, the purpose or purposes thereof, shall be sent by mail to the last known address of all members at least thirty days prior to the meeting.

Section 2. Special meetings of the members shall be held whenever called by the Board of Directors or by the holders of

at least five memberships. Notice of each special meeting, stating the time, place, and in general terms, the purpose or purposes thereof, shall be sent by mail to the last known address of all members at least ten days prior to the meeting.

Section 3. At any meeting of the members, a quorum shall consist of members owning a majority of the lots in Treeloft Villas, present either in person or by proxy, and a majority in amount of such quorum shall decide any question that may come before the meeting.

ARTICLE VI - MEMBERSHIP AND VOTING RIGHTS

Every legal person or entity who is the record owner of the fee simple title to any lot in Treeloft Villas, Seabrook Island, Charleston County, South Carolina, which is subject to assessment by the Association shall be a member of the Association. Members shall be entitled to one vote for each lot owned, and when more than one person or entity own such interest in any lot, all such persons or entities shall be members and vote for such lots shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast with respect to any such lot.

ARTICLE VII

Every lot shown on a plat of the Treeloft Villas, Seabrook Island, Charleston County, South Carolina, recorded in Plat Book AL, Page 30, R.M.C. Office for Charleston County, and each lot to which the provisions hereof are made applicable by reference in a Deed or written instrument shall be subject to the maintenance assessments, working capital payment, and special assessments as provided for in the Covenants of Treeloft Villas.

ARTICLE VIII

The Board of Directors shall not be liable or responsible for the destruction or the loss of or damage to the property of any member or the guest of any member, visitor, or other person while on the common properties of Treeloft Villas.

It is the responsibility of the individual owner to secure and prepare their property for the event of high winds, rain, storms, and/or any other natural events.

Individual owners are Liabile for damage directly or indirectly to any other property or harm to persons due to the lack of securing and preparing their property for the above-mentioned events.

ARTICLE IX

The Board of Directors shall have the right to suspend the enjoyment of rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty days for any infraction of the published Rules and Regulations of the Association, shall not constitute a waiver or discharge of the member's obligation to pay the assessment due.

In addition, the Board of Directors shall have the right to impose a special assessment (against each Owner), not to exceed two hundred (\$200.00) Dollars per occurrence, for the violation by the Owner or his/her guests, agents or invitees of any rule or regulation adopted by the Board, or any breach of any By-laws contained herein, or the breach of any provision of the Protective Covenants.

ARTICLE X - NOTICE

Section 1. Whenever, according to these By-Laws, a notice shall be required to be given to any member or Director, it shall not be construed to mean personal notice but such notice may be given in writing by depositing the same in a post office in Charleston County, South Carolina, in a postpaid sealed wrapper, addressed to such member or Director at his address as the same appears on the books of the corporation, and the time when such notice is mailed shall be deemed the time of the giving of such notice.

Section 2. Any notice required to be given by these By-Laws may be waived by the person entitled thereto.

ARTICLE XI - CONTRACTS AND OWNERSHIP OF PROPERTY

Section 1. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of the Corporation, and such authority maybe general or confined to

specific instances.

Section 2. All instruments in writing affecting any real estate which may be owned by the corporation, shall be executed and acknowledged in the name of the corporation by the President and attested by the Secretary, with the corporate seal affixed.

ARTICLE XII - AMENDMENT OF BY-LAWS

Amendments to these By-Laws may only be proposed (1) by resolution of the Board, or (2) by a petition of at least three members in good standing and representing at least ten percent of the units of Property, stating the substance of the proposed amendments and filed with the Secretary at least sixty (60) days prior to an annual meeting. Under either proposal procedure, if the amendment is to be considered at a meeting, the notice of meeting to the membership shall set forth the By-Law proposed to be amended, the proposed amendments and the reasons given for the proposed amendments. If the amendments are to be considered by referendum, the information accompanying the ballot shall include the By-Laws proposed to be amended, the proposed amendments and the reasons given for the proposed amendments.

Any amendment so proposed may be adopted (1) at an annual meeting (at which a quorum is present) by the lesser of two-thirds (2/3) of the votes authorized to be cast by the members present in person or by proxy or more than fifty (50%) per cent of the votes authorized to be cast by the membership as a whole, whichever is greater, or (2) by a referendum conducted by the Board when the membership approves the amendment by ballot as indicated by more than fifty (50%) per cent of the votes authorized to be cast. Allocation of votes shall be as provided in Article VI, herein.

WITNESS my hand and seal this ____ day of _____,
2006.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Treeloft Villas Owners
Association

By:

Its:

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

The undersigned authority hereby certifies that execution of the foregoing instrument was acknowledged before him/her by the above-named officer(s) of the Treeloft Villas Owners Association this _____ day of _____2006.

NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: