
Sea Pines Land Use Covenants

Covenant Title: Covenants and Restrictions for South Beach and Provisions for the South Beach Owners' Association, Inc.

Date: June 25, 1970

Book Number: 176

Page Number: 203

Company Name(s): Lighthouse Beach Company
South Beach Owners' Association, Inc.
Sea Pines Management Company, Inc.

**General Location of
Interpretive Litigation:**

Keywords:

This Declaration, made this 25th day of June, A.D., 1970, by LIGHTHOUSE BEACH COMPANY, a South Carolina Limited Partnership with its principal place of business at Hilton Head, South Carolina, hereinafter called Company.

WITNESSETH:

WHEREAS, Company is the owner of the real property described in Article II of this Declaration and desires to create thereon a planned unit development community known as South Beach with permanent parks, playgrounds, open spaces, lakes, boat docks, boat channels, fishing docks, swimming pools, roadways, bike trails, common parks within townhouse areas, and other Common Properties for the benefit of the said community; and

WHEREAS, Company desires to provide for the preservation of the values and amenities in said community and for the maintenance of said parks,

playgrounds, open spaces, lakes boat docks, boat channels, fishing docks, swimming pools, roadways, bike trails, common parks within townhouse areas, and other Common Properties; and to this end, desires to subject the real property described in Article II, together with such additions as may hereafter be made, as provided in Article II, to the covenants, restrictions, easements, affirmative obligations, charges, and liens, hereinafter set forth, each and all of which is and are hereby declared to be for the benefit of said property and each and every owner of any and all parts thereof; and

WHEREAS, Company has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the power and authority of maintaining and administering the Common Properties and administering and enforcing

the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration and enforcement, as hereinafter created; and

WHEREAS, Company has caused to be incorporated under the laws of the State of South Carolina, as a non-profit corporation, SEA PINES SOUTH BEACH OWNERS' ASSOCIATION, INC., for the purpose of exercising the functions aforesaid, and which are hereinafter more fully set forth.

NOW, THEREFORE, the Company declares that the real property described in Article II, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (sometimes referred to as "the covenants") hereinafter set forth.

ARTICLE I DEFINITIONS

Section 1. The following words and terms, when used in this Declaration, or any Supplemental Declaration (unless the context clearly shall indicate otherwise) shall have the following meanings:

(a) "Association" shall mean and refer to the Sea Pines South Beach Owners' Association, Inc., a South Carolina non-profit corporation.

(b) The "Properties" shall mean and refer to the Existing Property described in Article II hereof, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.

(c) "Common Properties" shall mean and refer to those areas of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties". The term "Common Properties" shall include any personal property acquired by the Association if said property is designated as "Common Property". All Common Properties are to be devoted to and intended for the

common use and enjoyment of the owners of the Properties, (subject to the fee schedules and operating rules adopted by the Association).

(d) "Lot" shall mean and refer to any improved or unimproved plat of land shown upon any recorded final subdivision map of any part of the Properties with the exception of Common Properties as heretofore defined.

(e) "Dwelling Unit" shall mean and refer to any portion of any building situated upon the Properties designed and intended for use and occupancy by a single family. "Dwelling Unit" shall include, without limiting the term, each apartment in any Multi-family structure, each townhouse (when two or more are located on a single lot), and each unit in a residential condominium.

(f) "Multi-family Structure" shall mean and refer to any building containing two or more Dwelling Units under one roof except when each Dwelling Unit is situated upon its own individual lot.

(g) "Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations or other legal entities, of the fee simple title to any Lot or Dwelling Unit situated upon the Properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgages unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

(h) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Section 1 of Article II hereof.

(i) "Company" shall mean the Lighthouse Beach Company and its successors and assigns.

ARTICLE II

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these covenants, is located on Hilton Head Island, Beaufort County, South Carolina, and is more particularly described in

Exhibit A hereto attached and by reference incorporated herein. All of the real property hereinabove described shall hereinafter be referred to as "Existing Property". The Company intends to develop the Existing Property in accordance with its Master Plan dated March 15, 1970. However, the Company reserved the right to review and modify the Master Plan from time to time based on its continuing research and design program.

Unless otherwise stated therein, the Master Plan shall not bind the Company, its successors and assigns to adhere to the Master Plan in the development of the land shown thereon. Subject to its right to modify the Master Plan as stated herein, the Company will convey the Common Properties shown on the Master Plan to the Association as provided in Article IV, Section 2. It also shall be understood that the Company shall be free to develop such portions or sections of the lands depicted in the Master Plan, as, in the reasonable exercise of its discretion, it deems in the best interest of the entire development, without regard to the relative location of such portions or sections within the overall plan; that it shall not be required to follow any predetermined sequence or order of improvements and development; and that it may bring within the plan of these covenants additional lands, and develop the same before completing the development of the existing property.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions. The Company, its successors, and assigns shall have the right, without further consent of the Association, to bring within the plan and operation of this Declaration, additional properties in future stages of the development.

The additions authorized under this and the succeeding sub-section shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the

covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration.

(b) Other Additions. Upon approval in writing of the Association pursuant to three-fourths (3/4) of the vote at a duly called meeting, the owner of any property other than the Company who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Declaration.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of The Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property, together with the covenants and restrictions established upon any other properties as one plan. No such merger or consolidation, however, shall effect

any revocation, change of or addition to the Covenants established by this Declaration within the Existing Property as herein provided.

ARTICLE III
MEMBERSHIP AND VOTING
RIGHTS IN THE ASSOCIATION

Section 1. Membership. The Company and every person or entity who is a record owner of a fee simple or undivided fee simple interest in any Lot or Dwelling Unit which is subject by the Covenants to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such title or interest merely as a security for the performance of an obligation shall not be a member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

CLASS "A". Class "A" Members shall be all those owners as defined in Section One (1) with the exception of the Company. Class "A" Members shall be entitled to one vote for each Lot or Dwelling Unit in which they hold the interest required for membership by Section One (1). When more than one person holds such interest or interests in any Lot or Dwelling Unit all such persons shall be members, and the vote for such Lot or Dwelling Unit 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 or Dwelling Unit. A Member casting a vote representing a Dwelling Unit owned by such Member shall not be entitled to cast an additional vote for the Lot upon which said Dwelling Unit is situated. In the event a single Dwelling Unit is sold in fee with a Lot, the vote with respect thereto shall thereafter be cast on the basis of the Dwelling Unit only. When one or more co-owners sign a proxy or purports to vote for his or her co-owners, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in a writing delivered to the Secretary of the Association before the vote is counted. If co-

owners disagree as to the vote, the vote shall be split equally among the co-owners.

CLASS "B". The Class "B" Member shall be the Company. The Class "B" Member shall be entitled to one vote plus one vote for each held by a Class "A" Member. One vote of the Class "A" Membership shall be equivalent to one vote of Class "B" Membership. The total vote of the Association shall consist of the sum of the votes of Class "A" Members and of the votes of Class "B" Members.

ARTICLE IV
PROPERTY RIGHTS IN
THE COMMON PROPERTIES

Section 1. Member's Easements of Enjoyment. Subject to the provisions of these covenants and the rules and regulations of the Association, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot or Dwelling Unit.

Section 2. Title to Common Properties. The Company may retain the legal title to the Common Properties until such time as it has completed improvements thereon and until such time as, in the opinion of the Company, the Association is able to maintain the same, but notwithstanding any provision herein, the Company hereby covenants, for itself, its successors and assigns that it shall convey the Common Properties to the Association within one hundred and eighty (180) days of the time they are completed. Said Common Properties may be conveyed subject to all restrictive covenants of record.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Company and of the Association, in accordance with its By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties.

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and

(c) The right of the Association, as provided in its By-Laws, to suspend the enjoyment of rights of any member of any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations, it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties and/or facilities therein.

(e) The right of the Company to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties.

(f) The right of the Association to give or sell all or any part of the Common Properties including leaseholder interest to any public agency, authority, or utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedications, transfer and determination as to purpose and conditions shall be authorized by the vote of three-fourth (3/4) of the vote at a duly called meeting and unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken. A true copy of such resolution together with a certificate of the result of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties, prior to the recording thereof. Such

certificate shall be conclusive evidence of authorization by the membership.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Company for each Lot and Dwelling Unit owned by it within the Properties hereby covenants and each Owner of any Lot or Dwelling Unit shall by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of these covenants and to pay to the Association: (1) Annual Assessments or charges: (2) Special Assessments for the purposes set forth in Section 4 of this Article, such assessments to be fixed, established and collected from time to time as hereinafter provided. The Annual and Special Assessments together with such interest thereon and costs of collection therefore as hereinafter provided, shall be a charge and continuing lien on the land and all the improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. In the case of co-ownership of a Lot or Dwelling Unit, all of such co-owners of the Lot or Dwelling Unit shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the improvement, maintenance, and operation of Common Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

The Special Assessments shall be used for the purposes set forth in Section 4 of this Article.

Section 3. Basis and Maximum of Annual Assessments. Until the year beginning January 1, 1973, the annual assessments shall be not more than five and no/100 (\$5.00) dollars per month per Lot or Dwelling Unit unless a higher annual assessment is approved by three-fourths (3/4) of the vote at the annual meeting. The owner of one or more Dwelling Units who also owns the Lot upon which said one or more Dwelling Units are located shall pay one assessment for each Dwelling Unit but shall not be assessed for the Lot upon which the Dwelling Units are located. From and after January 1, 1973, the annual assessment may be increased each year by five percent (5%) of the maximum authorized assessment for the preceding year unless three-fourths (3/4) of the vote at the annual meeting votes against said increase or votes to increase said annual assessment by a greater amount or to decrease the annual assessment. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount, but such action shall not constitute a Waiver by the Association of its right to revert to the full assessment for the remaining year or years of the then current period fixed as provided in the preceding paragraph.

Section 4. Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy special assessments, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto or addition to the Common Properties, provided that any such assessment shall have the assent of three-fourths (3/4) of the vote at a duly called meeting of Members, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments Upon Merger or Consolidation. The Limitations of Section 3 hereof shall not apply to any change in the Maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under Article 2, Section 2, hereof, and under the By-Laws of the Association.

Section 6. Quorum for any Action Authorized. The presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting, another meeting may be called subject to the notice requirement set forth in Section 4.

Section 7. Date of Commencement of Annual Assessments. Due Dates. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The Assessments for any year, after the first year, shall become due and payable the first day of January of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof, as the remaining number of months in that year bear to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period.

The due date of any special assessment under section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board Of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against such Lot or Dwelling Unit for each assessment period and shall, at that time 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 Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment. The personal obligation of the Owner: The Lien Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon at the rate of eight percent (8%) per annum from the due date and cost of collection thereof as hereinafter provided, thereupon become a charge and continuing lien on the land and all improvements thereon, against which each such assessment is made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the Owner at the time of the assessment to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the

complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments accruing after conveyance by a mortgagee/owner to a subsequent owner.

Section 11. Exempt Property. The following property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from the assessment, charge and lien created herein:

(a) The grantee of property over which said grantee holds a utility easement;

(b) All properties to the extent of any easement therein other than an easement which does not adversely affect the owner's use of the property;

(c) All Common Properties as defined in Article I, Section 2, hereof;

(d) All properties exempted from taxation by the laws of the State of South Carolina, upon the terms and to the extent of such legal exemptions;

(f) Properties owned by the Company used for recreation facilities; home and villa maintenance and service; meeting room and conference facilities and Dwelling Units occupied by the service and operating staff. Only land within the Existing Property which has been subdivided into Lots, and the plats thereof filed for public record in the Beaufort County Court House shall constitute a Lot for purposes of these assessments. Projected Locations for future platted

lots shown on the Master Plan will not be subject to assessment.

ARTICLE VI PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing and Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereon in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall be an obligation running with the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one

additional arbitrator, and the decision of the majority of all the arbitrators shall be final and conclusive of the question involved.

ARTICLE VII ARCHITECTURAL CONTROL

Section 1. Review and Approval of Landscaping Specifications for Additions, Alterations or Changes to Structures. No building, wall, fence, swimming pool, or other structure shall be commenced, erected, or maintained upon the Common Properties, nor shall any landscaping be done, nor shall any exterior addition to any such existing structure or change or alteration therein, be made until the plans and specifications therefor showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to the harmony and compatibility of its external design and location, with the surrounding structures and topography, by Lighthouse Beach Company and its duly appointed agent.

ARTICLE VIII GENERAL PROVISIONS

Section 1. Duration and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Developer or the Owner of any land subject to this Declaration, their respective legal representative, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless three-fourths (3/4) of the vote at the annual meeting approves a change in the covenants and restrictions. The covenants may be amended at any time if three-fourths (3/4) of the vote at a duly called meeting of the Association approves the change. Provided, however, that no such agreement to change shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change, and unless written notice of the proposed agreement

is sent to every Owner of a Lot or Dwelling Unit and the Company at least thirty (30) days in advance of any action taken. During the period ending one (1) year from the date these covenants are recorded the Company may amend or add to these covenants, without the consent of the membership, to clarify or make provision for any items which the Company in its sole discretion considers necessary or desirable. The Company shall not, by reason of the power herein reserved, have the right to alter the amount, or method of making, annual or special assessments.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have properly sent, and notice thereby given, when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a Lot or Dwelling Unit shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Enforcement. Enforcement of these covenants and restriction shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain violation or to recover damage, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner or the Company to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 4. Severability. Should any covenant or restriction herein contained, or any Article, Section, Sub-section, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof which

are hereby declared to be severable, and which shall remain in full force and effect.

IN WITNESS WHEREOF the Developer has caused this instrument to be executed the day and year first above written, by its president and attested by its secretary, and the corporate seal affixed, pursuant to a resolution duly and unanimously adopted by its Board of Directors.

The foregoing Declaration of Covenants and Restrictions is hereby approved and accepted as binding upon South Beach Owners' Association, Inc., its successors and assigns.

IN WITNESS WHEREOF, South Beach Owners' Association, Inc., has caused this instrument to be executed this 25th day of June, 1970, by its president and attested by its secretary, and its corporate seal to be hereto affixed.

PERSONALLY appeared before me Carolyn Warren who, on oath, says that s/he saw the within named Lighthouse Beach Company by Sea Pines Management Company, Inc., General Partner, by Charles E. Fraser, its President, and D.L. McCrary, its Secretary, sign the within instrument, and the said corporation, by said officers, seal said Declaration of Covenants and Restrictions and as its act and deed, deliver the same, and that he with Connie D. Herman witnessed the execution thereof.

Carolyn Warren

SWORN to before me this 25th day of June 1970.

Connie D. Herman
Notary Public
South Carolina

PERSONALLY appeared before me Carolyn Warren who, on oath, says that she saw the within named South Beach Owners' Association, Inc. by Harold D. Depkin, its President, and D.L. McCrary, its Secretary, sign the within instrument, and the said

corporation, by said officers, seal said instrument and as its act and deed, deliver the same, and that he with Connie D. Herman witnessed the execution thereof.

Carolyn Warren

SWORN to before me this 25th day of June, 1970.

Connie D. Herman
Notary Public
South Carolina

EXHIBIT A

All that certain piece, parcel or block of land situate, lying and being on Hilton Head Island, in Beaufort County, South Carolina, shown and designated as South Beach on plat thereof recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 18 at Page 126.

63
200

J. S & P / J. P. S

THE STATE OF SOUTH CAROLINA,
COUNTY OF BEAUFORT. QUIT-CLAIM DEED

TO ALL WHOM THESE PRESENTS MAY COME: FILED IN REAL EST BOOK 433 PAGE 529
FILED AT 09:35:00 ON 11/20/85

WHEREAS: SEA PINES PLANTATION COMPANY, SENDS GREETING:

NOW, KNOW ALL MEN BY THESE PRESENTS, That the said SEA PINES PLANTATION COMPANY, in and for itself, and as successor in interest to LIGHTHOUSE BEACH COMPANY, as Grantor, in consideration of the premises and also in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) to it in hand paid at and before the sealing and delivery of these presents by ^{SEA PINES}/SOUTH BEACH OWNERS ASSOCIATION, INC., Post Office Box 5861, Hilton Head Island, South Carolina, as Grantee (the receipt whereof is hereby acknowledged), has remised, released and forever quit-claimed, and by these presents does remise, release and forever quit-claim unto the said ^{SEA PINES}SOUTH BEACH OWNERS ASSOCIATION, INC., its successors and assigns, forever, the following described "Common Properties", to-wit:

All right, title and interest in and to the "Common Properties" of Braddock Cove described as all boat channels, waterways, channel markers, salt marsh open space areas, and all of Grantor's right, title and interest, if any, in the navigable waterways of Braddock Cove, Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina.

Braddock Cove is generally shown and described on the General Land Use Map of Sea Pines Plantation, said map dated January, 1985, showing and depicting Braddock Cove as follows, to wit:

Commencing at the southernmost intersection of Braddock Cove and Calibogue Sound, thence in an southerly direction along the shores of Land's End;
Thence continuing in a southeasterly direction along the shores of Braddock Cove Club;
Thence continuing in a southerly direction along the shores of South Beach Marina;
Thence continuing in a southwesterly direction along the shores of Port Villas;
Thence continuing in a northeasterly direction along the shores abutting Lots 9 and 21 of Wren Drive, Sea Pines Plantation;
Thence continuing in a generally northwesterly direction along the shores of Lots 21, 22, 23, 24 of Gull Point Subdivision, the Gull Point Club Site, Lots 27, 28, and 29 of Gull Point Subdivision, Sea Pines Plantation;
Thence continuing in a generally northwesterly direction to the northernmost intersection of Braddock Cove and Calibogue Sound adjacent to the general point of beginning.

TOGETHER with all and singular the rights, members, hereditaments and appurtenance to the said premises belonging or in anywise incident or appertaining:

FILED IN DEED BOOK 433 PAGE 65
FILED AT 094100 ON 10/22/85

WHEREAS, this Deed was recorded on 10-22-85 in Book 433 at Page 65; and
WHEREAS, the Grantee was incorrectly given as South Beach Owners Association, Inc., and
WHEREAS, the correct name is Sea Pines South Beach Owners Association, Inc.; and
WHEREAS, this Deed has been corrected to reflect the correct name of the Association; and
WHEREAS, this Deed is being re-recorded to correct the records;
NOW, THEREFORE...

BEAUFORT COUNTY TAX MAP REFERENCE

Dist	Map	Submap	Parcel	Block
560	17		1203	

TO HAVE AND TO HOLD all and singular the said premises before mentioned
 SEA PINES
 unto the said/SOUTH BEACH OWNERS ASSOCIATION, INC., its successors and assigns,
 forever--so that neither the said SEA PINES PLANTATION COMPANY, in and for
 itself, and as successor in interest to LIGHTHOUSE BEACH COMPANY, nor its suc-
 cessors, shall at any time hereafter, by any way or means, have, claim or demand
 any right or title to the aforesaid premises or appurtenances, or any part or
 parcel thereof, forever.

WITNESS the hand and seal this 15th day of July, in the year
 of our Lord one thousand nine hundred and eighty-five and in the two
 hundred and tenth year of the Sovereignty and Independence of the
 United States of America.

Signed, Sealed and Delivered
 in the presence of

SEA PINES PLANTATION COMPANY, in and for
 itself, and as successor in interest to
 LIGHTHOUSE BEACH COMPANY,

Barrus Cave
Jerry G. Wynn

By: [Signature]
 Attest: [Signature]

THE STATE OF SOUTH CAROLINA,)
)
 COUNTY OF BEAUFORT.)

P R O B A T E

PERSONALLY appeared before me, the undersigned witness, who on oath
 says that s/he saw the within named SEA PINES PLANTATION COMPANY, in and for
 itself, and as successor in interest to LIGHTHOUSE BEACH COMPANY, sign, seal and
 as its corporate act and deed, deliver the within written Deed; and that s/he,
 with the other witness whose signature appears above, witnessed the execution
 thereof.

Barrus Cave

SWORN to before me, this 15th
 day of July, A.D. 1985.

FILED IN REAL EST BOOK 435 PAGE 536
 FILED AT 09:38:00 ON 11/20/85

Jerry G. Wynn
 Notary Public for South Carolina
 My Commission Expires: 10/28/92

FILED IN DEED BOOK 433 PAGE Dawling
 FILED AT 094100 ON 10/22/85 87353
 BOOK NUMBER 433 PAGES 55- 56
 FILING FEE 4.00
 STATE STAMPS .00
 COUNTY STAMPS .00
 TOTAL FEES 4.00
 HENRY JACKSON
 CLERK OF COURT BFT CNTY, SC

RECORDED THIS 24th DAY
 OF October 1985
 IN BOOK R PAGE 125
 FEES \$
Mary Ann Gray / 50
 AUDITOR BEAUFORT COUNTY, S.C.

BEAUFORT COUNTY
NOV 20 1985

~~BEAUFORT COUNTY~~

RECORDED THIS 20th DAY
OF November 19 85
IN BOOK R PAGE 179
FELS. S. May Ann Gray / 505
AUDITOR, BEAUFORT COUNTY, S. C.

Dowler's
FILED IN REAL EST BOOK 435 PAGE 531
FILED AT 09:38:00 ON 11/20/85 90160
BOOK NUMBER 435 PAGES 529- 531
FILING FEE 4.00
STATE STAMPS .00
COUNTY STAMPS .00
TOTAL FEES 4.00
HENRY JACKSON
CLERK OF COURT BFT CNTY, SC

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STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

MODIFICATION OF COVENANTS

THIS MODIFICATION OF COVENANTS, made this 18th day of October, 1985, by SEA PINES SOUTH BEACH OWNERS ASSOCIATION, INC, a South Carolina Non-Profit Corporation, with its principal place of business at Hilton Head Island, South Carolina, hereinafter referred to as the "Association".

W I T N E S S E T H :

WHEREAS, Lighthouse Beach Company, a South Carolina limited partnership, as the original owner and developer of the South Beach area of Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina, did file certain Restrictive Covenants applicable to the Association in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 176 at Page 203, on August 18, 1970; and

WHEREAS, the Association, as successor in interest to Lighthouse Beach Company, voted at its annual meeting on August 3, 1985, by unanimous vote, to amend the Covenants of the Association as referenced above;

NOW, THEREFORE, the Association does herewith declare that the Covenants and Restrictions applicable to the Association are herewith republished and reaffirmed, except as modified herein.

The Declaration of Covenants and Restrictions for Sea Pines South Beach Owners Association, Inc., as recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 176 at Page 203, are herewith amended as follows, to-wit:

Article 1, Section 1, Paragraph (c) - "Common Properties" is herewith amended by broadening the definition of Common Properties to include all boat channels, waterways, channel markers and salt marsh open space areas of Braddock Cove, Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina.

Such addition to the Common Properties of the Association is further shown and described in a Quit-Claim Deed from Sea Pines Plantation Company to the Association conveying certain "Common Properties," said Deed dated the 15th day of July, 1985, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, in Deed Book 433 at Page 65.

WHEREAS, this Modification was recorded on 10-22-85 in Book 433 at Page 67; and
WHEREAS, the name of the Owners Association was incorrectly written; and
WHEREAS, the correct name is Sea Pines South Beach Owners Association, Inc.; and
WHEREAS, this Modification has been corrected to reflect the correct name; and
WHEREAS, this Modification is being re-recorded to correct the records;
NOW, THEREFORE...

FILED IN DEED - C BOOK 433 PAGE 67
FILED AT 09:41:00 ON 10/22/85

FILED IN DEED - C BOOK 435 PAGE 532
FILED AT 09:33:00 ON 11/20/85

IN WITNESS WHEREOF, the Association has caused this instrument to be executed the day and year first above written, by its President and attested by its Secretary and the corporate seal affixed thereto, pursuant to the unanimous vote of the members of the Association, and with the full approval and consent of the Board of Directors of the Association.

WITNESSES:

SEA PINES SOUTH BEACH OWNERS ASSOCIATION, INC.

Kay Daulton
[Signature]

By: [Signature], President

Attest: [Signature], Secretary

FILED IN DEED - C BOOK ^{Dawling} 435 PAGE 533
 FILED AT 09:30:00 ON 11/20/85 90161
 BOOK NUMBER 435 PAGES 532 533
 FILING FEE 4.00
 STATE STAMPS .00
 COUNTY STAMPS .00
 TOTAL FEES 4.00
 P R O B A T HENRY JACKSON
 CLERK OF COURT BFT CNTY, SC

STATE OF SOUTH CAROLINA)
)
 COUNTY OF BEAUFORT)

PERSONALLY appeared before me, the undersigned witness, and made oath that s/he saw the within named SEA PINES SOUTH BEACH OWNERS ASSOCIATION, INC., by its President and Secretary, sign, seal and deliver the within written Instrument, and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

Kay Daulton

SWORN to before me this 18th
 day of October, 1985.

[Signature]
 Notary Public for South Carolina
 My Commission Expires: _____
 JAMES P. SCHNEIDER, JR.
 NOTARY PUBLIC FOR SOUTH CAROLINA
 My Commission Expires November 25, 1991

FILED IN DEED - C BOOK ^{Dawling} 433 PAGE 68
 FILED AT 094100 ON 10/22/85 37354
 BOOK NUMBER 433 PAGES 67- 68
 FILING FEE 4.00
 STATE STAMPS .00
 COUNTY STAMPS .00
 TOTAL FEES 4.00
 HENRY JACKSON
 CLERK OF COURT BFT CNTY, SC

2. Article VIII, Section 2 is amended to read as follows:

2. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed (postpaid) or sent electronically to the last known address of the person who appears as a Member or Owner on the records of the Association at the time such notice is sent. Notice to one of two or more co-owners of a Lot or Dwelling Unit shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Except as herein amended, the Declaration remains in full force and effect in accordance with its terms and conditions.

IN WITNESS WHEREOF, this First Amendment to Declaration has been executed by the Association on the day and year first above written.

WITNESSES:

SEA PINES SOUTH BEACH OWNERS'
ASSOCIATION, INC.

Pat J. Horn

By: George W. Williams, Jr.
Name: George W. Williams, Jr.
Its: President

John P. Gualberto

Attest: James O'Brien
Name: James O'Brien
Its: Secretary/Treasurer

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

On this 22ND day of October, 2015, personally appeared before me the undersigned Notary Public for the State of South Carolina, George W. Williams, Jr. and James O'Brien, as President and Secretary of Sea Pines South Beach Owners' Association, Inc., respectively, who acknowledged that they executed the within First Amendment to Declaration on behalf of the corporation.

John P. Groaty, Jr.
Notary Public for South Carolina
My Commission Expires: 10/29/17

**BY-LAWS OF:
THE SEA PINES SOUTH BEACH OWNERS ASSOCIATION, INC.**

ARTICLE I

Definitions.

Section 1. Declaration of Covenants and Restrictions. In the course of these By-Laws, reference is made to the Declaration of Covenants and Restrictions recorded by the Company in the Office of the Clerk of Court of Beaufort County, South Carolina, in Book _____, at Page _____. A copy of these covenants is attached to these By-Laws and is incorporated herein by reference each and every time said covenants are referred to by these By-Laws. Said Declaration of Covenants and Restrictions are sometimes referred to herein as "Covenants" or "the Covenants."

Section 2. Association. "Association" shall mean and refer to the SEA PINES SOUTH BEACH OWNERS' ASSOCIATION, INC., a non-profit corporation organized and existing under the laws of the State of South Carolina.

Section 3. The Properties. "The Properties" shall mean and refer to property described in Exhibit A to the Covenants and such additions thereto as may hereafter be brought within the jurisdiction of the Association by annexation as provided in Article VI, Section 2, herein.

Section 4. Common Properties. "Common Properties" shall mean and refer to those areas of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties." The term "Common Properties" shall include any personal property acquired by the Association if said property is designated as "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the owners of the Properties.

ARTICLE II

Location.

Section 1. The principal office of the Association shall be located at Hilton Head Island, Beaufort County, South Carolina.

ARTICLE III

Membership.

Section 1. Membership in the Association shall be as set forth in Article III, Section 1, of the Covenants.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner of and becomes a lien upon the property against which such assessments are made as provided by Article V of the Covenants.

Section 3. The membership rights of any person whose interest in The Properties is subject to assessments under Article III, Section 2 hereinabove, whether or not he be personally obligated to pay such assessment, may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the common properties and facilities, and the personal conduct of any person thereon, as provided in Article IX, Section 1, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

ARTICLE IV

Voting Rights.

Section 1. Voting rights in the Association shall be as set forth in Article 3, Section 2, of the Covenants.

ARTICLE V

Property Rights and Rights of Enjoyment of Common Property.

Section 1. Each member shall be entitled to the use and enjoyment of the Common Properties as provided by Article IV of the Covenants applicable to The Properties.

Section 2. Any member may delegate his rights of enjoyment in the Common Properties and Facilities to the members of his family who reside upon The Properties or to any of his tenants or renters who lease or rent a Dwelling Unit within the properties from him. Such member shall notify the Secretary in writing of the name of any such person or persons and of the relationship of the member to such person or persons. The rights and privileges of such person or persons are subject to suspension under Article III, to the same extent as those of the member.

ARTICLE VI

Association Purposes and Powers.

Section 1. The Association has been organized for the following purposes:

(a) to own, acquire, build, operate, and maintain permanent parks, playgrounds, open spaces, lakes, boat docks, boat channels, tennis courts, swimming pools, bike trails, including buildings, structures, and personal properties incident thereto, hereinafter referred to as Common Properties;

(b) fix assessments (or charges) to be levied against the property in the subdivision;

(c) enforce any and all covenants, restrictions and agreements applicable to the Properties;

(d) pay taxes, if any, on the Common Properties and Facilities.

Section 2. Additions to Properties and Membership. Additions to The Properties described in Exhibit A attached to the Covenants, may be made as provided in the Covenants and three-fourths (3/4) of the total vote of a quorum must approve the addition. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties, and membership of this corporation to such properties:

Section 3. Mergers and Consolidations. Subject to the provisions of the recorded covenants and restrictions applicable to The Properties, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of three-fourths (3/4) of the vote at a duly called meeting of the Association, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 4. Mortgages; Other Indebtedness. The corporation shall have the power to mortgage its properties upon the approval of three-fourths (3/4) of the vote at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Quorum for any Action Governed by Sections 3 and 4 of this Article. The Quorum required for any action governed by these By-Laws shall be as follows, unless otherwise provided: At the first meeting duly called as provided

therein, the presence of members, or of proxies, entitled to cast sixty (60) percent of the total vote of the Association shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth hereinabove.

Section 6. Dedication of Properties or Transfer of Function to Public Agency or Utility. The corporation shall have the power to dispose of its real properties only as authorized under the covenants.

ARTICLE VII

Board of Directors.

Section 1. Board of Directors: Selection: Terms of Office. The affairs of the corporation shall be managed by a Board of Directors. The Initial Board of Directors shall consist of five (5) directors who shall hold office until the election of their successors for the terms stated in this section. Beginning with the first annual meeting to be held the third Saturday in October, 1970, the members, at each annual meeting shall elect five (5) directors each for a term of one (1) year.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by the majority of the remaining directors and any such appointed director to 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.

ARTICLE VIII

Election of Directors.

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the recorded covenants applicable to The Properties. The names receiving the largest number of votes shall be elected.

ARTICLE IX

Powers and Duties of the Board of Directors.

Section 1. The Board of Directors shall have power:

(a) to call special meetings of the members whenever it deems necessary, and it shall call a meeting at any time upon request as provided in Article XII, Section 2;

(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 or 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 Article III, Section 2;

(d) to adopt and publish rules and regulations governing the use of the common properties and facilities and the personal conduct of the members and their guests thereon;

(e) to exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the members in the Charter of the Corporation, these By-Laws, or the Covenants;

(f) in the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors without excuse, the Board may, by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant

(g) to appoint an executive committee of three (3) Directors and delegate all or any portion of the powers of the

Board of Directors to this executive committee.

Section 2. It shall be the duty of the Board of Directors:

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

(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 Article V of the Covenants applicable to The Properties:

(1) to fix the amount of the assessment against each Lot or Dwelling Unit for each assessment period at least thirty (30) 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,

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

(d) to issue upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE X

Director's Meetings.

Section 1. The annual meeting of the Board of Directors shall be held on the third Saturday in October in each year, provided that the Board of Directors may, by resolution, change the day of holding such regular meeting.

Section 2. Ten (10) days written notice of such annual meeting shall be given each Director.

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or whenever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such a meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI

Officers.

Section 1. The officers shall be president, a vice-president, a secretary, and a treasurer. Any or all officers may be but shall not be required to be members of the Board of Directors.

Section 2. The officers shall be chosen by a majority of the Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments

Section 5. The vice-president shall perform all the duties in the absence of the president.

Section 6. The secretary shall be ex officio the secretary

of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the record of the Association. He shall record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members.

Section 7. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business. The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or vice-president.

Section 8. The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made at the completion of each fiscal year.

ARTICLE XII

Meetings of Members.

Section 1. The regular annual meeting of the members shall be held on the third Saturday in October in each year. If the day for the annual meeting of the members shall fall upon a holiday, the meeting will be held on the first day following which is not a holiday.

Section 2. Special meetings of the members for any purpose may be called at any time by the President, the Vice-President, the Secretary, or Treasurer, or by any two (2) or more members of the Board of Directors, or upon written request of one-fourth (1/4) of the total vote of the Association.

Section 3. Notice of any meetings shall be given to the members by the Secretary. Notice may be given to the member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the Association. Each member shall register his address with the Secretary and notices of meetings shall be mailed to his such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted,

provided however, that if the business of any meeting shall involve and be governed by the Articles of Incorporation or by the Covenants applicable to the Properties, or any action for which other provision is made in these by-laws, notice of such meeting shall be given or sent as therein or herein provided.

Section 4. The presence at the meeting of the members entitled to cast, or of proxies entitled to cast sixty (60) percent of the total votes of the Association shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the Covenants applicable to The Properties shall require a quorum as therein provided.

ARTICLE XIII

Proxies.

Section 1. At all corporate meetings of members, each member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his interest in The Properties.

ARTICLE XIV

Corporate Seal.

Section 1. The Association shall have a seal in circular form having within its circumference the words: SEA PINES SOUTH BEACH OWNERS' ASSOCIATION, INC.

ARTICLE XV

Amendments.

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by three-fourths (3/4) of the vote at a duly called meeting and provided that any matter stated herein to be or which is in fact governed by the Covenants may not be amended except as provided in the Covenants.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Covenants applicable to The Properties referred to in Section 1, and these By-Laws, the Covenants shall control.

IN WITNESS WHEREOF, we, being all of the Directors of SOUTH BEACH OWNERS' ASSOCIATION, INC have hereunto set our hands and seals this ____ day of _____ 19____.