

**AMENDMENT OF THE
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR DEER ISLAND, HILTON HEAD ISLAND, SOUTH CAROLINA AND
PROVISIONS FOR
THE SEA PINES, DEER ISLAND OWNERS' ASSOCIATION, INC.**

THIS AMENDMENT, is made this 25 day of April, 2000, by the Sea Pines Deer Island Owners' Association, Inc. (hereinafter referred to as the "Association").

WHEREAS, the original Declaration of Covenants and Restrictions for Deer Island, Hilton Head Island, South Carolina and Provisions for The Sea Pines, Deer Island Owners' Association, Inc. dated December 7, 1971 was recorded in Deed Book 193 at Page 1728 in the Register of Deeds Office for Beaufort County, South Carolina (hereinafter referred to as the "Declaration"); and

WHEREAS, the Declaration at Article III Section 2 provides for the Association to be comprised of Class "A" Members and a Class "B" Member where the Class "B" Member has one vote more than the Class "A" Members; and

WHEREAS, the Sea Pines Plantation Company was the original Class "B" Member; and

WHEREAS, Sea Pines Plantation Company (renamed Hilton Head Liquidation Corporation) as a result of bankruptcy proceedings in Case No. 86-03871 held in the United States Bankruptcy Court for the District of South Carolina assigned its Class "B" Member voting rights to Sea Pines Plantation Company, Inc.; and

WHEREAS, Sea Pines Plantation Company, Inc. assigned its Class "B" Member voting rights in the Association to Community Services Associates, Inc. by that certain Assignment of Rights dated September 25, 1990 and recorded in Deed Book 572 at Page 2416 in the Register of Deeds Office for Beaufort County, South Carolina; and

WHEREAS, the Association is desirous of eliminating the Class "B" Member voting rights thereby terminating Community Services Associates, Inc.'s voting rights in their entirety; and

WHEREAS, pursuant to Article VII Section 1 of the Declaration, notice was provided to all Class "A" Members and the Class "B" Member more than thirty (30) days prior to the March 10, 2000 annual meeting where the vote to terminate the Class "B" Member voting rights was made; and

WHEREAS, pursuant to Article V Section 6 of the Declaration, more than sixty (60) percent of the Association was present, either physically or by proxy, including the Class "B" Member at the March 10, 2000 annual meeting; and

WHEREAS, pursuant to Article VII Section 1 of the Declaration, greater than three-fourths (3/4) of the Association at the March 10, 2000 annual meeting voted in favor of amending the Declaration to terminate the Class "B" Member voting rights, said termination to be effective on July 1, 2000. -

