

**By-Laws of
Club Forest Homeowners Association, Inc.
[Proposed Amendments: September 28, 2006—
delete in final version]**

ARTICLE I – NAME AND LOCATION

The name of this corporation shall be Club Forest Homeowners Association, Inc., hereinafter referred to as the “Association.” The registered office of the Association as shall be at set forth in the most recent Change of Registered Agent/Office Amendment filed with the Secretary of State of South Carolina. The principal address of the Association shall be: PO Box 1708C Augusta Street, #202, Greenville, SC 29605. [check address]

ARTICLE II – PURPOSE OF ASSOCIATION

Section 1. The Association is organized for the following purposes:

- a. To collect and enforce payment of assessments consistent with said purposes as referred to in the recorded subdivision Restrictive Covenants.
- b. To perform such of the following services as the Board of Directors and/or members of the Association shall deem appropriate:
 - 1) For the hiring and payment of the necessary expenses for the operation of said Association including, but not restricted to, payments to accountants, attorneys, bookkeepers, clerical help, insurance agencies, contractors, caretakers, security guards, or other parties whose assistance may be needed by the Association or its Directors.
 - 2) For the payment of any expenses related to the property of the Association such as that may be levied by any public authority or deemed

necessary by the Association to protect the property or the Homeowners. These may include, but are not restricted to taxes and assessments, premiums on insurance policies, or repair of damage to any CFHA property or utility easements.

- 3) For the payment of the cost of improving, maintaining and cleaning the entrance gate house, crashable barrier and all property owned by the Association for the general benefit of the members of the Association.
- 4) For caring for vacant and untended land in the vicinity of Club Forest Lane, including the maintenance of land over which there may be easements, by removing grass and weeds and doing any other maintenance that may be necessary, in the opinion of the Directors of the Association, to keep such property neat and clean for the general benefit of the members of the Association.
- 5) For the granting of any additional easements or rights-of-way over the road and/or other property owned by the Association to any public or quasi public authority or private companies if the granting of such easements and rights-of-way was approved by the members to be to the general benefit of the membership.
- 6) For the purpose of reviewing construction and landscape plans of lots owners to ensure compliance with the Restrictive Covenants and consistency with the standards of the neighborhood.
- 7) For such other purposes as are necessary for the general benefit of the Association.

Section 2. This Association is neither organized for nor shall be

operated for pecuniary gain or profit and it shall have no capital stock.

ARTICLE III – DEFINITIONS

Section 1. “Association” shall mean and refer to Club Forest Homeowners’ Association, Inc., its successors and assigns. Also referred to as CFHA.

Section 2. “Subdivision” shall mean and refer to the real property shown on plat of property of College Properties, Inc. known as Club Forest recorded in the RMC Office for Greenville County in Plat Book 9F at Pages 15, 16, and 17 along with any additions that were developed from that area shown on said plat as “Reserved by Owner.”

Section 3. “Club Forest Lane ” shall mean that road which was owned collectively by the members of the Association until it was deeded to the City of Greenville in 2006. The original private road included 25 feet of paved surface and the additional 25 feet to either side of the road that serves as rights-of-way for existing utilities. In 2006, the paved road became the property of the City of Greenville although the corresponding rights-of-way that fall on either side of the paved road between the property pins of the upper and lower lots and the road remain under the jurisdiction of the CFHA.

Section 4. “Lot” shall mean and refer to Lots 1 through 44 and Lots 64 through 74 as shown on the recorded subdivision plats.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot referred to in Section 4 above, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

Section 6. “Member” shall mean and refer to those persons entitled to membership in the Club Forest Homeowners’ Association as provided hereinafter in these By-Laws.

Section 7. “Restrictive Covenants” shall mean and refer to the

Restrictive Covenants applicable to Club Forest Subdivision recorded in the RMC Office for Greenville County, State of South Carolina in Deed Book 1174 at Page 756 on September 29, 1982, and such modifications as may thereafter be recorded.

ARTICLE IV – MEMBERSHIP

Section 1. – Eligibility for Membership

Every person or entity who is a record lot owner as outlined in Article III shall automatically become a member of the Association.

Section 2. - Classes of Membership

The Association shall have two classes of membership based upon fulfillment of responsibilities of Association membership:

- a. Active Members (in good standing) – Members who have paid all dues and assessments for the duration of their ownership. Active members have full rights and privileges as members, are eligible to vote, can hold office, serve on committees, and can be appointed to represent the Association by the Board of Directors.
- b. Non-active Member shall be defined as any member owning property on Club Forest but who has failed to satisfy all financial responsibilities to the Association including, but not limited to, payment of all dues, assessments, fees and penalties. Non-active members will receive notification of all Association meetings and events, may attend and “speak” at meetings and have access to all Association property but are not eligible to vote or hold office in the Association. Non-active member status shall change to Active member status immediately upon fulfillment of all fiscal responsibilities to the Association.

Section 3 - Membership responsibilities

- a. All lot owners are held equally responsible for maintaining the property of the Association and of

providing the financial resources to carry out the actions that, in the opinion of the Board of Directors or members, are in the best interest of the general membership. A lot owner shall be held responsible for all of the following:

- 1) Annual Dues - Annual dues shall be owed by all members on or before January 1st and must be paid to the Treasurer within 30 days of the beginning of the fiscal year in order to avoid penalty.
 - 2) Special Assessments - Payment of any regular or special assessments or fees for maintaining or improving of CFHA property, hiring of security guards or other expenditures deemed, by due process, to be in the best interests of the Association members.
 - 3) Penalties - Payment of any penalties or fees associated with late payment or violation of by-laws or Restrictive Covenants as set forth in these by-laws.
- b. Amount of dues shall be determined by the Board of Directors or, if brought for a vote, by election of the members at the annual meeting.
- c. Dues are assessed per lot and are due on January 1st of each year. If change in ownership occurs during the fiscal year, the new owner will be granted Active Membership in the organization for the period that all dues and assessments are current.
- d. Assessment fees and dates of payment are set by the Board of Directors with approval of the members, if required.

- e. Assignment of penalties and fees for members shall be set by the Board of Directors.
- d. Notification of change in ownership or contact information. If member is not a resident on the street, it is his/her responsibility to update the Secretary of the Association as to current address and phone number so that contact can be made.

Section 4 – Membership Rights and Privileges

- a. All members shall receive all publications, notices of meetings, and invitations to community events.
- b. All Active members are entitled to one vote for each lot owned on any business brought before the Association.
- c. When more than one person holds an interest in any lot, all such persons shall be members of the Association; in such case, the vote for such lot shall be exercised as they among themselves determine. However in no event shall more than one (1) vote be cast per lot.
- d. Only Active members, as defined above, shall be eligible to vote, to serve on the Board of Directors or to serve as members of any regular committee of the Association.

ARTICLE V – MEETINGS

Section 1. – Annual meeting

- a. A regularly scheduled meeting of the members will be held annually for the transaction of all Association business.
- b. Annual meetings shall occur in September of each year on a date and at a time set by the Board of Directors.

- c. Written, printed or electronic notice stating the place, day, and hour of any regular meeting of the members shall be delivered to each active and non-active member, not less than 14 days before the date of each meeting.
- d. Notice will be sent to the members at the last known address on record with the secretary. Failure to receive appropriate notice due to incorrect contact information will not constitute violation of responsibilities of the Board of Directors and will become solely the responsibility of the lot owner.

Section 2. – Special meetings

- a. Special meetings may be called by the President of the Association.
- b. 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 Members holding at least 10% of the votes.
- c. Written, printed, electronic or confirmed verbal notice stating the place, day, and hour of any special meetings of the members shall be delivered to each active and non-active member not less than 7 days prior to the date of the called special meeting.
- d. In the case of a special meeting or when required by the By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No official business shall be transacted at a special meeting except as stated in the notice.
- e. Attendance at any meeting by a member, either in person or by proxy, shall be deemed a waiver

of notice and consent to the action taken unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 3. – Conduct of meetings

- a. The President shall preside over all meetings of the Association.
- b. The Secretary shall keep the minutes of the meeting and record all resolutions adopted at the meeting as well as maintain a record of all transactions occurring at the meeting. Minutes of the meetings will be distributed to the Board within two (2) weeks of the meeting for corrections and approval. Corrected minutes will be circulated to the Members within thirty (30) days of the meeting. Members will be given thirty (30) days to contest and/or submit corrections after which time the minutes will stand as approved.
- c. Quorum
 - 1) Except as otherwise provided herein, 25% of the eligible voting members, in person or by proxy, shall constitute a quorum for the transaction of business at any regular meeting of the Association.
 - 2) For issues that have either direct or indirect financial implications for the individual members or threaten to impact personal rather than Association property, 55% of eligible members are required to constitute a quorum for the transaction of business. Such issues include (but are not limited to) assessments, granting of easements or rights of way across lots, and unbudgeted Association expenditures in excess of

\$20,000.

- 3) Proxy votes may count in determining number of Members required for a quorum if all issues discussed and voted on were circulated prior to the meeting.
- 4) If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than five (5) or more than thirty (30) days from the time the original meeting was called.
- 5) At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if a new date is fixed for reconvening the meeting after adjournment, notice of the time and place of the meeting shall be given to Members in the manner prescribed herein for regular or special meetings, as the case may be.

d. Voting procedure

- 1) Only active members are eligible to vote on any matters pertaining to the Association.
- 2) Voting shall be one vote per buildable lot.
- 3) Voting may be by simple show of hands or, at the request of any voting member, be by written ballot with votes being tabulated by the Secretary and verified by two additional members who are not

officers and who are elected by the members for such purpose.

4) Proxy votes

- a) At all meetings of the members, each eligible member may vote in person or by proxy presuming all issues to be presented for vote were clearly communicated to members prior to obtaining said proxy.
- b) Each proxy shall be in writing, dated, signed and filed with the Secretary of the Association prior to the meeting for which it is to be effective.
- c) Except as otherwise specifically stated in the proxy, a proxy shall appoint a specific person to vote on their behalf and shall be presumed to cover all votes which the Member giving such proxy is entitled to cast.

e. Approval of action

- 1) A simple majority (50% of the voting members) is required for the transaction of routine matters of business including (but not limited to) election of officers or amending of the by-laws. The term "simple majority" shall indicate approval of at least fifty percent (50%) of the voting Members present, presuming that a quorum of at least 25% of the voting Members is present (or has registered a proxy vote).

- 2) A significant majority (2/3 of the voting members) is required for the imposing of an assessment. A significant majority requires the acceptance of 2/3 of the voting Members present, presuming that a quorum of 55% percent of the Members are present (or have registered proxies) for the vote.
- f. Meetings may take place electronically (via conference calls, internet, etc.) but will have the same requirements regarding notice, agendas, quorum, and recording of minutes as an actual meeting.
- g. The rules of parliamentary practice comprised in Robert's Rules of Order, Newly Revised, shall govern proceedings of the Association, subject to any special rules that have been or may be adopted by vote of the membership.

ARTICLE VI – BOARD OF DIRECTORS

Section 1. Board of Directors

- a. The affairs of the Association shall be managed by a Board of Directors that shall be comprised of the Officers of this Association. They shall be referred to collectively as the Board of Directors. The Board of Directors shall have general charge and control of the affairs, funds, and property of this Association in accordance with the restrictions set forth herein.
- b. The Board of Directors shall be comprised of the 5 officers for the organization: President, President-elect, Secretary, Treasurer, and Program Director. In the event that two individuals are elected to fulfill any of the 5 positions, only one vote will be registered per position on any matter that comes before the Board of Directors for disposition.

- c. Changes in the number or duties of the Board of Directors or the specific Officers shall be by amendment of these By-Laws in accordance with the procedure included herein.
- d. Members of the Board of Directors must be Active members in good standing in the Association.
- e. The Directors shall not incur any liability for actions taken by such Director(s) in good faith and acting within the scope of his or her authority in implementing or enforcing any provision of the Bylaws or Restrictive Covenants.
- f. No Director of the Association shall be held personally liable for debts, liabilities, and other obligations of the Association.

Section 2. Duties of the Board of Directors

The Board of Directors shall have the power and duty to:

- a. Establish policies consistent with the Bylaws and interpret the Bylaws and all other governing documents of this association
- b. Conduct, manage, and control the affairs and business of the Association, and exercise all powers, duties and authorities vested in or delegated to the Association;
- c. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Restrictions.
- d. Cause to be kept, on file, the articles of incorporation and all amendments to them currently in effect, resolutions adopted by the Board, the minutes of all meetings of the board

- and the members for the past three years, all written communications to the board within the past three years, including financial statements and the most recent report of each type required by law, and to have these available to the members of the Association at their annual meeting or at any special meeting;
- e. Propose an annual budget for each fiscal year beginning January 1st of each year and ending December 31st, to be presented to the members for approval;
 - f. Cause the property owned by the Association to be properly maintained and upgraded;
 - g. Appoint and remove any agents and employees of the Association, prescribe their duties, supervise them in order to see that their duties are properly performed, fix their compensation (if any) and require of them such security or fidelity bond as it may be deemed appropriate;
 - h. Adopt and publish rules, regulations, policies and procedures, if the officers determine a need for the same, regarding maintenance and use of the property owned by the Association, and establish and enforce penalties for infractions of said rules.
 - i. Take whatever action is necessary and authorized by these bylaws in order to collect the annual or special assessments provided for herein;
 - j. Suspend the voting rights and take legal action against such members who shall be default in payment of any assessments levied by the Association presuming reasonable notice has been given members prior to any suspension.
 - k. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the officers for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
 - l. Reduce the annual or special assessments upon the unanimous written approval of such reduction by the Directors;
 - m. Issue notification of violations of the by-laws and/or Restrictive Covenants to lot owners and exercise of authority to take action to ensure compliance.
 - n. Call special meetings of the members whenever it deems necessary and shall call a meeting at any time upon written request of the members holding 10% of all votes;
 - o. Procure and maintain adequate insurance policies as are desirable to protect the Association and the Board from loss or personal threat, including but not limited to liability and hazard insurance on property owned by the Association, Directors and Officers Insurance and such other policies as may be deemed necessary by the Board;
 - p. Approve and authorize the borrowing of money and the granting of security interests in the personal property of the Association as security for the repayment of loans and interest thereof;
 - q. Failure of the Board to enforce any provision of the Bylaws, Restrictive Covenants or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 3. Officers and Designation of Responsibilities

The Officers of the Association shall be a President, President-Elect, Secretary, Treasurer, and Program Director. The specific duties of each member of the Board of Directors are as follows:

a. President - The President shall be the chief executive officer of the Association. As such, s/he shall:

- 1) preside at all meetings of this Association until a successor is installed to take his/her place;
- 2) have the authority to call special meetings, appoint any special committees deemed necessary and designate their powers and terms of appointment, and shall appoint any members to speak on behalf of the Association at meetings;
- 3) serve as a member ex-officio of all committees;
- 4) represent this Association in the community, shall speak on behalf of the Association at all meetings related to Association business, and shall oversee any member who has been appointed to represent the Association in any endeavor to ensure that the issues and opinions of the general membership is appropriately reflected;
- 5) have general supervision over the affairs and business of the Association and, together with the Secretary, shall have authority to sign all documents in the course of the business of the Association that have been duly authorized by the members or Board of Directors as set forth elsewhere in these by-laws.

b. President-elect – The President-elect shall assist the President, serve in a training capacity for the Presidency

and assume all duties of the President in his/her absence. As such, s/he shall:

- 1) remain on the Board and assume the responsibilities of the President during the second term;
- 2) in the event of vacancy in the President position, assume the responsibilities and title of that position. In the event that the President-elect is unwilling or unable to become President, the Board of Directors shall nominate an alternative for election by the members at a meeting to be called within 30 days of the position becoming vacated;
- 3) serve as Chairperson of the Nominating Committee and as ex-officio member of all other committees;
- 4) serve as parliamentarian for all meetings;
- 5) be responsible for reviewing the by-laws annually and working alone or in committee to present any necessary changes and/or amendments to the membership for approval;
- 6) work, in conjunction with the Treasurer and Board of Directors, to review the current year budget and expenditures and propose a budget for his/her term of office along with any recommendations for dues increase or special assessments.

c. Secretary – The Secretary shall be responsible for maintaining the records of the Association and for notifying the members of its activities. As such, s/he shall:

- 1) keep the minutes of the annual and special meetings of the membership, meetings of

- the Board of Directors, and be custodian of the records and seal;
- 2) be responsible for distribution to the members the minutes of the annual meeting along with any changes to the Bylaws and/or restrictive covenants, CFHA notebook and /or directory updates within (45) days of the annual meeting;
 - 3) make the records of the Association open to inspection of any member upon request, during regular business hours;
 - 4) send written notice of the annual and special meetings to the membership and to the officers. Written notice may be by fax, email, or other electronic means;
 - 5) maintain an updated membership list along with addresses and phone numbers of all active and non-active members and shall ensure that an updated list of all members eligible to vote is available at each meeting;
 - 6) keep a record of attendance at all regular and special meetings and maintain such as part of the Association records;
 - 7) If a written ballot is taken, serve as one of three members to tally the votes and ensure that only eligible votes are recorded. S/he shall maintain records of all proxy votes and, when so designated, vote on their behalf;
 - 8) together with the President, have the authority to sign all documents in the course of the business of the Association.

d. Treasurer – The Treasurer shall be responsible for ensuring the fiscal accountability of the Association, its

Directors and members. As such, s/he shall:

- 1) have custody of all funds and properties of the Association and shall keep regular books of account thereof in accordance with the accepted accounting practices;
- 2) collect and disburse the funds of the Association in such manner as shall from time to time be authorized by the Board of Directors or vote of the members;
- 3) along with the President, have the authority to sign all checks in course of the business of the Association;
- 4) deposit all checks, drafts, or orders for the payment of money issued in the name of the Association in such banks as the officers select;
- 5) investigate, obtain, and maintain in force any necessary insurance coverage for this Association and its Board of Directors;
- 6) send written notices of the annual or special assessments to every owner subject thereto not less than (30) days prior to the annual assessment period;
- 7) maintain a list of all members who are arrears in payment of dues or assessments and have it available for review at any regular or special meeting of the membership or meetings of the Board of Directors to determine eligibility of members to vote;
- 8) work with the President-elect and Board to prepare a proposed budget for the upcoming year to be presented for approval by the

members prior to the beginning of the fiscal year;

- 9) submit a summary financial report to the members at each annual meeting;
- 10) be responsible for paying all taxes, fees and other assessments for the Association and ensuring that all appropriate state and other non-profit forms are kept current and submitted by deadlines; timely payment of property taxes; timely filing of information with Secretary of State; checking of Association Post Office box at least bi-weekly and distributing all correspondence to appropriate individuals.

e. Program Director – The Program Director shall be responsible for overseeing the membership activities of the Association. As such, s/he shall:

- 1) serve as chairperson of the Social Committee and be responsible for planning, coordinating, and ensuring adequate notification of all social functions of the Association;
- 2) oversee welcoming activities for new members such as distributing the CFHA by-laws and directory to all new members and working with the Secretary to update member information;
- 3) be responsible for routine street upkeep such as storage and usage of street parking signs, application of ice melt for front entrance, oversight for maintenance of public areas and coordination of any beautification efforts by the members.

Section 4. Nominations, Elections and Term of Officers

- a. The Nominating Committee shall prepare a slate of one candidate for each office prior to the annual meeting.
- b. This slate shall be presented and voted upon by the membership at the CFHA annual member. Independent nominations may be made from the floor provided that any such nominees are either present or have previously consented to the nomination.
- c. A simple majority of those members present at the CFHA annual meeting at which a quorum is present will be sufficient to approve the election of officers.
- d. Officers shall be elected for a term of one year with the exception of the president-elect whose term of office shall be two years.
- e. Officers' terms of office shall begin on January 1st of the calendar year immediately following their election.
- f. Officers may be re-elected to any office for more than one term.
- g. Each officer shall serve until his/her successor is duly elected.
- h. In the event that there are insufficient members to accept responsibility for filling the positions on the Board of Directors, the members can vote to reduce the number of Officers/Board of Directors until such time as a sufficient number of candidates are available. At no time should the business of the Association be conducted by less than 3 members.

Section 5. Vacancies and Removal

- a. Vacancies in the offices of Secretary, Treasurer,

or Program Director shall be filled by vote of the majority of the remaining officers who may also elect to not fill that position and delegate the responsibilities of the vacant position to other officers until the next election. Any such appointed officer shall serve the un-expired term of their predecessor.

- b. In the event that there is a vacancy in the office of President, the President-Elect shall assume the office of President and shall serve the un-expired term of his predecessor. In such case, the responsibilities of the President-elect will be delegated to the other officers and the position will remain vacant until the next elections.
- c. Any officer may be removed with or without cause by a majority vote of the members of the Association at a meeting duly called and attended. In the event that an officer is removed from his/her position by consent of the membership, nominations will be accepted from the floor and at the same meeting, if a suitable nominee is available, the members may vote on the replacement for the vacated position.

Section 6. Board of Directors Meetings

- a. The Board of Directors shall hold regular meetings as frequently as deemed necessary to transact the business of the Association.
- b. The outgoing and incoming Officers shall convene a joint meeting of the board between the date of the annual meeting and the installation of the new officers on January 1st.
- c. Special meetings of the officers may be called by the President or by any (2) officers after not less than (3) days notice unless such notice is waived.

- d. The President is empowered to call emergency meetings regarding extraordinary circumstances not subject to notice requirement.
- e. A majority of the officers shall be necessary to constitute a quorum for the transaction of Board business.
- f. Where these Bylaws provide that action may be taken with the approval of the officers, such approval may be obtained at a regular or special meeting or by unanimous written consent or by electronic participation in a manner in which a quorum of members can participate. Each member of the Board of Directors shall be entitled to one (1) vote or, in the case of two individuals sharing one position, each position will be assigned one vote.

Section 7. Compensation

- a. Board of Directors, as well as any member of the Association, may be reimbursed for actual expenses incurred in the performance of their duties or when acting on behalf of the Association.
- b. Officers may not receive pay for service in their respective capacities; however, officers may receive a percentage reduction in homeowners association annual dues as voted upon by the members in consideration of the time required to perform the duties of their office.

ARTICLE VIII – COMMITTEES

Section 1. Nominating Committee

- a. Members of the Nominating Committee shall be appointed by the Board of Directors during the annual meeting and will serve from the close of such

annual meeting until the close of the next annual meeting.

- b. The committee shall be composed of a Chairperson, who shall be the President-elect, and two other members of the Association, at least one of which is not a current officer.
- c. The committee shall be responsible for making nominations of eligible members for the Board of Directors, said nominations to be not less than the number of vacancies that are to be filled, and for obtaining the members consent prior to nomination to the membership.
- d. Any member wishing to submit the name of a nominee for office may make his recommendation known to any member of the Nominating Committee prior to presentation of the slate of officers to the membership.

Section 2. Architectural Committee

- a. The existence and responsibilities of the Architectural Committee are set forth in the Restrictive Covenants and charge the Committee with the responsibility of monitoring compliance with the guidelines outlined in the Restrictive Covenants and maintaining the character and integrity of the neighborhood.
- b. The members of the Architectural Committee shall be nominated by the Board of Directors and approved by the membership per vote at the Annual meeting. Members of the committee need not be members of the Association.
- c. The committee shall be comprised of a minimum of three (3) members who are elected for a term of five years but who can be reelected for additional terms.

- d. It is recommended that one member of the committee be a licensed practicing architect or be experienced in the area of real estate sales or development and at least one should be a member of the Association.
- e. Decisions by the Architectural Committee will be by majority vote.
- f. As a duly authorized adjunct of the CFHA, the Architectural Committee is fully sanctioned to perform the duties and functions assigned to it by the Restrictive Covenants and to enforce the descriptions of requirements set forth in the Restrictive Covenants.
- g. The duties of the committee shall include:
 - 1) To review and approve all plans and specifications and the plot plan for any improvement of any nature proposed to be erected, placed, altered or changed on any subdivision lot.
 - 2) To review and approve a landscape development plan or any recreational development plan submitted by a lot owner or the Association.
 - 3) To submit a written letter of approval to the lot owner within 30 days of submission of plans with a copy of the letter of approval to be held on file by the Secretary of the Association.
 - 4) To maintain copies of all requests and make them available for members' review during normal business hours.
 - 5) To submit a written or verbal report to the membership during the annual meeting of all projects approved or denied...

- 6) To work in conjunction with the Board of Directors to address any problems with the enforcement of the Restrictive Covenants and to act on their behalf in any dispute regarding same.

Section 3. Social Committee

- a. The Program Director shall serve as the chairperson for the social committee and, if desired, serve as its sole member. Other members shall be appointed by the Program Director or by volunteer of the members themselves.
- b. The social committee shall plan and coordinate all social and charitable functions of the Association and its members.
- c. The social committee shall be responsible for greeting all new members, updating and distributing the membership directory and overseeing the distribution of any newsletters, notices or communications including the website.

ARTICLE IX - ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments

- a. By acceptance of a deed to a Lot on Club Forest Lane, whether or not it is expressed in such deed, each Owner of any lot is deemed to covenant and agree to pay the Association:
 - 1) annual assessments, dues or charges as established by the Board of Directors,
 - 2) special assessments for capital improvements, such as assessments to be established and collected as hereinafter provided, and
 - 3) any assessments due to violations of the Restrictive Covenants.

- b. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made.
- c. Each such assessment, together with interest, costs, and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments

The assessments levied by the Association shall be used explicitly for holding title and maintaining the property the Association owns, together with such other purposes as are more fully set out in Article V of the recorded Restrictive Covenants, and for enforcement of the Restrictive Covenants.

Section 3. Maximum Annual Assessment and Payment Due Date

- a. An operating budget shall be prepared by Association Officers in advance of each year's assessment. The Board shall review the proposed budget and, upon approval of a majority of the Directors, the budget shall be used as a basis for determining the year's assessment. If no budget is prepared or approved, then the previous year's budget shall be used as a basis for determining the assessment
- b. The maximum annual assessment for each calendar year shall be established by the Board of Directors and may be increased by the Board, without the approval by the membership, by an amount not to exceed ten percent (10%) of the

maximum annual assessment of the previous year.

- c. The maximum annual assessment for each calendar year may be increased without limit by a vote of two-thirds (2/3) of the votes cast by the members who are voting in person or by proxy, at a meeting duly called for this purpose.
- d. The annual assessments provided for herein shall be collected on an annual basis and shall commence following the conveyance of the Lot to an Owner, with the assessment for the first year of ownership of a Lot to be prorated to the portion of the year during which the Lot is owned by the new Owner.
- e. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the assessments every Owner subject thereto.
- g. The annual assessment fee shall be payable to the Club Forest Homeowners' Association, on or before January 1st of each year. Bills for annual assessments shall be considered delinquent if not paid by January 20th of each year.

Section 4. Special Assessments for Capital Improvements

- a. In addition to the annual assessments authorized above, the Association may levy, at any time during an assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the costs of construction, reconstruction, repair, or replacement of a capital improvement of the property owned by the Association.
- b. Written notice of any meeting called for the purposes of taking any action authorized under

this Section shall be sent to all members not less than 15 days nor more than 45 days in advance of the meeting.

- c. The presence of members or of proxies entitled to cast fifty-five percent (55%) of all the votes of Lot owners shall constitute a quorum for any action authorized under this section. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.
- d. Such special assessments shall have the assent of two-thirds (2/3) of the votes cast by the Members who are voting in person or in proxy at a meeting duly called for this purpose, in accordance with the procedure set forth in Section 4 above.

Section 5. Uniform Rate of Assessment

- a. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected not more frequently than on a monthly basis or less infrequently than on an annual basis.
- b. In those cases where one Owner purchases two or more lots, such Owner shall be assessed for each Lot and shall be entitled to vote for each of said Lots.
- c. In the event two or more lots are joined together for the purpose of constructing one building site, the combined Lots may, at the request of the homeowner, be treated as one Lot for the purposes of (a) voting in the Association and (b) paying dues and assessments to the Association.
- d.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Association

- a. Any annual or special assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of one and one half percent (1.5%) per month or any part thereof.
- b. The CFHA (by and through its duly authorized officer or representative) are hereby designated as attorney-in-fact for each owner of a lot for the purposes of executing and recording a Notice of Lien, setting forth the amount of the lien (except for interest and costs of collection, which may continue to accrue) for any fee or assessment or other amount not paid within thirty (30) days after the due date. Each owner, by purchasing a lot subject to these Restrictive Covenants, irrevocably consents for itself and its heirs, successors, or assigns to the filing of a Notice of Lien by the CFHA and consents to the recording and indexing of such Notice of Lien in the public records of Greenville County, South Carolina.
- c. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages, and interest, costs, and reasonable attorney's fees for the representation of the Association in such action or foreclosure shall be added to the amount of such assessment.
- d. No owner may waive or otherwise escape liability for the assessment provided for herein by abandonment of the lot nor shall damage to or destruction of any improvements on the Lot by fire or other causality result in any abatement or diminution of the assessments provided for herein.

- e. Lots owners forfeit all privileges of membership in the Association until such time as all assessments are paid.

Section 7. Subordination of the Lien to Mortgages

- a. The liens provided for herein on any Lot shall be subordinate to the lien of any first mortgage or deed of trust on such Lot.
- b. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section.
- c. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made.
- d. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Property at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 8. Assessments due to violations of Restrictive Covenants

- a. Members may be assessed a financial penalty for violations of the Club Forest Homeowners' Association Restrictive Covenants occurring on or about the Member's Lot or house.
- b. Such penalty may be assessed for a violation after a two-thirds (2/3) majority approval of the Board and a written notice has been mailed to the Member giving the Member reasonable time, as determined by the Board, to correct or alleviate

the violation.

- c. The Penalty amount may be up to \$50.00 per day per violation. Such Penalty shall be paid to the Association within thirty (30) days following written demand by the Association.
- d. In the event such payment shall not occur, the outstanding sum shall be deemed to be an assessment and processed pursuant to the provisions set forth in this section.

ARTICLE X – FISCAL YEAR

The fiscal year for the Association shall begin January 1 and end on December 31.

ARTICLE XI – AMENDMENTS

These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a simple majority of a quorum of voting members present in person or by proxy.

ARTICLE XII – RESOLUTION OF CONFLICTS

Robert’s Rules of Order (which edition) shall be the final authority on all parliamentary proceedings except as otherwise provided herein.

In the case of any conflict between the Articles of Incorporation and these By-Laws, the By-Laws shall control. In the case of any conflict between the Restrictive Covenants and these By-Laws, the By-Laws shall control.

ARTICLE XIII – DISSOLUTION

Section 1. The Association may be dissolved with the assent given in writing by not less than two-thirds (2/3) of the voting members of the Association, at a meeting held after due notice thereof.

Section 2. Upon dissolution of the Association other than incident

to merger or consolidation, the assets of the Association shall be transferred to an appropriate public agency to be used for purposes for which the Association was created.

IN WITNESS WHEREOF, we, being all of the Directors of the Club Forest Homeowners Association, Inc., have hereunto set our hands and seals this _____ day of _____, 2011.

President

Secretary

Treasurer

Program Director