

BY LAWS

STATE OF SOUTH CAROLINA)

COUNTY OF ANDERSON)
)

BY LAWS OF
HORSESHOE BEND HOMEOWNERS
ASSOCIATION, INC.

ARTICLE I - NAME

The name of the Association shall be HORSESHOE BEND HOMEOWNERS
ASSOCIATION, INC.

ARTICLE II - PURPOSE

The Association, a not-for-profit corporation organized and existing under the laws of the State of South Carolina, is formed for the purpose of acquiring title to certain common areas of Horseshoe Bend Subdivision including entrance grounds and subdivision signs, all of which are shown with particularity on the plats of the subdivision which are incorporated herein and made a part of these by-laws. The Association shall maintain and provide the necessary upkeep for said property. In addition, the organization shall have the purpose of providing and maintaining recreational facilities and/or common areas and to provide community services of every kind and nature required and desired with the subdivision and general use and benefit of all owners and residents in Horseshoe Bend Subdivision.

ARTICLE III - CORPORATE SEAL

The corporation may use an official corporate seal, a seal which shall be circular in form and shall have inscribed thereon the name of the corporation, State of South Carolina, Corporate Seal, and the year in which it was incorporated.

ARTICLE IV - REGISTERED OFFICE AND AGENT

Section 1: Registered office. The registered office of the corporation required by

law shall be initially designated and continuously maintained by the Board of Directors. The registered office need not be identical with the principal place of business of the corporation. The corporation may maintain such principal place of business or other offices, either within or without the State of South Carolina, as the business of the corporation may from time to time require.

Section 2: Registered Agent. The registered agent of the corporation required by law shall be initially designated and continuously maintained by the Board of Directors.

SECTION 3: Changes. The Board of Directors may change the registered office and the registered agent of the corporation at its discretion from time to time after giving due notice of such change or changes as required by law to the Secretary of State of South Carolina.

ARTICLE V - CORPORATE POWERS

In addition to the powers and authorities now or hereinafter granted by law of the corporations the general nature of the business shall be as stated in Article II as stated above. The Board of Directors and its officers shall have such powers as may be necessary and appropriate in attaining the purpose of the corporation and all matters and things appertaining thereto, whether directly or indirectly.

ARTICLE VI - CAPITAL STOCK AND DIVIDENDS

There shall be no capital stock issued by this corporation and since this corporation is a non-profit and eleemosynary organization, no dividends shall be paid.

ARTICLE VII - FISCAL YEAR

This corporation shall have a fiscal year and it shall begin on the first day of January of each calendar year and terminate on the thirty-first day of December of each calendar

year. The Board of Directors shall have the power to change the fiscal year at its discretion upon resolution duly enacted.

ARTICLE VIII - MEMBERSHIP

Membership shall be appurtenant to all lots of Horseshoe Bend Subdivision. There shall be one voting member for each lot regardless of the number of persons who may have an ownership interest in such lot or the manner in which title is held by them. All parties purchasing lots in Horseshoe Bend Subdivision shall, upon acquiring title to the lots or lots, pay unto the Association such initial fee as the Board of Directors shall direct and make such periodic payments as the Board of Directors shall require.

Ownership of more than one lot shall entitle the owner to all of the rights and privileges of a voting membership for each such lot owned provided all other terms and conditions have been complied with, and shall subject the owner to all of the liabilities and duties attendant to the ownership of each separately.

Section 1: Evidence of Membership and Transfer. Certificates of Membership in the Association may be issued to the members thereof in such form as the Board of Directors shall from time to time designate and shall be issued over the signature of the President or other officer of the Association. Such certificate shall indicate the lot the ownership of which gives rise to the member's membership and such certificate shall also clearly state on its face that the Association is a not-for-profit corporation. Adequate records shall be maintained at the registered office of the corporation showing the names of the members of the Association, the date that such person became a member of the Association, and a sufficient description of the lot giving rise to such membership. If certificates of membership are not issued, then the Title to Real

Estate (Deed) shall be proof of ownership and therefore membership as to each lot in the subdivision.

Section 2: Transfer. A voting membership in the Association is transferable only upon the transfer of ownership of the lot giving rise to such membership. All transfers shall be subject to the payment of all indebtedness to the Association of the member whose membership is transferred.

ARTICLE IX - MEMBERSHIP MEETINGS

Section 1. Annual Meeting. The fiscal year of the corporation shall end on the last day of each calendar year or a date to be hereafter determined by the Board of Directors, to which date accounts shall be made up and the annual meeting of the members of this corporation shall be held thereafter at a time and place to be designated by the president with members being notified at least ten days prior to the scheduled time of the meeting.

Section 2. Special Meetings. Special meetings of the Association may be called by the Board of Directors for the Association at anytime in a manner hereinafter provided. A special meeting may also be called upon the written petition of the members representing twenty (20%) per cent of the eligible vote which would be entitled to be voted at such special meeting. Petitions for such special meetings shall set forth the purpose for which the special meeting has been called, and the notice of any special meeting, whether at the call of the Board of Directors or upon petition of the members representing twenty (20%) per cent as aforesaid, shall set forth the purpose of said meeting and no business other than that specified in the notice of the meeting shall be considered at such special meeting.

Section 3: Notice of Meetings. Written, printed or posted notice stating the place,

date, and hour of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered at least ten (10) days before the date of the meeting either personally or by mail at the direction of the Board of Directors to each member entitled to vote in such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association with postage thereon prepaid.

Section 4: Quorum. Except as may be otherwise provided herein, a quorum at either a special meeting or at the annual meeting shall be the members representing sixty (60%) per cent of the eligible vote entitled to be voted at such meeting. The vote of a majority of the votes entitled to be cast at the meeting at which quorum is present shall be necessary for the adoption of any matter voted upon by the members. In determining whether or not a quorum is present at a meeting, there shall be taken into consideration those members represented at the meeting by written proxy.

ARTICLE X - BOARD OF DIRECTORS

Section 1: Powers. The Board of Directors shall:

- (a) Manage and control the affairs of the corporation, unless otherwise provided herein.
- (b) Designate a banking institution or institutions as depository for the corporate funds, and to execute obligations on behalf of the corporation.
- (c) Adopt such rules and regulations relating to the use of the corporation property as they may deem reasonably necessary for the best interest of the Association and its members.

Section 2: Number of Directors. The number of Directors of the corporation shall be three (3). No person other than members of the Association shall be eligible to be elected a Director. In the event there shall be vacancies on the Board of Directors caused as a result of death, resignation, incapacity or otherwise, such vacancies shall be filled by a nomination and voting process by the members within thirty (30) days of the vacancy.

Section 3: Special Meetings. The Board of Directors may meet as a separate body at the discretion of the president for the purpose of previewing related needs of the Association. At no time may the Board of Directors initiate any sort of action other than routine maintenance of common property or collection of assessments prior to approval by vote of the membership.

ARTICLE XI - ELECTION OF DIRECTORS

Section 1: Number. The initial Board of Directors shall consist of three (3) general offices described in Article XII and successive directors shall be elected and shall serve such terms as hereinafter set forth.

Section 2: Meetings. Beginning with the calendar year 199____, there shall be held on or before _____ (date) _____, the first annual meeting of the membership. Notification of the meeting shall be delivered to the membership at least fifteen (15) days prior thereto, specifying the hour and place of the meeting. Any member in good standing with the Association may file with the acting secretary of the Association a statement of his or her candidacy to the Board. Within five (5) days thereafter, the acting secretary shall cause to be mailed or delivered to the membership of the Association a list setting forth the names of the candidates for the Board of Directors. The names of the candidates shall appear on the list in

the order in which they filed their respective petitions with the acting secretary.

Section 3: Method of Election. The method of election for the Board of Directors shall be the same as set forth in Section 4 of this Article. Current board members may succeed themselves should no other person offer their candidacy. Otherwise, the length of term for each office shall be one (1) year with the new Board of Directors assuming office at the conclusion of the annual meeting to be held on or before ____ (date) ____ of each calendar year.

Section 4: Election. The Board of Directors shall be elected by written ballot chosen from those individuals who have previously submitted their candidacy. Such election will be held at the annual meeting and only those members in good standing with the Association shall vote either in person or by proxy as provided by these By-Laws. Individual officers will be elected by written ballot in the following order: (1) President, (2) Secretary, and (3) Treasurer.

ARTICLE XII - OFFICERS

Section 1: Officers. The officers of the Association shall be President, Secretary and Treasurer. No person shall hold more than one office.

Section 2. President. The President shall be the executive head of the Association and shall preside at all meetings of the membership or directors.

Section 3: Secretary. The Secretary shall have general charge of all records of the Association.

Section 4: Treasurer. The Treasurer shall have the custody of all funds and shall disburse such funds for corporation purposes upon checks bearing his signature and countersigned by either the President or Secretary.

ARTICLE XIII - DUES AND ASSESSMENTS

All dues and assessments of the organization shall be determined and assessed by the Board of Directors. Failure by a member to make such timely payments shall entitle the Board of Directors to make such special assessments, penalties, or levy such liens as they in their sole and absolute discretion shall determine is necessary and appropriate in order to provide for the necessary operation and function of the corporation. Statements for annual assessments for each lot shall be mailed by January 15 of each year and shall be payable in full no later than March 1 of each year. Any payment received after March 1 shall have a penalty of ten (10%) percent of the outstanding balance added as a late payment fee for each month thereafter that payment is late; which is to say ten (10%) percent per month added back for penalty.

ARTICLE XIV - AMENDMENTS

These By-Laws shall be amended by any regular meeting of the membership or a special meeting of the membership called for that specific purpose by a majority of the membership present at said meeting. Written notice at least ten (10) days prior to the meeting must be given to the membership.

**HORSESHOE BEND HOMEOWNERS
ASSOCIATION, INC.**

By: _____
Its:

By: _____
Its: