

BY LAWS
OF
THE POINSETTIA COMMUNITY CLUB

(October 20, 1991)

ARTICLE I

CORPORATE NAME

This Association shall be known as the Poinsettia Community Club. This Association shall be a non-profit corporation, incorporated under the laws of South Carolina.

ARTICLE II

PURPOSES AND POWERS

The Corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purpose for which it is formed is to promote the health, safety and welfare of the residents within that subdivision known as "Poinsettia" as may hereafter be brought within the jurisdiction of this Corporation by action taken as provided in Article XIV hereafter referred to as "THE PROPERTIES", and for this purpose to:

- (A) Own, acquire, build, operate and maintain recreational parks, playgrounds, swimming pools, tennis courts, commons, streets, footways, including buildings, structures, personal properties, incident thereto, hereinafter referred to as "THE COMMON PROPERTIES" and facilities;
- (B) Maintain the Common Properties;
- (C) Pay taxes, if any on the common properties and facilities;
- (D) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of the properties.

ARTICLE III

MEMBERSHIP

SECTION I

Membership in this association shall be open to owners of homes in the area described in Article II.

SECTION II

Membership shall be of three types, known as Active Membership, Provisional Active Membership and Trust Membership.

- (A) An Active Member is one in which the holder thereof, acquired by purchase of one share in the Association, received and holds a Certificate of Membership, agreed in writing to abide by the By-laws and other community rules of the facilities provided by the Association.
- (B) A Provisional Active member is one in which the Association acts as Trustee under the Trust Agreement between Poinsett Realty Company and the Poinsettia Community Club. All Provisional Active Members shall have the same rights and responsibilities as Active members in the Corporation.
- (C) A Trust Membership is one in which the homeowner allows the Poinsettia Community Club to act as Trustee for the Poinsettia Community Club share of stock for this property. Such stock is

non-transferable but can and will be sold as an asset with said property. A Trust Member who is in good standing shall have same rights as any other member.

SECTION III

Membership shall be limited to the number of lots that are available in Poinsettia Subdivision. Special memberships are available for Wagon Creek Subdivision residents as provided hereinafter.

SECTION IV

The joint ownership of an Active Membership interest by husband and wife with right to survivorship shall be permissible; otherwise, membership must be owned and controlled by a single homeowner.

SECTION V

Each membership shall entitle the holder thereof, the members of the immediate family and his/her lineal descendants living in the home to use the facilities of the Association, subject to the rules and By-laws of the Association.

SECTION VI

A Suspended Member shall be one who failed to pay the dues or assessments when the same have become due and payable. Once a member has become a Suspended Member, all Association privileges of the membership shall be completely withdrawn until such time as said Suspended Member shall pay to the Association all back dues, assessments for capital improvements and other debts owed by them to the association, plus a reinstatement fee as provided in Article IX, Section III, of the total amount of the back dues, assessments and other debts owed the Association. Should the amount of unpaid dues, assessments, other debts and reinstatement fees equal the value of the membership, the membership shall revert to the Association. A Trust Member may maintain favorable status by paying current annual dues or may go inactive by paying an annual Maintenance Fee. This Maintenance Fee shall be set annually by the Poinsettia Community Club Board of Directors.

SECTION VII

An Inactive Member shall be one who has offered the Certificate for repurchase by the Association, has been placed on a waiting list and has moved from the community. Such Inactive Member shall not be required to pay further dues or assessments after being placed on the waiting list. They shall have no voting rights and shall not be eligible to use the facilities of the Association.

SECTION VIII

An Inactive Member is a Provisional Active Member or Trust Member who elects not to pay annual dues; however, they shall be required to pay annual Maintenance fees. An Inactive Member may reactivate at any time past maintenance fees are paid. No past maintenance fees shall exceed annual dues at that time.

SECTION IX

A Tenant Resident may pay annual dues for use of Poinsettia Community Club facilities.

SECTION X

Homeowner's pre-established status as member of this Association shall cease at such time and date as said real estate property ownership ceases.

ARTICLE IV

TRANSFER OF MEMBERSHIP

SECTION I

Should a member desire to transfer membership and in the opinion of the Board of Directors, the Association does not have the funds available to purchase such Active Membership, it will place such membership on a list of proposed transfers, and such memberships shall be placed by the Association on such list in the order the requests for repurchase are received by the Secretary. All Active Memberships listed for repurchase are to be purchased by the Corporation before any capital investments are made.

SECTION II

Priority for the repurchase of memberships by the Association will be established in the following order:

- (A) First Priority will be granted to the survivors of any member who may have become deceased.
- (B) Second priority will be given to the holders of memberships who have moved from the community.
- (C) Third priority will be given to membership which have been revoked under these By-laws.
- (D) Should more than one request for transfer in the same category be received, that request received first shall be first considered.

SECTION III

Whenever any member transfer his/her membership to the Association and such transfer is approved by the Board of Directors, all rights of the transferor shall thereby be forever terminated, without prejudice to re-apply as a new member.

ARTICLE V

MEMBERSHIP MEETINGS

SECTION I

The fiscal year of the Association shall end on September 30 of each year, to which date all accounts shall be closed. The annual meeting of the members of this Association shall be held within 30 days after this date and at a time and place set by the President in a written notice to all members and mailed out at least ten (10) days prior to the scheduled time of the meeting.

SECTION II

Special meetings of the membership may be called by giving five (5) days notice to members of record as of that date by the President, by a majority of the Board of Directors, or by request from 20% of the members in written form. The purpose of special meetings shall be stated in the notice thereof and business shall be restricted to this purpose.

SECTION III

A quorum shall consist of those members present one-half hour after the announced meeting time of a properly called meeting, as prescribed, other than assessments or dissolution of the Association, for which special requirements are specified elsewhere in these By-laws.

SECTION IV

Each member shall be entitled to one vote in the conduct of business. When one membership is held by a couple, they may together cast only one vote.

SECTION V

Representation by proxy shall not be allowed at the annual meeting, but a husband or wife may represent his or her spouse for all purposes at any meeting. Representation by written proxy on a form approved by the Board of Directors shall be allowed at all special meetings.

ARTICLE VI

DIRECTORS AND OFFICERS

SECTION I

The affairs of the Association shall be governed by a Board of Directors composed of not more than nine persons, each of whom shall serve without compensation until his/her successor is elected and shall qualify as provided in these By-laws.

SECTION II

At each annual meeting, the members of the Association shall elect three directors for a term of three years each. At the same time, the Association shall elect such additional Directors as may be required to serve out the unexpired terms of vacancies then existing on the Board.

SECTION III

The officers of the Association shall consist of a President, who shall serve also as Chairman of the Board of Directors; a Vice-President; a Secretary; and a Treasurer. The President and Vice-President shall each be members of the Board of Directors; but the Secretary and Treasurer may be drawn either from the Board or from the membership-at-large.

SECTION IV

The President, Vice-President, Secretary and Treasurer, each of whom shall be elected by vote of a majority of the Board of Directors, shall serve until the first meeting of the Board of Directors following the next annual meeting of the membership, or until their successors shall be elected and shall qualify.

SECTION V

So long as any stock is held in trust by the Poinsettia Community Club in its trust arrangement with Poinsett Realty Company said Company shall have the right to have one of its appointees attend meetings of the Board of Directors as a non-voting member.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS AND OFFICERS

SECTION I

The Board of Directors in its corporate capacity shall exercise all the powers of the Association and make necessary rules and regulations not inconsistent with the law, or these By-laws; no Director in his/her individual capacity shall attempt to deal with members of the Association, employees, or others in behalf of the Association unless authorized to do so by the Board of Directors.

SECTION II

The Board of Directors shall hold its annual meeting each year immediately following the annual meeting of the membership. Thereafter, the board shall hold regular meetings. The Board shall meet a minimum of three (3) times during the year.

SECTION III

At all Director's meetings, a quorum shall consist of five (5) members of the board, and a majority of such quorum may decide any questions that may come before the meeting.

SECTION IV

The Directors shall designate a replacement for the unexpired term until the next annual membership meeting of any vacancy created by death, incapacity, resignation or removal of any Director or Officer of the Association.

SECTION V

When any Director shall have three (3) consecutive absences from the meetings of the Board of Directors, his/her office as Director may be declared vacant by a majority vote of the Board.

SECTION VI

To conduct studies and formulate appropriate recommendations concerning various facets of the affairs of the Association, the Board of Directors shall appoint, from its own membership or from other members of the Association, such committees as it deems necessary and desirable. Responsibility for actions taken as a result of such studies and recommendations shall rest on the committees themselves; however, but shall remain unequivocally in the Board of Directors.

SECTION VII

The Board of Directors shall dispense operating funds as the majority sees fit, but cannot dispense capital funds of more than Three Thousand Dollars (\$3,000.00) annually without the general membership approval.

SECTION VIII

The board of directors shall select one or more banks to act as depositories of the funds of the Association and determine the manner of receiving, depositing, and disbursing the funds in the form of checks, and the person or persons by whom the same shall be signed when not signed by the Treasurer, as provided herein. In every case, the banks selected shall be a member of the Federal Deposit Insurance Corporation or the successor thereof. All accounts shall provide for counter signatures of all checks by two officers of the Association.

SECTION IX

The President shall be the executive head of this Association and as such shall:

- (A) Preside at all meetings of the Association and of the Board of Directors;
- (B) Call special meetings of the Board of Directors and of members of the Association;
- (C) Sign, with the Treasurer, all checks, contracts, promissory notes, deeds, and other instruments on behalf of the Association, except those which the Board of Directors specifies may be signed by other persons in the absence of the President or Treasurer;
- (D) Perform all acts and duties usually required of an executive to insure that all orders and resolutions of the Board are carried into effect; and

- (E) Serve as an ex-officio member of all committees.

SECTION X

The Vice-President shall, in the absence of the President, assume all of the responsibilities and perform all of the other acts and duties usually required of the President. Should both the Vice-President and the President be absent from any meeting, the Directors shall elect from their number a person to act as Chairman of the meeting.

SECTION XI

The Secretary shall:

- (A) Attend all meetings of the members of the Association and of the Board of Directors and keep or cause to keep all records and minutes or proceedings thereof;
- (B) Attend to all correspondence on behalf of the Board, issue notice of meetings, and prepare the regular annual statements of the affairs of the Association;
- (C) Pursue such other duties as the Board of Directors may determine and on all occasions, in the execution of his/her duties, act under the superintendance, control, and direction of the Board;
- (D) Have custody of the minute books of the meetings of Directors and members, which books shall at all reasonable times be available for the information of the Association members; and
- (E) Review written proxies to assure validity.

SECTION XII

The Treasurer shall:

- (A) Attend all meetings of the Association and of the Board of Directors;
- (B) Receive such sums of money as may be paid into his/her hands for the account of the Association and disburse such funds as may be ordered by the Board, taking proper vouchers for such distributions and be custodian of all securities, contracts and other important documents pertaining to the business of the Association, which documents he/she shall keep safely deposited in a fireproof safe or vault;
- (C) Supervise the keeping of accounts of all the financial transactions of the Association in books belonging to the Association, and deliver such books to his/her successor, he/she shall prepare and distribute to all the members of the Board at least ten (10) days before each annual meeting of the members, and whenever else required, a summary of the financial transactions and conditions of the Association for the preceding year; he/she shall make a full and accurate report of all matters and business pertaining to his/her office to the members at the annual meeting and make all reports required by law;
- (D) Deposit all funds of the Association in the name and to the credit of the Association in such depositories as shall be designated by the Board of Directors;
- (E) Sign as Treasurer all checks and, with the Presidents, sign all contracts, promissory notes, deeds, and other instruments on behalf of the Association except those which the Board of Directors specifies may be signed by other persons;
- (F) Furnish the Association with indemnity bonds against loss for such amounts as may be required by the Board of Directors at the expense of the Association; and
- (G) Perform such duties as may be required of him/her by the Association or the Board of Directors.

SECTION XIII

Nothing in these By-laws shall be construed to permit the Board of Directors to borrow or pledge the credit of the Association without the specific approval of the membership at the duly held meeting.

SECTION XIV

The Board of Directors may elect from time to time, such assistant secretaries, assistant treasurers, or other officers to perform such duties as the Board may deem necessary or desirable.

ARTICLE VIII

FINANCE

SECTION I

This Association shall be a non-profit Association and no dividends shall ever be declared.

SECTION II

The books and accounts of the Association may be audited by a public accountant selected by the Board of Directors and the report and result of this audit shall be made available to the membership.

ARTICLE IX

ANNUAL DUES AND ASSESSMENTS

SECTION I

Dues to support the operation and maintenance of facilities and to permit the creation of reasonable reserves for contingencies shall be Thirty Dollars (\$30.00) per membership year. Dues must be paid by the 1st day of May each year, with 50% required by the first day of March. For the ensuing years, annual dues shall be fixed by the Board of Directors at the annual meeting. Any member of the corporation may withdraw at any time, subject to the provisions of Article IV and there shall be no refund of the current year's dues.

SECTION II

No assessments shall be levied; however, except by affirmative vote of a majority of the members casting their ballots in person or by proxy at a meeting called for such purpose and held after due written notice to the membership.

SECTION III

Nonpayment of dues or assessments as specified shall bar a member and his/her family the use of the Association's facilities and bar him/her from voting privileges. Before reinstating a member who has been suspended for nonpayment of dues, the Board shall charge 10% of delinquency as a late charge.

SECTION IV

For new members only, dues would be pro-rated after July 1, at a reduction of 1/3 (one-third) the annual dues. After August 1, the reduction would be 2/3 (two-thirds) the annual dues.

ARTICLE X

GUESTS

Guest rules shall be determined by the membership at the annual meeting, or by a special meeting defined in Article V, Section II.

ARTICLE XI

SUSPENSION OR REVOCATION OF THE USE PRIVILEGE

SECTION I

The Board of Directors may deny the use of the recreation facilities of the Association to any person upon finding that he/she has violated the regulations of the Association of that such action is necessary to carry out the principal purpose of the Association as expressed in these By-laws. It is the intent of this Section that each member of the Association shall be responsible for the actions of other members of his/her family or his/her guests.

SECTION II

Any person against whom action under this Article is contemplated shall be given at least five (5) days advanced notice of the proposed action and shall be provided a reasonable opportunity to be heard or to be represented at the meeting of the Board in which the proposed action is to be initiated. Only upon written request of the alleged offender, unanimously concurred in by all Directors present at any regular or special meeting of the Board, shall the requirement of Five (5) days be waived.

SECTION III

Denial of privileges to any person for more than two (2) weeks shall be only by action of at least two-thirds (2/3) of the Directors at the meeting, the notice of which includes the proposed action. Any person whose privileges have been permanently revoked by the Board may file a written petition for a membership meeting for the purpose of reviewing the action taken by the Board of Directors. This petition shall require at least ten (10) members and the notice of such membership meeting will include the fact that a petition has been filed for this meeting. If a majority of the members voting at this meeting shall oppose the action of the Board, the permanent revocation shall be declared void.

SECTION IV

If the privileges of any person are permanently revoked, the Association shall promptly offer to repurchase the Active stock, if any, held by such person at the price to be computed and paid in the manner detailed in Article IV concerning Transfer of Membership.

SECTION V

Anything in the Article to the contrary notwithstanding, the Board of Directors may suspend or delegate to an appropriate committee or person the power to suspend, for periods not exceeding one week, any person found violating the regulations of the Association. Should the occasion warrant, such suspensions may be made immediately and without hearing. However, if such suspension is made without hearing, then it shall be the obligation of the person making the suspension to contact the suspended person or the guardian or parent of a suspended minor, accused of the offence and provide them with an opportunity to have a hearing.

ARTICLE XII

USE OF THE RECREATION FACILITIES OF THE ASSOCIATION

SECTION I

Members shall be eligible to use the recreation facilities of the Association in accordance with the published regulations of the Association upon payment of the fees fixed by the By-laws.

SECTION II

Upon notice and approval of the Board of Directors, members may temporarily assign their membership to renters of their homes, thereby relinquishing their own rights thereunder during the period of assignment. The renters to whom such assignments may have been made shall be considered members for all purposes except voting during the period of assignment and may use the facilities accordingly. Such renters shall be signatories of a valid lease agreement.

SECTION III

The Corporation assumes no responsibility, and no members or guests can have any claim against the Corporation for accidents or injuries or for property of any said party which may be brought into or left on the Corporate premises.

SECTION IV

Poinsettia Community Club will not allow commercial rental of club facilities.

ARTICLE XIII

RECORDS AND REPORTS

SECTION I

All records of the Association shall be open to members at reasonable hours.

SECTION II

Full and complete disclosure of their activities relative to the operation of the Association shall be made by committees and employees to the Board of Directors, and by the Directors and Officers to members at the annual meeting of the Association.

ARTICLE XIV

AMENDMENTS

These By-laws may be amended by a two-thirds (2/3) vote of the quorum present at any regular or special meeting. Amendments may be proposed by the Board of Directors or by petition signed by at least twenty percent (20%) of the members, containing the exact text of the proposed amendments, provided copies of the proposed amendments are mailed or otherwise delivered, together with an appropriate notice of the meeting, to all members of record not less than three (3) days before the amendments are to be voted on.

ARTICLE XV

DURATION AND DISSOLUTION

SECTION I

The Association shall exist perpetually unless dissolved in accordance with these By-laws or by decree of a court of law having jurisdiction.

SECTION II

The Association may be dissolved only with the assent given in writing and signed by two-thirds (2/3) of the members. Written notice of the proposal to dissolve shall be mailed to every member at least ninety (90) days in advance of any action taken.

SECTION III

In the event of dissolution, the residual assets of this organization will be turned over to another organization which is itself exempt from federal income tax as an organization described in Section 501 of the Internal Revenue Code of 1954 or the corresponding provisions of any prior or future Internal Revenue Code, or the federal, state, or local government for exclusively public purpose.

ARTICLE XVI

TRUST AGREEMENT WITH POINSETT REALTY COMPANY

SECTION I

Notwithstanding and provisions of these By-laws to the contrary, the officers are authorized to enter a Trust Agreement with Poinsett Realty Company, whereby said Company shall pay the Club Three Hundred Dollars (\$300.00) at the time of sale of any of its lots in Poinsettia Subdivision, Sections, I, II, III, IV, and V, and the Club shall hold one share of stock (Membership Certificate) in trust for the owner of the designated lot.

SECTION II

The officers are authorized to agree to such other terms and conditions as they deem advisable in order to carry out the provisions of this Article.

SECTION III

- (A) Having entered an agreement with Ralph S. Hendricks, developer of Wagon Creek Subdivision, the Poinsettia Community Club offers special pool memberships to the resident homeowners of said Wagon Creek.
- (B) * Dues for Wagon Creek Subdivision shall not exceed Twelve and on-half (12.5%) percent above set dues of Poinsettia Community Club.
- (C) * A ten percent (10%) penalty will be charged for one-half (1/2) of dues not received by March 1 and May 1.
- (D) * A maintenance fee determined by the Poinsettia Community Club Board of Directors will be imposed for residents of Wagon Creek Subdivision who elect to become inactive. An inactive member may reactivate at any time past maintenance fees are paid. No part of the maintenance fees shall exceed annual dues at that time.
- (E) * Wagon Creek Members shall have no voting rights in Poinsettia Community Club as established in its By-laws.
 - * references refer to Wagon Creek Subdivision