

MOUNTAIN LAKES COMMUNITY ASSOCIATION
BY LAWS

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ARTICLE I

NAME AND LOCATION

Section 1. Name. The name of the corporation is Mountain Lakes Community Association, hereinafter referred to as the "Association."

Section 2. Location. The principal office of the Association shall be located in Oconee County, South Carolina. The registered office of the Association may be, but need not be, identical with the principal office.

Section 3. Nonprofit Organization. As a nonprofit association organized pursuant to the provisions of the South Carolina Nonprofit Corporation Code, Mountain Lakes Community Association, shall have no capital stock and no shareholders. The Association may pay reasonable compensation to individuals and businesses for services rendered and may make payments and distributions in furtherance of its stated purpose.

ARTICLE II

PURPOSE

To enhance and protect our lifestyle quality,
by sharing and communicating information of general interest
on issues that impact the lakes, property values, and living environment
around our lakes and in our counties.

We seek to leverage our collective knowledge, resources and
influence in political, legislative and purchased service areas to
achieve this mission.

ARTICLE III

MEMBERSHIP

Section 1. Our targeted membership is defined as property owners (subdivisions, neighborhoods and individuals) on or adjacent to lakes within or touching Oconee County. It is strongly encouraged that members are presidents or primary officers of homeowners associations, or are appointed by them to represent their associations. Representatives of neighborhoods who do not have structured homeowners associations and individual homeowners whose property is not part of an association are also eligible for membership as well as other individuals who share the mission statement objectives.

Section 2. Dues will be assessed by the Board on an annual basis and may be assessed according to the number of property owners in a subdivision, whether a subdivision or neighborhood has an organized homeowner's association, or a combination thereof.

Section 3. All members are eligible to vote and are hereafter referred to as Voting Members.

ARTICLE IV

MEMBERSHIP MEETINGS

Section 1. Annual Meetings. The Association shall hold an annual meeting of the Voting Members each year beginning in 2010, on a date as determined by a vote of the initial Board of Directors, and each subsequent regular annual meeting of the Voting Members shall be held during that same designated month each year thereafter, or on such other date as determined by a vote of the Board of Directors.

Section 2. Special Meetings. Special meetings of the Voting Members may be called at any time by the President or by the Board of Directors, or upon written request of a minimum of 25% of all Voting Members.

Section 3. Place of Meetings. All meetings of the Voting Members shall be held at such place, within Oconee County, South Carolina as shall be determined by the Board of Directors.

Section 4. Notice of Meetings. Written or email notice of each meeting of the Voting Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of said notice, postage prepaid, or emailing said notice not less than ten (10) days nor more than sixty (60) days before the date of such meeting to each Member, addressed to the mailing or emailing address last appearing on the books of the Association, or supplied by such persons to the Association for the purpose of notice. Each Member shall be encouraged to send Notice of the Meeting to the Property Owners within his/her community. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at the meeting of one quarter (1/4) of Voting Members entitled to cast, or of proxies entitled to cast, votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation or these Bylaws.

Section 6. Proxies. At all meetings of Voting Members, each Voting Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Email proxies sent from a Voting Member's email address will be accepted as authenticated written proxies, even if they are not signed. Every proxy shall be revocable and expire at the conclusion of the designated meeting for which the proxy was established.

Section 7. Action by Voting Members. Except as provided otherwise in the Articles of Incorporation, any act or decision approved by a vote of no less than a majority of all votes present at a duly held meeting of the Voting Members at which a quorum is present shall be regarded as the act of the Voting Members.

Section 8. Waiver of Notice. Any Voting Member may, at any time, waive notice of any meeting of the Voting Members in writing and such waiver shall be deemed equivalent to the giving of such notice.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Number. The business and affairs of the Association shall be managed by a board with a minimum of seven directors who shall be Members. Additional board members may be added for a one year term or for a term determined by the Board or by majority vote at the annual meeting, as long as the total number of board members is an odd number.

Section 2. Initial Directors. The initial directors shall be selected by the founders of the Association and shall serve from the date upon which the Association is registered to conduct business in the State of South Carolina until such time as their successors are duly elected and qualified.

The names of the persons who shall serve on the initial Board of Directors until successors are duly elected and qualified are as follows:

Name	Address
Steve MacLeod	Waterford Pointe
Sharon Hamilton	Port Santorini
Charles Lovelace	Emerald Pointe
Paul Corbeil	Keowee Key
Gene Blair	Chickasaw Point
Don Owen	South Cove Shores
Bob Royer	Beacon Shores

Section 3. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee appointed by the Board. This committee shall consist of a Chairman, who shall be the current President of the Association, and two or more Members of the Association. Nominations also may be made from the floor at the Annual Meeting. The Nominating Committee shall be appointed by the Board of Directors at each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 4. Election. Except as provided in Section 2, directors shall be elected at the annual meeting of the Voting Members by ballot. At such election, each Voting Member or his/her proxy may cast one vote for each vacancy of a Board position. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5. Term of Office. Each director shall hold office for the term for which he/she was elected, or until his/her death, resignation, retirement, removal, disqualification or until his/her successor is elected and qualified. **At the first Annual Meeting, the Voting Members shall elect four (4) Members of the Board of Directors for a term of three (3)**

years, who shall be the persons receiving the first, second, third, and fourth largest number of votes, four (4) Members of the Board of Directors for terms of two (2) years, who shall be the persons receiving the fifth, sixth, seventh, and eighth largest number of votes, and three (3) Members of the Board of Directors for a term of one year who shall be the persons receiving the ninth, tenth, and eleventh largest number of votes. At all annual elections thereafter, directors shall be elected by the Members to succeed the directors whose terms then expire. At subsequent annual meetings, the directors elected will serve for a term of three (3) years. Nothing herein contained shall be construed to prevent the election of a director to succeed himself.

Section 6. Removal. Any director may be removed from the Board, by a majority vote of the Voting Members of the Board.

Section 7. Powers. The Board of Directors shall manage the business and affairs of the Association and may exercise all powers of the Association, subject to any restrictions imposed by law, by the Articles of Incorporation, or by these Bylaws.

Section 8. Meetings of Directors. The first meeting of each new Board of Directors for the purpose of electing officers of the Association, and transacting such other business as may be brought before the meeting shall be held following the Annual Meeting of the Membership. The Board of Directors may, by resolution, provide for the time and the place of other regular meetings, and no notice of such regular meetings need be given.

Section 9. Special Meeting of Directors. Special meetings of the Board of Directors may be called by the President or by a majority of Directors, and written notice of the time and place of such meeting shall be given to each Director by first class mail, email notification, or in person at least two (2) days before the meeting. Any Director may execute a waiver of notice either before or after any meeting, and shall be deemed to have waived notice if he or she is present at such meeting. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be stated in the notice or waiver of notice of such meeting. Any meeting may be held at any place within Oconee County, South Carolina.

Section 10. Quorum. A majority of the Directors in office at any time shall constitute a quorum for the transaction of business at any meeting. When a quorum is present, the vote of a majority of Directors present shall be the act of the Board of Directors, unless a greater vote is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 11 . Action of Board without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting with the written or emailed consent of a majority of the Directors and filed with the minutes of the proceedings of the Board of Directors or committee. Such consent shall have the same force and effect as an affirmative vote of the Board of Directors or committee, as the case may be.

Section 12. Committees. The Board of Directors, by resolution adopted by a majority of all of the Directors, may appoint committees as it deems necessary or desirable. Any committee so designated shall serve at the pleasure of the Board of Directors and may

exercise such authority as is provided by these Bylaws or delegated by the Board of Directors.

Section 13. Telephone and Email Conference Meetings. The members of the Board of Directors or any committee thereof may participate in a meeting of the Board or committee by means of telephone conferences or email communications that allow all persons to exchange views, and such participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 14. Filling Unexpired Terms. In the event of death, resignation, or removal of a Director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of the predecessor. The Members may elect a Director at any time to fill any vacancy not filled by the Directors.

Section 15. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties according to policy. The Board may hire temporary or permanent employees to help it conduct the Association's business.

ARTICLE VI

OFFICERS

Section 1. In General. The officers of the Association shall consist of a President, a Vice President, a Secretary, and a Treasurer. The President and Vice President shall be elected by the Board of Directors from its membership. The Board may appoint a Secretary and a Treasurer and such other officers or assistant officers as may be required. The Secretary and Treasurer may be members of the Board but are not required to be. Each officer shall hold office until his or her successor has been elected or appointed and qualified, or until his or her earlier resignation, removal from office or death.

Section 2. President. The President shall be the Chief Executive Officer of the Association and shall give general supervision and direction to the affairs of the Association, subject to the direction of the Board of Directors.

Section 3. Vice President. The Vice President shall act in the case of the absence or disability of the President and shall have other duties as may be assigned by the President or the Board of Directors.

Section 4. Secretary. The Secretary shall give notice of all meetings of the Board of Directors for which notice is required, shall keep the minutes of the proceedings of the Board of Directors, and shall maintain the general records of the Association, except those required to be in the custody of the Treasurer. The Secretary shall sign and execute all documents that require the Secretary's signature and execution.

Section 5. Treasurer. The Treasurer shall be responsible for the maintenance of proper financial books and records of the Association, and shall have custody of its funds and other assets.

Section 6. Other Authority and Duties. Each officer, employee and agent of the Association shall have such other duties and authority as may be conferred upon him or her by the Board of Directors or delegated to him or her by the President.

Section 7. Removal. Any officer may be removed from offices elected or appointed by the Board of Directors at any time by a majority vote of the Board, and such vacancy may be filled by the Board of Directors.

ARTICLE VII

DEPOSITORIES AND SIGNATURES

Section 1. Depositories. All funds of the Association shall be deposited in the name of the Association in such bank, banks, or other financial institutions as the Board of Directors may from time to time designate and shall be drawn out on checks, drafts, or other orders signed on behalf of the Association by such person or persons as the Board of Directors may from time to time designate.

Section 2. Execution of Legal Instruments. All contracts, deeds and other instruments shall be signed on behalf of the Association by the President or by such other officer, officers, agent or agents as the Board of Directors may from time to time provide.

ARTICLE VIII

INDEMNITY

Liability of the Board. The members of the Board of Directors shall not be liable to any members for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Members shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract or other action made by them on behalf of the Association, except to the extent that they are Voting Members of the Association.

Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (including any action by or in the right of the corporation), by reason of the fact that he or she is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Association against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith in a manner reasonably believed to be in or not opposed to the best interests of the Association (and with respect to any criminal action or proceedings, if he or she had no reasonable cause to believe his or her conduct was unlawful), to the maximum extent permitted by and in the manner provided by the South Carolina Nonprofit Corporation Code, and, if applicable, Section 4941 of the United States Internal Revenue Code.

ARTICLE IX

AMENDMENT OF ARTICLES OF INCORPORATION OR BYLAWS

The Board of Directors shall have the power to alter and amend the Articles of Incorporation or Bylaws and to repeal the Bylaws or to adopt new bylaws. Action by the Directors with respect to the Articles of Incorporation or Bylaws shall be taken by an affirmative vote of a majority of all of the Directors then in office.

ARTICLE X DISSOLUTION

Section 1. Dissolution. Dissolution of the Association shall be effected by a two-thirds affirmative vote of the Voting Members at an Annual Meeting or at a Special Meeting duly called for that purpose as identified above in Article IV, Section 2; provided all members have received advance notification of the vote. Upon such a vote, the Association should attempt to wind down its affairs by the end of the current fiscal year, if possible. If there are on-going matters that preclude an immediate dissolution, then the Association must stay in existence until such time that the matters are resolved.

Section 2: Asset Distribution. Upon dissolution of the Association, its property and assets shall be distributed as follows:

- a. All liabilities and obligations of the Association shall be paid, satisfied and discharged or adequate provision made for the satisfaction of all debts of the Association.
- b. Assets held by the Association requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed.
- c. Any remaining assets shall be distributed among such charities and/or tax-exempt institutions whose purposes are, in whole or in part, compatible with those of the Association as determined by a simple majority vote of the Board of Directors.

ARTICLE XI

RULES OF PROCEDURE:

Section 1. Policies and Procedures. Any policies or procedures not contrary to law or these bylaws may be approved or amended by a simple majority vote of the Board of Directors. Written notification of policy or procedure changes will be provided to Voting Members at the next Annual or Special Meeting of Voting Members after such changes have been approved.

Section 2. Meeting Procedure. Any meeting of the Association and/or its officers shall be conducted in accordance with any generally accepted procedure agreed upon by the Board of Directors and announced to the Voting Members, except that the President shall in all events be a full voting member of the Board of Directors.

ARTICLE XII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.