

DECLARATION OF COVENANTS AND RESTRICTIONS
OCEANWOOD SUBDIVISION, KIAWAH ISLAND,
SOUTH CAROLINA, AND PROVISIONS FOR THE
OCEANWOODS HOMEOWNERS' ASSOCIATION, INC.

THIS DECLARATION, made this 23rd day of November, 1977, by Oceanwoods Homeowners' Association, Inc., a South Carolina non-profit corporation, hereinafter called "Association", and Kiawah Island Company Limited, hereinafter called "Company".

W I T N E S S E T H :

WHEREAS, Company is the owner of the real property described in Article II of this Declaration and is creating thereon a planned development neighborhood community with residential houses known as "Oceanwood Subdivision", and sometimes "Oceanwoods"; and

WHEREAS, Company desires to provide a vehicle for the preservation of values, in said subdivision, and for the maintenance of certain services within said subdivision; and

WHEREAS, Company has caused to be incorporated under the laws of the State of South Carolina, a non-profit corporation, Oceanwoods Homeowners' Association, Inc., for the purpose of exercising the functions aforesaid, which are hereinafter more fully set forth;

NOW, THEREFORE, the Company declares that the real property described in Article II and such additions thereto as may hereinafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject, among others, to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations and liens (hereinafter sometimes referred to as "the Covenants") hereinafter set forth.

ARTICLE I

DEFINITIONS

The following words and terms, when used in this Declaration or any supplemental declaration (unless the context shall clearly indicate otherwise), shall have the following meanings:

- (a) "Association" shall mean and refer to Oceanwoods Homeowners' Association, Inc., a South Carolina non-profit corporation, its successors and assigns.
- (b) "Kiawah Island" shall mean and refer to all the lands in Charleston County, South Carolina, which are shown as a part of Kiawah Island on the Company's Master Development Plan as revised from time to time.
- (c) "Company" shall mean and refer to Kiawah Island Company Limited, a corporation duly organized and existing under the laws of the Territory of the British Virgin Islands, its successors and assigns.
- (d) The "Properties" shall mean and refer to the existing property described in Article II hereof, and any additions thereto, as subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof.
- (e) "Dwelling Unit" shall mean and refer to any building situated upon a lot within the Properties intended for use and occupancy by a single family.
- (f) "Property Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations, partnerships, or other legal entities, of the fee simple title to any Dwelling Unit but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "Property Owner" mean or refer to any lessee or tenant of a Property Owner.

(g) "Member" shall mean and refer to all those Property Owners who are Members of the Association as provided in Section 1 of Article III hereof.

ARTICLE II

PROPERTY

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these Covenants, is located on Kiawah Island, Charleston County, South Carolina, and is more particularly described in Exhibit A hereto attached and by reference incorporated herein.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions. The Company, its successors and assigns shall have the right, without further consent of the Association, to bring within the plan and operation of this Declaration additional properties in future stages of the development which are immediately contiguous and adjacent. The additions authorized under this and the succeeding subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Covenants and Restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Company, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration.

(b) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or unconsolidated association may administer the Covenants and Restrictions established by this Declaration within the Properties, as herein provided.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. The Company and every person or entity who is a record owner of a fee simple or undivided fee simple interest in any Dwelling Unit which is subject by the Covenants to assessment by the Association shall be a Member of the Association, provided that any such person or entity who holds such title or interest merely as a security for the performance of an obligation shall not be a Member of the Association.

Section 2. Voting Rights. Members shall be entitled to one vote for each Dwelling Unit in which they hold the interest required for membership by Section 1 of this Article. When more than one person holds such interest or interests in any Dwelling Unit, all such persons shall be Members and the vote for such Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Dwelling Unit. When one or more co-owners sign a proxy or purports to vote for his or her co-owners, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in writing to the Secretary of the Association before the vote is counted. If co-owners disagree as to the vote, the vote shall be split equally among the co-owners.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Company, for each Dwelling Unit owned by it within the Properties, hereby covenants and each Owner of any Dwelling Unit shall, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance,

be deemed to covenant and agree to all the terms and provisions of these Covenants and to pay to the Association: (a) the sum of \$216 per year, payable pursuant to Section 7 hereof and continuing thereafter to defray (i) the estimated costs of maintaining the landscaping of each Dwelling Unit and maintaining the grounds free of weeds, limbs and debris, (ii) and to defray administrative costs such as record keeping and any managerial fees incurred; (b) such additional annual or special assessment as shall be determined and set by the Association from time to time.

The annual and special assessments, together with such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the land and all the improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection therefor as hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. In the case of co-ownership of a Dwelling Unit, all of such co-owners of the Dwelling Unit shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used to defray, as aforesaid, the costs to the Association of general grounds maintenance of the Properties including general cleaning up, landscaping, removal of limbs, weeds and other debris from the Properties, (the cleaning of streets within the Properties being the obligation of the Kiawah Island Community Association, Inc.), and shall also be used to defray administrative costs and for such other matters as the Association shall determine as being in the best interest of the members, such as pest control within the Dwelling Units and a uniform casualty insurance policy covering all of the Dwelling Units at a lesser expense than the same can be insured through individual policies.

Section 3. Maximum Assessments. The maximum authorized annual assessment may be increased each year by 5% thereof or by such amount as shall be authorized by a majority vote at the annual meeting of the Board of Directors.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year at a lesser amount, but such action shall not constitute a waiver by the Association of its right to revert to the full assessment for the remaining year or years of the then-current period fixed as provided in the preceding paragraph.

Section 4. Change in Basis and Maximum of Annual Assessments Upon Merger or Consolidation. The limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under Article II, Section 2 hereof, and under the By-Laws of the Association.

Section 6. Quorum for any Action Authorized. The presence at the meeting of Members, or of proxies, entitled to cast fifty-one (51%) percent of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting, another meeting may be called upon written notice thereof to all members at least 30 days in advance setting forth the purpose of the meeting, subject to the notice requirement set forth in Section 4 hereof.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence on the date (which shall be the first day of the month) fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first year, shall become due and payable the first day of January of said year.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Dwelling Unit for each assessment period and shall, at that time, prepare a roster of the Properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Property Owner.

Written notice of the assessment shall be sent to every Property Owner subject thereto.

The Association shall, upon demand at any time, furnish to any Property Owner liable for said assessment a certificate in writing signed by an Officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect on Non-Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when due then such assessment shall become delinquent and shall (together with interest thereon at the rate of eight (8%) percent per annum from the due date and cost of collection as hereinafter provided) become a charge and continuing lien on the land and all improvements thereon, against which each such assessment is made. The personal obligation of the Property Owner at the time of the assessment to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within sixty (60) days after the due date, the Association may bring an action at law against the Property Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

ARTICLE V

GENERAL PROVISIONS

Section 1. Duration and Amendments. The Covenants and Restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company or the Property Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said Covenants shall be automatically extended for successive periods of ten (10) years unless three-fourths (3/4) of the vote of the annual meetings approves a change in the Covenants and Restrictions. The Covenants may be amended at any time if three-fourths (3/4) of the vote at a duly called meeting of the Association approves the change. Provided, however, that no such agreement to change shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change and unless written notice of the proposed agreement is sent to every Property Owner and the Company at least thirty (30) days in advance of any action taken. During the period ending one year from the date these Covenants are recorded the Company may amend or add to these Covenants, without the consent of the membership, to clarify or make provision for any item which the Company, in its sole discretion, considers necessary or desirable. The Company shall not, by reason of the power herein reserved, have the right to alter the amount or method of making annual or special assessments.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, postpaid, to the last known address of the person who appears as Member or Property Owner on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a Dwelling Unit shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to each Member either personally, by telephone, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the Association. Each Member shall register his address with the Secretary and notices of meetings shall be mailed to such address. Notice of any meeting, regular or special, shall be mailed at least fifteen (15) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve and be governed by the Articles of Incorporation or by the Covenants applicable to the Properties, or any action for which other provision is made in these By-Laws, notice of such meeting shall be given or sent as therein or herein provided.

Section 4. The presence at the meeting of the Members entitled to cast or of proxies entitled to cast fifty-one (51%) percent of the total votes of the Association shall constitute a quorum for any action governed by these By-Laws. Any action governed by the Articles of Incorporation or by the Covenants applicable to the Properties shall require a quorum as therein provided.

ARTICLE X

PROXIES

Section 1. At all corporate meetings of Members, each Member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the Member of his interest in the Properties.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the corporation, the year of its organization and the words "Corporate Seal, South Carolina".

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended or repealed and new By-Laws adopted at a regular or special meeting of the Members, by a majority of the vote present at a duly called meeting being cast in favor of such amendment or by the Company within two (2) years from the date of recordation of the Covenants, and provided that any matter stated herein to be or which is in fact governed by the Covenants, may not be amended except as provided in the Covenants.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control; and in the case of any conflict between the deeds from the Company to the Owners and these By-Laws, the deeds shall control.

ARTICLE XIII

FISCAL YEAR

The fiscal year of the Association shall be determined by the Board of Directors.

ARTICLE XIV

GENERAL

All meetings of the membership and of the Board of Directors shall be conducted in accordance with Roberts Rules of Order Revised.

EXHIBIT A

DECLARATION OF COVENANTS AND RESTRICTIONS
OCEANWOOD SUBDIVISION, KIAWAH ISLAND,
SOUTH CAROLINA, AND PROVISIONS FOR THE
OCEANWOODS HOMEOWNERS' ASSOCIATION, INC.

ALL those certain pieces, parcels or lots of land situate, lying and being in the County of Charleston, State of South Carolina, and known and designated as Units 456 through 486, inclusive, on a Plat by Coastal Surveying Co., Inc., dated March 9, 1977, and revised September 7, 1977, and October 13, 1977, entitled "Plat of Block 1, Tract 16, Oceanwood Subdivision, Located on Kiawah Island, Charleston County, South Carolina, Owned by Kiawah Island Company, Ltd., Kiawah Island, South Carolina 29455", recorded in Plat Book AJ at page 127, in the R.M.C. Office for Charleston County, S. C., and having such location, buttings, boundings, dimensions, courses and distances as will by reference to said plat more fully appear.

BY-LAWS
OF
OCEANWOODS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Oceanwoods Homeowners' Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Kiawah Island Company, Limited, Kiawah Island, South Carolina 29455, but meetings of Members and Directors may be held at such places within the State of South Carolina, County of Charleston, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The following words and terms, when used in these By-Laws or any supplemental set of by-laws (unless the context shall clearly indicate otherwise), shall have the following meanings:

- (a) "Association" shall mean and refer to Oceanwoods Homeowners' Association, Inc., a South Carolina non-profit corporation, its successors and assigns.
- (b) "Kiawah Island" shall mean and refer to all the lands in Charleston County, South Carolina, which are shown as a part of Kiawah Island on the Company's Master Development Plan as revised from time to time.
- (c) "Company" shall mean and refer to Kiawah Island Company Limited, a corporation duly organized and existing under the laws of the Territory of the British Virgin Islands, its successors and assigns.
- (d) The "Properties" shall mean and refer to the existing property described in Article II of the Declaration of Covenants and Restrictions and such additions thereto as are subjected to the Declaration or any supplemental declaration under the provisions of Article II thereof.
- (e) "Dwelling Unit" shall mean and refer to any building situated upon the Properties intended for use and occupancy by a single family.
- (f) "Covenants" shall mean and refer to the Declaration of Covenants and Restrictions applicable to the Properties recorded in the real estate records in the Office of the Register of Mesne Conveyance of Charleston County, South Carolina.
- (g) "Property Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations, partnerships or other legal entities, of the fee simple title to any Dwelling Unit but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "Property Owner" mean or refer to any lessee or tenant of a Property Owner.
- (h) "Member" shall mean and refer to all those Property Owners who are Members of the Association as provided in Article III, Section 1 of the Covenants.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership in the Association shall be as set forth in Article III, Section 1 of the Covenants.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner of and becomes a lien upon the property against which such assessments are made as provided by Article IV of the Covenants.

Section 3. The membership rights of any person whose interest in the Properties is subject to assessments under Article III, Section 2 hereinabove, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored.

Section 4. Voting rights in the Association shall be set forth in Article III, Section 2 of the Covenants.

ARTICLE IV

ASSOCIATION PURPOSES AND POWERS

Section 1. The Association has been organized to provide a vehicle to assure, through assessments, that the Properties known as "Oceanwood Subdivision", Kiawah Island, S. C. shall be maintained in an attractive, slightly condition, and to provide other certain benefits for its Members as set forth in Section 2 of Article IV of the covenants.

Section 2. Additions to Properties and Membership. Additions to the Properties described in Exhibit A attached to the Covenants may be made as provided in the Covenants. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such Properties.

Section 3. Mergers and Consolidations. Subject to the provisions of the recorded Covenants and Restrictions applicable to the Properties, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of a majority vote at a duly called meeting of the Association, written notice of which shall be mailed to all Members of the Association at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 4. Quorum. The quorum required for any action governed by these By-Laws shall be as follows, unless otherwise provided: At the first and succeeding meetings duly called as provided herein, the presence of Members or of proxies entitled to cast fifty-one (51%) percent of the total vote of the Association shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth herein-after.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Board of Directors: Selection; Terms of Office. The affairs of the corporation shall be managed by a Board of Directors. The initial Board of Directors shall consist of three (3) Directors who shall hold office until the election of their successors for the terms stated in this section. Beginning with the first annual meeting, the Members shall elect five (5) Directors, three for a term of two years (to be elected in one election), and two for a term of one year each (to be elected in a second election), the names receiving the largest number of votes shall be elected.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by the majority of the remaining Directors and any such appointed Director shall hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

ARTICLE VI

POWERS AND DUTIES OF
THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have power:

- (a) to call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon request as provided in Article X, Section 2;
- (b) to appoint and remove at pleasure all officers, a managing agent, and other agents and employees of the Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever;
- (c) to establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2;
- (d) to exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the Members in the Charter of the Corporation, these By-Laws or the Covenants;
- (e) in the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors without excuse, the Board may, by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. It shall be the duty of the Board of Directors:

- (a) to cause to be kept a complete record of all its acts and corporate affairs; the expense of which shall be borne by assessments;
- (b) to supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
- (c) as more fully provided in Article V of the Covenants applicable to the Properties:
 - (1) to fix the amount of the assessment against each Dwelling Unit for each assessment period at least thirty (30) days in advance of such date or period;
 - (2) to prepare a roster of the Properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member;
 - (3) to send written notice of each assessment to every Property Owner subject thereto; and
 - (d) to issue upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE VII

DIRECTORS' MEETINGS

Section 1. The annual meeting of the Board of Directors shall be held at the discretion of the Board of Directors with ample notice given to each member.

Section 2. Ten (10) days' written notice of such annual meeting shall be given each Director.

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or whenever held, shall be as valid as through made at a meeting duly held after regular call and notice if a quorum is present, and, if either before or after the meeting, each of the Directors not present signs a written waiver or notice, or consent to the holding of such a meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE VIII

OFFICERS

Section 1. There shall be three Officers, a president, a vice president, and a secretary/treasurer. All Officers shall be members of the Board of Directors. The original officers shall be officers of the Company, but such officers shall resign at such time the organizational meeting of the Members is held and be replaced as herein provided.

Section 2. The Officers shall be chosen by a majority of the Directors.

Section 3. All Officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out. All checks and other written instruments shall be executed by the duly appointed managing agent of the Association.

Section 5. The Vice President shall perform all the duties in the absence of the President.

Section 6. The Secretary shall be ex officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the record of the Association. He shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members. The functions of the Secretary may be conducted by the managing agent.

Section 7. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business. The Treasurer shall monitor the actions of the managing agent in receiving and depositing in appropriate bank accounts all monies of the Association, and shall see to the proper disbursement of such funds by the managing agent.

ARTICLE IX

MEETINGS OF MEMBERS

Section 1. Organizational Meeting. The organizational meeting shall be held at such time as 75% of the Dwelling Units within the Property have been sold by the Company and within thirty (30) days therefrom upon fifteen (15) days written notice or by telephone, confirmed in writing.

Section 2. Special meetings of the Members for any purpose may be called at any time by the President, Vice President, Secretary or Treasurer, or by any two (2) or more members of the Board of Directors, or upon written request of one-fourth (1/4) of the total vote of the Association.

Section 3. Enforcement. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction either to restrain violation or to recover damage, and against the land to enforce any lien created by these Covenants; and failure by the Association or any Property Owner or the Company to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 4. Severability. Should any covenant or restrictions herein contained or any article, section, subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions which are hereby declared to be severable and which shall remain in full force and effect.

IN WITNESS WHEREOF, the Kiawah Island Company Limited has caused this instrument to be executed by its duly authorized officers the day and year first above-written.

WITNESSES:

Thomas M. Bessitt

Joel Ann Tove

KIAWAH ISLAND COMPANY LIMITED

By: Paul W. Bulley
As its Senior Vice President and
General Manager

ATTEST: Walter J. Parker
As its Vice President

The foregoing Declaration of Covenants and Restrictions is hereby approved and accepted as binding upon the Oceanwoods Homeowners' Association, Inc., its successors and assigns.

IN WITNESS WHEREOF, Oceanwoods Homeowners' Association, Inc., has caused this instrument to be executed this 23rd day of November, 1977, by its President and attested by its Secretary, and its corporate seal to be hereto affixed.

WITNESSES:

Thomas M. Bessitt

Joel Ann Tove

OCEANWOODS HOMEOWNERS' ASSOCIATION, INC.


By: Paul W. Bulley
As its President

ATTEST: Richard W. Kline
As its Secretary

THE STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PERSONALLY appeared before me Jo Ann Towe, who, on oath, says that she saw the corporate seal of KIAWAH ISLAND COMPANY LIMITED affixed to the foregoing instrument and that she also saw Frank W. Brumley as Senior Vice President and General Manager, and William F. Paulsen as Vice President sign and attest the same, and that she with Thomas G. Buist witnessed the execution and delivery thereof, as the act and deed of the said Corporation.

SWORN to before me this 23rd day
of November, 1977.



Notary Public for South Carolina
My commission expires: 11-25-79



THE STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PERSONALLY appeared before me Jo Ann Towe, who, on oath, says that she saw the corporate seal of OCEANWOODS HOMEOWNERS' ASSOCIATION, INC. affixed to the foregoing instrument and that she also saw Frank W. Brumley as President and Patrick W. McKinney as Secretary sign and attest the same, and that she with Thomas G. Buist witnessed the execution and delivery thereof, as the act and deed of the said Corporation.

SWORN to before me this 23rd day
of November, 1977.


Notary Public for South Carolina
My commission expires: 11-25-79



WITNESSES:

Thomas G. Buiist

Jo Ann Towe

OCEANWOODS HOMEOWNERS' ASSOCIATION, INC.

By: Frank W. Brumley
as its President

Attest: Patrick W. McKinney
as its Secretary

THE STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PERSONALLY appeared before me Jo Ann Towe, who, on oath, says that she saw the corporate seal of OCEANWOODS HOMEOWNERS' ASSOCIATION, INC. affixed to the foregoing instrument and that she also saw Frank W. Brumley as President and Patrick W. McKinney as Secretary sign and attest the same, and that she with Thomas G. Buiist witnessed the execution and delivery thereof, as the act and deed of the said Corporation.

Jo Ann Towe

SWORN to before me this 23rd day
of November, 1977.

Thomas G. Buiist
Notary Public for South Carolina
My commission expires: 11-25-79