

# BY-LAWS OF SUMMERFIELD OWNERS ASSOCIATION, INC.

## Article I: Name & Location

The name of the corporation is SUMMERFIELD OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located at 2955 Hartley Road, Suite 108, Jacksonville, Florida 32257, but meetings of Members and the Board of Directors may be held at such places within the State of South Carolina, County of Greenville, as may be designated by the Board of Directors.

## Article II: Definitions

The defined terms as set forth in the Declaration of Covenants, Conditions, and Restrictions, hereinafter referred to as the "Declaration", which is attached hereto and incorporated by reference, shall have the same meaning herein.

## Article III: Membership

Section 1. Membership. The Record Owner of a Residential Lot subject to the Declaration shall be a Member of the Association.

Section 2. Class of Membership. The Association shall have two classes of voting Members:

- a. Class A Member. Class A Members shall include all Owners, with the exception of the Declarant. Each Residential Lot receives one (1) vote. When more than one person holds an interest in any Residential Lot, all such persons shall be Members. The vote for such Residential Lot shall be exercised as the Owners determine, but in no event shall more than one vote be cast with respect to any Residential Lot.
- b. Class B Member. The Declarant shall be the sole Class B Member, and shall be entitled to three (3) votes for each Residential Lot owned. The Class B membership shall terminate and be converted to Class A membership upon the first occurrence of any of the following events:
  1. The number of Class A votes equals the number of Class B votes.
  2. Within six (6) months from that time when all the Residential Dwelling Units subject to this Declaration have been completed, have been conveyed to purchasers and no Residential Dwelling Units are under construction or offered for sale by the Declarant in the ordinary course of business.
  3. Ten (10) years from the date the Declaration was recorded in the Office of the Register of Deeds for Greenville County, South Carolina.

## **Article IV: Meeting of Members**

Section 1. Annual Meeting. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association. Thereafter, the Members shall hold at least one meeting annually, at such time and place as determined by the Board of Directors. Each subsequent meeting of the Members shall be held on the same day of the same month of each year thereafter, at a time set by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president, the Board of Directors, or upon the written request of ten (10%) percent of the Class A Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days but not more than thirty (30) days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing in the records of the Association, or supplied by each Member to the Association for the purpose of notice. Such notice shall specify the place, day and time of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty (30%) percent of the total votes of the membership shall constitute a quorum. If the required quorum is not present, Members entitled to vote shall have the power to adjourn until a quorum is present. Another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Residential Lot. A proxy will be valid for eleven (11) months unless otherwise provided; however, a proxy may not be valid for a period of more than eleven (11) months from the date of execution.

## **Article V: Board of Directors; Selection; Term of Service**

Section 1. Number. While Class B membership exists, the affairs of the Association shall be managed by a Board of not less than three (3) directors, appointed by the Declarant. Thereafter, the number of directors may be changed by a majority vote of a quorum of the Members.

Section 2. Term of Office. A director shall serve for an initial term of twelve (12) months.

Section 3. Removal. Upon the termination of the Class B membership, a director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for service rendered to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **Article VI: Nomination and Election of Directors**

Section 1. Nomination. After the termination of the Class B membership, nomination for election to the Board of Directors shall be made at the annual membership meeting.

Section 2. Election. After the termination of the Class B membership, election to the Board of Directors shall be by secret ballot from those names nominated at the annual meeting. At such election, the Members and their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **Article VII: Meetings of Directors**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held as set by the Board at such place and time, or as called by the president of the Association. Should any meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## **Article VIII: Powers and Duties of the Board of Directors**

Section 1. Powers. The Board of Directors shall have power to:

- a. Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b. Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- e. Employ a manager, an independent contractor, attorney, accountant, or such other employees as they deem necessary, and to prescribe their duties;
- f. Set special fees and charges for use of Common Areas, if necessary.

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

- a. Cause to be kept a complete record of all its acts and corporate affairs and to present statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested, in writing, by one-fourth (1/4) of the Class A Members who are entitled to vote;
- b. Supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;
- c. As more fully provided in the Declaration, to:
  1. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
  2. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- d. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. The

Board may make a reasonable charge for issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

- e. Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- f. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- g. Cause the Common Areas to be maintained, including the maintenance of any fence, landscaping and buffering located within.

## **Article IX: Officers and Their Duties**

Section 1. Offices. The officers of the Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board of Directors may from time to time designate.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for twelve (12) months unless or until resignation, removal, or disqualification occurs.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except the special offices pursuant to Section 4 of this article.

Section 8. Duties. The duties of the officers are as follows:

## **President**

- a. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

## **Vice-President**

- b. The vice-president shall act in the place of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

## **Secretary**

- c. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

## **Treasurer**

- d. 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; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

## **Article X: Indemnification**

To the fullest extent allowed by applicable law, the Association shall indemnify every officer of the Association and director of the Association against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding to which such officer or director may be a party by reason of being or having been an officer or director. The officer and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold

each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. This indemnification shall also include attorney's fees and expenses incurred in enforcing this indemnification. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

### **Article XI: Committees**

The Board of Directors shall appoint an Architectural Review Committee, and other such committees as is deemed appropriate.

### **Article XII: Books and Records**

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

### **Article XIII: Assessments**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Residential Lot against which the assessment is made. Any assessments, which are not paid when due, shall be delinquent. Any assessment not paid within ten (10) days of its due date shall be subject to a late fee of ten percent (10%) of the amount due. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of fifteen (15%) per cent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys fees of any such action shall be added to the amount of each such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

### **Article XIV: Corporate Seal**

The Association shall have a seal in circular form having within its circumference the words SUMMERFIELD OWNERS ASSOCIATION, INC.

### **Article XV: Amendments**

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present or by proxy, except

that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there exists a Class B membership.

### **Article XVI: Conflict**

Section 1. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

### **Article XVII: Dissolution**

Section 1. The Association may be dissolved by written ballot of not less than three-fourths ( $\frac{3}{4}$ ) of the voting Members in all classes, subject to the approval of the Federal Housing Administration or the Veterans Administration. Upon dissolution, the remaining assets shall be distributed to its members, or if there are no members, in accordance with South Carolina law.

### **Article XVIII: Miscellaneous**

The fiscal year of the Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December every year, except that the first fiscal year shall begin on the date of incorporation.

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Areas, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, I, *Gregory E. Matovina* being the *President* of the SUMMERFIELD OWNERS ASSOCIATION, INC., have hereunto set my hand this 29<sup>th</sup> day of *May, 2001*.

[WITNESSES ILLEGIBLE]