

**BYLAWS AND REGULATIONS OF
MOUNTAIN REST LAKE PROPERTY OWNERS' ASSOCIATION
2021**

ARTICLE I: GENERAL

Section 1—Name. The name of the corporation is **MOUNTAIN REST LAKE PROPERTY OWNERS' ASSOCIATION**, a South Carolina nonprofit corporation with its principal office in Oconee County, in the Community of Mountain Rest, South Carolina. The mailing address for the Association is P.O. Box 54, Mountain Rest, SC 29664, or as may be designated by the Board of Directors with advance written notice to Association Members.

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—Purpose. The purpose of the Mountain Rest Lake Association is, to manage and oversee all uses of the commonly owned lakes and properties, including maintenance, enforcement of any covenants, restrictions, rules or legal requirements; to manage and promote the quality of air, water and other natural resources for the benefit of future generations and to protect and represent the interests of property owners in Mountain Rest Lake Subdivision and others with lake rights.

Section 4— Private Property. It is to be understood that the Lake, and its common areas are the property of this Association, is Private Property. Nothing shall be done by this Association, or by any of its Members, which would deteriorate or otherwise compromise the Private Status of the Lake.

Section 5 – Association Limitations. This Association is organized for the purposes listed in Article 1 Section 3 only, and does not extend to individual lots which are the sole responsibility of Lot owners.

Section 6 – Association Assets. All assets of the Association shall be used in promoting the objectives of the Association, and no Member, Director or Officer shall have claim to such assets.

Section 7 – Amendments to Bylaws. These Bylaws may be amended at any duly-called meeting of the Association, provided that written notice is provided to the general Membership, not less than fifteen (15) days in advance of the meeting, along with documents showing the proposed amendment(s).

ARTICLE II: MEMBERS/MEMBERSHIP

Section 1 –Members shall consist of 113 individual lot owners (Lots No. 1 – 113) in the original Mountain Rest Lake Subdivision recorded in the Public Records of Oconee County, along with certain other individual lot owners shown on the Survey of Stephen R. Edwards recorded in Plat Book B462, at page 69, as of July 1, 2013 having deeded access to Mountain Rest Lake for boating, swimming and fishing, and who share an interest and concern for the purposes of the Association. Only paid Members in good standing shall receive meeting notices, attend Association meetings, have any meeting input, or right to vote. Any reference to “Members” or “Membership” in these Bylaws shall mean paid Members in good standing.

Section 2 – Subdivision. The division of a Deeded Member parcel, other than in the original Subdivision, shall result in an added number of Members, and all “division lots” shall become individual Members of the Association, with all the rights and responsibilities resulting there from. The party proposing to divide a parcel shall provide the Association the proposed division plan not less than sixty (60) days prior to such division, for the purpose of revising and recording the Membership rolls.

Section 3 – Association Privileges. Only Members of the Association, their families, and invited guests are entitled to enjoy the privileges offered by the Association.

ARTICLE III: VOTING/VOTING MEMBERS

Section 1 –Qualified Voting. Only Members, as described in Article II of these Bylaws are qualified to vote, on a “one Owner one vote basis.”

Section 2 –Proxies. Every Member entitled to vote or execute consents shall have the right to do so either in person, or by an agent or agents authorized by a written proxy executed by such Member to their duly authorized agent and filed in advance with the Secretary of the Association. No such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution.

ARTICLE IV: ORGANIZATION/OPERATIONS—

Section 1 –Board of Directors.

- A. The affairs of the Association shall be managed by a Board of Directors, under such rules as the Board may determine, subject to the specific conditions of these Bylaws. The Board of Directors shall consist of not less than Five (5) Members. Members are elected by the Membership of the organization. Directors shall serve three years, on staggered terms.
- B. Each Board Member is required to make a good faith effort to represent all Members of the association. No individual Board Member or Officer may act on behalf of the association without express permission and direction of the Board of Directors.
- C. No Board Member shall serve more than two consecutive three-year terms. A former Board Member may be re-elected after at least one year has lapsed since the end of the second term. A Board Member who is elected to an officer position is still subject to the two-term limit. A Board Member who has served more than half of an expired term of another Member shall be considered to have served the entire term.

Section 2 –Meetings of the Board. The board shall meet at least two times per calendar year and may meet more often at the call of the President or three Board Members, as necessary to conduct the business of the association. Board Members who find it impossible to attend a meeting in person shall notify the President in advance. Board Members unable to participate personally in a meeting will have the right to cast a vote by electronic or written ballot. The Board shall be responsible for determining the procedures for electronic or written ballots.

Section 3 – Board Vacancies. Director vacancies are to be filled by election at each annual meeting of Members. Any vacancy on the Board may be filled by appointment by the Board of Directors for the remainder of the unexpired term, or left vacant if less than six (6) months), and shall be elected at the annual meeting, by ballot received not less than fifteen (15) days prior, or from the floor, by a simple majority.

Section 4 –Attendance/Removal—

- A. One or more directors may be removed for a stated cause by the affirmative vote of a two thirds majority of the remaining members of the Board of Directors of the Corporation at a regular or special meeting of the Board of Directors, and where notice of a director’s intention to present a motion for removal has been given prior to the meeting of the board of directors. Absences of more than fifty (50) per cent of regular meetings may be considered cause for removal. A separate vote on removal must be made as to each director proposed for removal.
- B. Such vacancy shall be filled as in the case of a vacancy by resignation.

Section 5 – Officers. A meeting of the Board of Directors of the Association, for the election of officers and for other necessary business, is to be held on the same day as, and immediately following, the general Annual Membership meeting. It shall be called in the same notice in which the general Annual Membership Meeting of Members is called. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Only Members may be elected as Director or officer.

- A. **The President** of the Association shall have been a member of the Board for at least one year before being elected as President. This provision is effective one year following the initial

election of the board. The President shall have general supervision of the affairs of the association. The President shall preside at the annual and special meetings of the Association and shall represent the Association at all official functions. If the Secretary is absent, or unable to act, the President shall select one of the members of the Board to serve as a temporary Secretary.

- B. The Vice President** shall assist the President and shall preside at meetings of the Association and the Board in the absence or inability of the President.
- C. The Secretary** shall record and maintain minutes of meetings of the Membership and Board of Directors. It shall be the duty of the Secretary to keep all records of the Association and, upon the direction of the President, to issue the call for all meetings of the Membership and the Board of Directors. It shall be the duty of the Secretary to notify the Membership of fees and/or assessments which may be levied.
- D. The Treasurer** shall maintain all revenues of the Association and shall disperse expenditures as designated by the Board. The Treasurer shall be responsible for the collection of all monies from the Membership and other persons participating in the program of the Association. The Treasurer shall present a year-end balance sheet and operating statement at each annual meeting of the Association. In addition, the Treasurer shall present an operating and reserve budget for the upcoming year, for approval by the Board of Directors to be presented for adoption.

Section 6 – Board Budget to Members. At each Annual Meeting of the Members, the Board of Directors shall present its annual operating budget and reserve budget to the Members of the Association, together with all dues and special assessments required for the raising of funds to meet annual budgets. Such budgets shall be the basis of annual membership dues as outlined in these Bylaws.

Section 7 – Organized Committees. Committees may be standing committees or ad-hoc committees as dictated by the circumstance. Any standing committee shall be appointed from the Membership by the Association President. Standing committee members may or may not be Directors, except however that at least one Director shall serve on any standing committee. A Director must chair any standing committee. Ad-hoc committees may consist of Members outside the Board or Membership in situations where they provide needed expertise in a given situation.

Section 8 – Compensation/Conflicts of Interest. No Director, Officer or committee member shall receive any salary or other compensation in their duty. No person or vendor shall be hired or contracted by the Association where a conflict of interest, or appearance of conflict of interest, may exist.

Section 9– Liability to Others. It is understood that the Association assumes no responsibility or liability for the well-being of any Member, representative or guest of a Member attending, managing or participating in meetings or any other functions of the organization. The Association must carry Directors and Officers liability insurance.

Section 10– Parliamentary Procedure. All meetings of the Association shall be conducted in accordance with *Roberts Rules of Order*. Suspension of the Bylaws: These Bylaws may be suspended by a two-thirds vote of a Membership majority, present and voting, for emergency situations only.

Section 11 – Notices. The official Association address shall be used for any official notice to the Association, with a copy to the Registered Agent if a legal complaint. The President shall be the custodian of the Association mail box, or the Vice President in the absence of the President. Any official notice shall be to the designated USPS Post Office Box.

ARTICLE V: MEETINGS/ANNUAL MEETINGS—

Section 1 – Place of Meeting. All meetings of the Members shall be held at the principal office of the Association, or at such other place in Oconee County as may be fixed from time-to-time by resolution of the Board.

Section 2 – Annual Meeting. The first annual meeting of the Membership shall be held in Oconee County, the First Saturday of May 2014, after the first calendar year in which a full years' assessments have been assessed, and each subsequent regular annual meeting of the Members shall be held on the same schedule each year thereafter, at 1:00 P.M. in Oconee County, provided however, that the Board by resolution may fix a date not more than fifteen (15) days before or after said date. If the day of 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 3 – Special Member Meeting. It shall be the duty of the President to call a special meeting of the Members, as directed by resolution of a majority of a quorum of the Board of Directors, or upon petition signed by Members representing at least twenty-five percent (25%) of the voting power of the Association and having been presented by the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof, but not less than thirty-five (35) days or more than ninety (90) days after receipt of the request, may the meeting be held. No business shall be transacted at a special meeting except as stated in the notice, unless by consent of Members present, either in person or by proxy, representing at least eighty percent (80%) of the voting power of the Association.

Section 4 – Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the day, hour and place where the meeting is to be held, to each Deeded Member of record, at least fifteen (15) days but not more than sixty (60) days prior to such meeting. The notice may set time limits for speakers and nominating procedures provided in this Section, shall be considered notice served, forty-eight (48) hours after said notice has been deposited in regular depository of the United States Postal Service. Such notice shall be posted in a conspicuous place on the Association property and such notice shall be deemed received by the Members when posted in such manner if no address has been furnished the Secretary.

Section 5 – Quorum. The presence at the meeting of Members or proxies, or combination thereof, entitled to cast one-third (1/3) of the voting power shall constitute a quorum for any action except as otherwise provided in these Bylaws. If any meeting cannot be held because a quorum is not present, the Members present, either in person or by proxy, may adjourn the meeting at a time not less than forty-eight (48) hours, nor more than thirty (30) days from the time the original meeting was called. If the time and place for the adjourned meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings. At the subsequent meeting, the presence of eligible Members, either in person or by proxy, or any combination thereof, entitled to cast one-third (1/3) of the voting power shall constitute a quorum.

Section 6 – Approval of the Members. Except where a greater portion of the voting power is required by these Bylaws, a majority of the votes represented, in person or by proxy, and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum), shall constitute approval of the Membership and prevail at all meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the voting power required to constitute a quorum. Any action which may be taken by the vote of the Members at a regular or special meeting, except the election of Directors, may be taken without a meeting if done in compliance with the following:

- A. The Association must distribute a written ballot to every Member entitled to vote on the matter which shall set forth the proposed action, a place for signature and address so ballot may not be challenged, provide an opportunity to specify approval or disapproval of any proposal, and provide the time within which to return the ballot to the Association, which shall be not less than fifteen (15) days from the date that the written ballot is distributed to the Members;

- B. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the specified time period equals or exceeds the quorum required to present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve such action at a meeting;
- C. Ballots shall be solicited in a manner consistent with the requirements of Section 4 above (Notices of Meetings). All such solicitations shall indicate the number of responses needed to meet the quorum requirement and shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.
- D. A written ballot may not be revoked.

Section 7 – Action without Meeting. Any action which, under any provision of the Articles or these By Laws or the General Corporation Laws of South Carolina, may be taken at a meeting of the Members, may be taken without a meeting if authorized by a writing signed by Members entitled to exercise the percentage of voting power of the Association required for a particular matter and filed with the Secretary of the Association.

Section 8 – Minutes, Presumption of Notice. Minutes or a similar record of proceedings of meetings of Members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the Minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given. When minutes are distributed with notice of meeting, it shall not be required that they be read at the meeting.

ARTICLE VI: DUES/ASSESSMENTS—

Section 1 – Member Dues. Membership dues shall be paid annually in advance, on the first day of each calendar year (“Due Date”), or paid in equal quarterly installments on the first day of each calendar quarter.

Section 2 – Dues Billing. The Association may bill for scheduled dues payments, however is not required to. Whether or not a bill is received from the Association, adopted and scheduled amounts are still due and payable as if billed. The Board of Directors is charged to make rules governing the payment of dues, including, but not limited to early-payment incentives of late-payment penalties.

Section 3 – Regular Assessments. The Members shall jointly, severally and personally be liable for the payment of such assessments as may, from time-to-time, be fixed and levied by the Board pursuant to the provisions of these Bylaws.

Section 4 – Special Assessments. The Board of Directors shall have the right to propose special assessments of the Membership for any shortfall in operations, or for special projects in the maintenance of their duty, whether or not in case of emergency. All proposed special assessments of levies shall be submitted in writing by the Secretary to all Members of the Association providing them with a sufficient explanation, and a ballot to approve or reject such fees, assessments or levies. A period not to exceed thirty (30) days after notification of the Membership shall be allowed for replies to the office of the Secretary who shall report the results of this ballot to the Board of Directors.

ARTICLE VII: RULES AND REGULATIONS

Section 1 – General Rules. The Association, shall have the right to establish reasonable Rules and Regulation as deemed required to facilitate and enforce the Purpose of this Association as in Article 1 Section 2 of these Bylaws, and to revise the Rules and Regulations from time-to-time with proper advance notice to the Members. The initial Proposed Rules and Regulations of the Association are attached hereto as “Exhibit A.” Members, and their families, are to use safe and courteous conduct while on the Lake, its common areas and rights of way.

EXHIBIT "A"**INITIAL PROPOSED RULES AND REGULATIONS OF THE ASSOCIATION**

Section 1: Existing Restrictions—These rules include, but are not limited to the existing recorded restrictions of Mountain Rest Lake Corporation.

Section 2 – Generally Understood. It is the duty of the Members of this Association, and all persons utilizing the Association's Lake, and premises of any Member of the Association, to protect the rights of the Association and individual Members of the Association to the best of their ability.

Section 3 – Public Safety and Shoreline Erosion. Every reasonable effort shall be made to avoid shoreline erosion where possible and to protect the safety of others. With this in mind the Lake, in its entirety, is a "no wake zone." No vessel, of any type, shall be operated in such a way as to wash away shore material. Any Member allowing such activity shall be responsible for damage done or in the event of injury or death, and shall defend and hold the Association harmless from and against any claim resulting there from. From date of incorporation of this Association, no additional jet skis may be used or stored on the lake.

Section 3 – Silt Intrusion. Every reasonable effort shall be made to prevent silt intrusion into the Lake. Any construction, renovation or clearing shall be done in such a way to contain soil on site. Silt fencing shall be used where reasonably necessary to accomplish these goals, whether required by law or not.

Section 4 – Debris/Trees/Limbs. Anyone using the Lake and premises shall not allow debris of any type to enter the Lake, or to be placed on the common areas of the Lake. Grass mowing along or near the Lake shall be done in a way that clippings are sent away from the Lake, not into it. If a tree or its limbs of an adjoining property owner makes their way into the Lake or on its common area, it is the adjoining property owner's responsibility to have these items promptly removed from the Lake or its common area.

Section 5 – Personal Property. No personal property shall be allowed in the Lake, except for a vessel docked or in use by a Member, or family member. No diving platforms are permitted.

Section 6 – Docks/Boathouse/Piers, etc. No dock, boathouse, pier or other structure shall be erected on the Lake or its common areas without prior written consent after a vote of the full Board of Directors. Improvements to or expansions of existing docks, boathouses and piers must have consent of the full Board of Directors.

Section 7 – Launching of Vessel. Launching by any lakefront lot owner shall be from the lot of such owner, or from the designated Lake launch area. Members whose lots are not on the Lake shall launch only from the designated Lake launch area. General Lake Access by Members and guests is limited to Common Areas unless by permission of individual dock owners.

Section 8 – Septic Systems. Only septic systems approved by Oconee County and the Department of Health and Environmental Control (DHEC) shall be installed.

Section 9 – Diving. Diving into the Lake is permitted. Any diving, or other activities that may cause harm, are not the responsibility of the Association. Any Member allowing such activity shall be responsible in the event of injury or death, and shall defend and hold the Association harmless from and against any claim resulting there from.

Section 10 – Added Fish, etc. No party shall add fish or other living creatures to the Lake. It is the Association's sole responsibility to make any addition to Lake life, and only in the interest of preservation of the Lake.

Section 11 - Enforcement. If any of these Rules and Regulations are violated, and not corrected after fifteen (15) days written notice to the party in violation, then the Association may, at its sole election, have the violation corrected at the sole costs of the party in violation.

MOUNTAIN REST LAKE PROPERTY OWNERS' ASSOCIATION

Roxanne Amerson Calabria

Roxanne Amerson Calabria, President