
BYLAWS OF RIVER WALK RECREATION ASSOCIATION, INC

ARTICLE I NAME AND LOCATION

The name of this corporation shall be River Walk Recreation Association, Inc. (the "Corporation") and shall be located in Greenville County, South Carolina.

ARTICLE II PURPOSE

The purpose and objective of the Corporation shall not be for business or profit, but shall be for the establishment of an organization to promote the pleasure and general recreation of its members, specifically to own and operate a recreational area.

ARTICLE III GOVERNMENT

SECTION 1 – The Corporation shall be governed by a Board, fifteen (15) members in number, each of whom shall serve without compensation until his successor is elected and shall qualify as provided in these Bylaws.

SECTION 2 – At each annual membership meeting, the four (4) officers and ten (10) standing committee chairpersons shall be elected. The officers and chairpersons plus the past president shall become members of the new Board. The ten (10) standing committees are Architectural Controls, Clubhouse, Grounds, Membership, Pool Operations, Swim Team, Publications, Safety, Social, and Tennis.

SECTION 3 – When any Board Member shall have three (3) consecutive unexcused absences from a Board meeting, his office may be declared vacant by majority vote of the Board. Also, any Board Member who shall cease to hold Active Membership in the Corporation automatically shall cease to be a member of the Board.

SECTION 4 – Board members must be Property Members in good standing.

ARTICLE IV BOARD

SECTION 1 – Consistent with these Bylaws, the Board shall:

- a) Transact all Corporation business and make and amend rules and regulations for the use of Corporation property. It may appoint and remove such officers, clerks, or agents as it may deem necessary and may fix their duties and compensation. The corporation and related organizations (e.g., swim team) shall not employ any person directly as an employee.
- b) Fix, impose and remit penalties for violations of these Bylaws and the Rules and Regulations of the Corporation.
- c) Fill any vacancy in the membership of the Board to serve until the next annual meeting of Active Members. Any vacancy will be filled by confirmation by a majority of a quorum of the Board as defined in Article IV, Section 4.

SECTION 2 – The Board shall select one or more banks to act as depositories of the funds of the Corporation and shall determine the manner of receiving, depositing and disbursing those funds The

Board may, from time to time, adopt financial policies concerning the funds of the Corporation, however, at a minimum, the following requirements shall be met:

- a. Payment of funds of the Corporation may be accomplished by any lawful means, including, but not limited to, electronic fund transfer.
- b. Only the Treasurer or President shall be authorized to sign or approve the transfer or expenditure of the funds of the Corporation.
- c. The expenditure or transfer of funds of the Corporation shall be only as authorized by the annual budget adopted by the Corporation at its annual meeting, except in the case of an emergency.

SECTION 3 – Nothing in these Bylaws shall be construed to permit the Board to borrow or pledge the credit of the Corporation without the specific approval of a majority of those Active Members attending and voting at a duly held meeting.

SECTION 4 – The Board shall hold its annual meeting each year immediately following the annual meeting of the membership. Thereafter, the Board shall meet at its convenience on call of the president, or upon five days' notice given by a majority of the Board to each individual Board member.

At all Board meetings a quorum shall consist of a majority of the members of the Board and a majority of such quorum may decide any questions that may come before the meeting which is not otherwise limited by these Bylaws.

SECTION 5 – All non-officers of the Board shall constitute the nominating committee. The Nominating Committee shall present a roster of nominees for the Vice President/President-Elect, Secretary and Treasurer and a roster of nominees for the Standing Committee Chairpersons to the membership at the annual meeting.

ARTICLE V OFFICERS

SECTION 1 – The officers of this Corporation shall be a President, Vice President/President-Elect, Secretary, and Treasurer. The Vice President/President-Elect will become the President and shall hold office until the end of the next annual membership meeting. The Vice President/President-Elect, Secretary and Treasurer shall be elected annually by the Active Membership and shall hold office until the end of the next annual membership meeting. An Assistant Secretary and Assistant Treasurer may be appointed by the Board and hold office at its pleasure. The Assistant Secretary and Assistant Treasurer shall not have voting rights at Board meetings unless they are an otherwise duly constituted Board Member.

SECTION 2 – The President shall preside at the meetings of the Corporation and of the Board. The President shall be the executive head of the Corporation and shall appoint, subject to confirmation by the Board, any special committees. The President shall be ex officio, a member of all committees.

SECTION 3 – The Vice President/President-Elect, in the absence or disability of the President, shall act in his stead. The Vice President/President-Elect shall be, ex officio, a member of all committees.

SECTION 4 – The Secretary shall send out the notices of the meetings of the Corporation and of the Board, keep the minutes and attend to the correspondence pertaining to this office. The Secretary shall be the custodian of the Corporate Seal, minute book and papers of the Corporation and shall perform all duties pertaining to this office as may be required by the Board.

SECTION 5 – The Treasurer shall attend to keeping the accounts of the Corporation, collecting its revenues and paying its bills as approved by the Board, or other agency authorized by the Board to incur

them. The Treasurer shall deposit funds of the Corporation received in the name of the Corporation in such depository as may be authorized by the Board. The Treasurer shall perform such other duties pertaining to this office as may be required by the Board.

SECTION 6 – The President and Treasurer shall be bonded.

SECTION 7 – The Assistant Secretary and Assistant Treasurer shall perform such duties as may be assigned them by the Secretary and Treasurer, respectively, or by the Board.

ARTICLE VI MEMBERS

SECTION 1 – All members must comply with these Bylaws and with the Rules and Regulations of the Corporation. Property Members must also comply with the Restrictive and Protective Covenants for River Walk Subdivision.

SECTION 2 - An Active Membership shall be a Property Membership or Special Membership. In either case an Active Membership requires the payment of the prevailing annual membership dues. Each Active Membership shall entitle the holder thereof to use of the pool and other facilities of the Corporation, subject to its rules and Bylaws. All Active Members of the Corporation, and permanent residents of the Active Member's household, shall be accorded use of the facilities of the association subject to the rules and regulations which shall be posted. Any guest(s) of an Active Member will pay any required Guest Fee as determined by the Board and must submit to all other rules and regulations as required.

SECTION 3 – A Pool Membership (non-voting) is one in which the holder thereof, having applied and been approved for membership, acquires by purchase an annual certificate of membership properly executed by the Board, agrees in writing to abide by the Bylaws and the Rules and Regulations of the Corporation, and pays an annual fee to be set by the Board. The number of Pool Memberships acquired in accordance with the Corporation Bylaws can be determined by the Board as required to fully pay for all exiting or other necessary facilities required by future growth of the River Walk Community. Each Pool Membership shall entitle the holder thereof only to use of the pool subject to the Bylaws and Rules and Regulations. All Pool Members of the corporation, and permanent residents of the Pool Member's household, shall be accorded use of the pool only, subject to the rules and regulations which shall be posted.

SECTION 4 – A Special Membership-Type 2 (non-voting) is available only to owners of lots in the Avondale Heights subdivision and shall have use of all Corporation facilities. This membership shall not have voting rights and shall be non-transferable.

SECTION 5 – In voting for officers, or any issue before a general or special called meeting, each Active Membership shall be entitled to one vote.

SECTION 6 – The Corporation or the Board assumes no responsibility, and no members or guest, shall have any claim against the Corporation or the Board, for accidents or injuries or for property damage of said party, which may be brought into or left on the Corporation premises. In any event, no Board Member, Director, Officer, or Trustee shall have any personal liability.

ARTICLE VII ACQUISITION AND TRANSFER OF MEMBERSHIP

SECTION 1 – Property Memberships are acquired in the Corporation by purchasing property (taking title to the property) in River Walk except when a vacant lot is purchased by a builder/developer as provided for in Section V, Paragraph 6 of the Restrictive and Protective Covenants for the River Walk Subdivision.

SECTION 2 – Annual Pool Memberships may be offered to non-property owners of River Walk, as necessary, by the Board at an annual fee to be set by the Board.

SECTION 3 – A Special Membership is offered to each of three Holly Tree Addresses: 1213 Plantation Drive, 1211 Plantation Drive, and 1209 Plantation Drive. Each Special Membership has use of all recreation association facilities and voting rights. A Special Membership is transferable but will expire when the current owner elects not to pay dues for a year, and cannot be reactivated after it expires for that address. The annual fee for Special Membership will be the same as that for Active Members.

SECTION 4 - A Special Membership-Type 2 (non-voting) is available only to owners of lots in the Avondale Heights subdivision. This membership may be acquired by application (available from the Membership Committee chairman) and submitted, to the Board of Directors for approval. If approved, the applicant must pay a one-time initiation fee of not less than \$500, and annual fees not less than that paid by River Walk residents, as established from time-to-time by the Board of Directors

SECTION 5 – Transfers:

- a) All transfers of Pool Memberships must be approved by the Membership committee of the Board.
- b) An Active Member can only transfer their membership to the purchaser of their property.
- c) Upon written notice to and approval by the Board, Active Members may temporarily assign their membership privileges to renters in their homes, thereby relinquishing their own rights of use thereunder during the period of assignment. The renters to whom such assignments have been made shall be considered Active Memberships for all purposes except voting during the period of assignment and may use the facilities accordingly. During the period of assignment the Active Member (property owner) is responsible for payment of dues and fees.

SECTION 6 – All Property Memberships shall have a restriction placed on their property for enforcing the collection provisions of Article IX, Section 5.

SECTION 7 – All matters pertaining to memberships, transfers, or maintenance not otherwise covered by these Bylaws shall be decided at the discretion of the Board.

ARTICLE VIII MEMBERSHIP MEETINGS

SECTION 1 – The annual meeting of the Active Members of the Corporation will be held during the month of April at a time and place to be designated by the Board. Notice of such meeting will be made and mailed to the last known address or delivered to each Active Member at least five (5) days in advance of the meeting.

SECTION 2 – Special Meetings of the Active Membership may be called upon five (5) days notice in writing to the members of record given by the president, majority of the Board, or by the request from 20% of the Active Membership. The time, place, and purpose of such meeting shall be specified in the written notice thereof.

SECTION 3 – At a duly called meeting of the Corporation with Active Members in attendance, a majority of those present or by proxy and voting shall be sufficient for the transaction of business.

ARTICLE IX
DUES AND ASSESSMENTS

SECTION 1 – The Board will recommend an annual authorized operating budget, for approval by majority of the Active Membership attending the annual meeting, to include those essential maintenance, repair, and operating costs required to insure the health and safety of the membership and those required to conform with any state and/or local regulations. The operating budget can include an expense category for the Capital Reserve Account. These aforementioned fees and moneys, on a pro rata basis, shall constitute the annual dues. Any increase to the annual dues cannot exceed 10% per year of the existing dues.

SECTION 2 – Any moneys remaining in the Operations Account, known as the Operations Surplus, shall be transferred into the Capital Reserve Account for future capital improvements, major repairs, acquisitions, or debt retirement as defined in Article X.

SECTION 3 – The annual dues must be paid in full by May 1 for the fiscal year that began on May 1. The payment of the full annual dues is the responsibility of the Active Member who owns the property on May 1. Any prorating of the dues will be the responsibility of the owner at the time of the sale of the property. In the event that the dues have not been paid at the time of closing, the new owner will be responsible for paying the entire annual dues before they are given privileges of Active Membership.

SECTION 4 – Any assessments for non-budgeted items, and items which may include capital expenditures, must be presented for approval by majority vote at membership meetings as defined by Article VIII.

SECTION 5 – Annual dues and assessments consistent with these Bylaws shall be levied against each Active Membership. These dues and assessments shall be a levied upon all lots or portions of lots owned by the Active Member in connection with his residence. Any dues and assessments not paid within thirty (30) days after the due date will be increased by 10% of the annual dues each calendar month or part thereof that they are delinquent. (For example: If the annual dues are \$320.00 and are due on May 1, a member would owe \$352.00 on June 1. On July 1, the member would owe \$384.00, etc.) This penalty shall accrue each month until the amount due is double the annual dues. No Active Member may waive or otherwise escape liability hereunder by the non-use of the facilities of the Corporation or abandonment of said membership.

As further clarification, when the property owner takes title from the builder, the property owner shall pay a proportional share of the assessment in effect for that year, which partial assessment shall be due and payable at closing. With respect to individuals (non-builder/developer) who purchase lot(s), when such individuals take title to the lot such individual shall pay a proportional share of the assessment in effect for that year, which partial assessment shall be due and payable at the time the title is taken.

The Corporation shall have the right to suspend the voting rights and right to the use of the recreational facilities of an Active Member for any period during which any dues or assessments remain unpaid. In addition, the Corporation shall have the right to enforce by any preceding at law or in equity all restrictions, condition, covenants, reservations, liens and changes now or hereafter imposed by the provisions of this instrument. In the event of non-payment of any dues or assessments as set forth herein, the Corporation may bring an action at law against the Active Member personally obligated to pay same or foreclose a lien against the property in the same manner that a real estate mortgage is foreclosed and interests, costs and attorneys fees shall be added to the amount of such dues and/or assessments. The lien of the Corporation against the property must be established by, and shall be effective from the time of filing of, a Notice of Lis Pendens in the office of the Clerk of Court of Greenville

County. Failure by the Corporation, or any owner, to enforce any covenant or lien herein contained shall in no event be deemed a waiver of its right to do so.

The lien of the dues and assessments provided for herein shall be subordinate to the lien of any mortgage, lien of laborers, contractors or materialmen furnishing labor and materials in connection with the construction of improvements located on said property, unless prior to the filing thereof Notice of Lis Pendens has been filed by the Corporation for foreclosure due to nonpayment of its dues and assessments. Sale or transfer of any residence shall not affect the dues and assessments lien; however, the sale or transfer of any lot pursuant to foreclosure of a mortgage or materialmen's or mechanic's lien or any proceeding in lien thereof shall extinguish the lien of such dues or assessment as the payments which became due prior to such sale or transfer unless prior to commencement of said action a Notice of Lis Pendens has been filed by the Corporation as set forth above. Nothing herein shall affect the right of the Corporation to enforce the collection of any charges that shall become payable after the acquisition of title by a subsequent bona fide purchaser for value.

SECTION 6 – In addition to any annual or other assessment provided by these Bylaws, a special assessment may be assessed against any member who has been found to be in violation of these Bylaws by the Board of Directors in accordance with the provisions of Article XI herein below. Such assessment shall be in the amount as determined by the Board of Directors sufficient to ensure compliance with these Bylaws, and to pay the Corporation's damages, if any, plus the Corporation's attorney fees and costs.

ARTICLE X REVENUE CLASSIFICATION AND REVENUE USE LIMITATION

SECTION 1 –

- a) Capital revenues shall consist of 1) interest on bank deposits of capital funds, 2) any capital assessment voted by the membership, and 3) funds deposited into the capital reserve accounts as covered by Section 4 of this Article.
- b) Operating revenues shall be annual dues collected from Active and Pool Members, interest on bank deposits of operating funds, guest fees (including clubhouse and pool), vending machine receipts and revenues from all other sources.

SECTION 2 - Operating costs shall be defined as those necessary to operate and maintain the physical facilities for the safe and convenient use of the membership. Such costs shall be under the jurisdiction and control of the Board exclusively. These costs shall be included in the annual operating budget from which the annual assessments are determined at the beginning of each fiscal year.

SECTION 3 - The Board shall be responsible for determining the need for making expenditures from the capital reserve account funds, but will be limited to the total amount approved at the Annual Meeting for the fiscal year plus 25% for contingencies, unless additional amounts are approved at a Special Meeting of the Active Members. .

SECTION 4 - Moneys deposited in the Capital Reserve Account shall be used for future capital improvements, major repairs, acquisitions, or debt retirement.

Additional capital reserve accounts may be established for a specific identified purpose. Revenues may be deposited into the "specific" reserve account by the transfer of revenues from the capital reserve account or from the debt retirement capital account as defined by Article X, Section 1(a), or revenue received as the result of a special assessment.

ARTICLE XI
SUSPENSION AND REVOCATION OF MEMBERSHIP

SECTION 1 - The Board may deny any individual the use of the Corporation facilities upon defining that said individual has violated the Bylaws or rules and regulations of the Corporation or has abused the Corporation property.

SECTION 2 - Any individual against whom action is taken under this Article shall be given at least five (5) days advance notice of the proposed action and shall be provided an opportunity to be heard at the meeting of the Board.

SECTION 3 - Denial of Corporation facilities to any individual for more than two (2) weeks shall be only by action of at least two-thirds of the Board Members at the meeting called for that purpose. Any individual whose privileges have been permanently revoked by the Board may file a written petition for an Active Membership meeting of the purpose of reviewing the Board action. The petition shall require the signature of at least twenty (20) Active Members of the Corporation, and the notice of the active membership meeting will include the fact that a petition has been filed for this meeting. If a majority of the Active Members voting in person or by proxy at this meeting shall oppose the action of the Board, the permanent revocation shall be declared void.

SECTION 4 - Anything in this article to the contrary notwithstanding, the Board may suspend, or may delegate to an appropriate committee or person the power to suspend for periods not exceeding one (1) week, any person under twenty-one (21) years of age found violating the regulations of this Corporation. Should the occasion warrant, such suspension may be made immediately and without hearing, then it should be the obligation of the person making the suspension to contact the parent or person accused of the offense and provide them with an opportunity to have a hearing on behalf of the minor child involved.

ARTICLE XII
MISCELLANEOUS

SECTION 1 - Full and complete disclosures of their activities relative to the operation of the Corporation shall be made by committee to the Board and by the Board Members to the membership at the annual meeting of the Corporation.

SECTION 2 – All alcoholic beverages and food consumed on the property of the Corporation shall conform to current state and local regulations.

ARTICLE XIII
AMENDMENTS

The Bylaws may be amended at any regular or Special Meeting by two-thirds majority of those Active Members present or by proxy and voting as herein provided. All Active Members on record shall be given not less than five (5) days notice of any meeting called for this purpose, which notice shall include any proposed amendments to the Bylaws.