

BY-LAWS of
MONTEBELLO HOMEOWNERS' ASSOCIATION, INC.
Amended December 1, 2015

Name and Location. The name of the corporation is Montebello Homeowners' Association, Inc., hereinafter referred to as the "Association." The corporation shall be located in Greenville County, South Carolina. Meetings of Members and Directors may be held at such places within Greenville County, South Carolina as may be designated by the Board of Directors.

Purpose The purpose of the Association is to serve the lot and homeowners of all elements of Montebello to include those owning property in the original development of single family homes and units, and including the Villaggio, the Townhomes, the Condominiums and the Promenade. The association will strive to enhance the welfare of its members and the value of their properties by continually maintaining and improving the common areas and facilities of Montebello and by enforcing all restrictive covenants and architectural standards.

SECTION 1
DEFINITIONS

The Definition Section 2 of the Declaration of Covenants, Conditions, Easements, and Restrictions for the Montebello Subdivision are hereby incorporated by reference.

SECTION 2
MEETING OF MEMBERS

- 2.1 Annual Meetings. An annual meeting of the Members shall be held on a date in the 4th quarter of each year specified by vote of the Board of Directors at such time and place as specified in notice of the meeting.
- 2.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth (1/4) Of members.
- 2.3 Notice of Meetings. Prior written notice of each meeting of the Members shall be given to each Member by or at the direction of the President, at least fifteen (15) days before such meeting. All Members may attend but if a vote is taken on any matter, only Members in good standing are entitled to vote. (Definition of a member in good standing: a Member who is current on all assessments, finance charges, fines and liens.) Notices will be made electronically for those Members with email addresses on file and by postage prepaid mail for other Members to the address on file with the Association. 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.
- 2.4 Quorum. The presence of Members or of proxies entitled to cast fifty percent (50%) of the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) Of the required quorum at the preceding meeting. NO such subsequent meeting shall be held more than 30 days following the preceding meeting.
- 2.5 Proxies. Each Member eligible to vote may do so in person or by proxy at all meetings of Members. 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/her Lot.

SECTION 3
BOARD OF DIRECTORS

- 3.1 Number. The general affairs and business of the Association shall be delegated to a Board of five (5) Directors.
- 3.2 Term of Office. At the first annual meeting the Members shall elect the initial slate of five (5) Directors who shall serve until the end of 2011. At the 2015 annual election three (3) Directors shall be elected to serve a term of one (1) year, and shall be designated 1-Year Term Directors. At this same election two (2) Directors shall be elected to serve a term of two (2) years and shall be designated 2-Year Term Directors. In subsequent years elections will be held to fill the expired terms and the incoming Directors' term length shall be two (2) years. Directors may be re-elected to serve additional terms.
- 3.3 Removal. Any 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/her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his/her predecessor.
- 3.4 Compensation. No Director shall receive compensation for any service he/she may render to the Association. However, all Directors may be reimbursed for actual expenses incurred in the performance of his/her duties.
- 3.5 Action Taken Without a Meeting. The Directors may, in the absence of a meeting, take any action 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.

SECTION 4
NOMINATION AND ELECTION OF DIRECTORS

- 4.1 Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors in January of each year to serve until the end of that year. These appointments shall be announced within thirty (30) days of being appointed. The Nominating Committee shall make one nomination for each vacancy to be filled in the forthcoming election for that year.
- 4.2 Election. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration (Section 4.4). The persons receiving the largest number of votes shall be elected to fill the vacancies on the Board. Cumulative voting is not permitted.

SECTION 5
MEETING OF DIRECTORS

- 5.1 Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without prior notice at such place and time as may be fixed by resolution of the Board.
- 5.2 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' prior notice to each Director.

- 5.3 Quorum. A majority of the 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 an act of the Board.

SECTION 6
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

6.1 Powers. The Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights of a Member and the right to use the recreational facilities during any period in which such Member is 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 the 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 Director is absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as deemed necessary, and to prescribe their duties.

6.2 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 a 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 Members who are entitled to vote;
- (b) supervise all officers, agents and employees of the Association and 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) may foreclose the lien against any Property for which assessments are not paid within thirty (90) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
 - (4) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence for receipt of such payment;
 - (5) procure and maintain adequate liability and hazard insurance on Property owned by the Association;
 - (6) obtain Directors and Officers insurance coverage to protect against theft or other misappropriation by officers/directors and employees of the Association.

(7) cause the Common Area and the exterior of the residences to be maintained.

6.3 Indemnity. The Association shall indemnify any Director or officer or Former Director or officer of the Association against expenses actually and necessarily incurred in connection with the defense of any action, suit, or proceeding in which he/she is made a party by reason of being or having been such Director or officer, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty.

SECTION 7 OFFICERS AND THEIR DUTIES

7.1 Election of Officers. The election of officers shall be made by the Board of Directors at its first meeting following each annual meeting of the Members.

7.2 Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year except as provided in Section 3.2 or unless he/she shall sooner resign or shall be removed or otherwise disqualified to serve.

7.3 Special Appointments. The Board may elect such Other officers as the affairs of the Association may require, each of whom shall hold office for one year, have such authority, and perform such duties as the Board may determine.

7.4 Resignation and Removal: The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to 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.

7.5 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 being replaced.

7.6 Multiple Offices. Directors and Officers can hold multiple offices, i.e. Vice President/Secretary or Secretary/Treasurer except for the President.

7.7 Duties. The duties of the officers are as follows:

- (a) President: The President shall preside at all meetings of the Board of Directors and Association membership, see that orders and resolutions of the Board are carried out, sign all leases, mortgages, deeds and other written instruments, and co-sign all promissory notes.
- (b) Vice President: The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.
- (c) Secretary: 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 seal, serve notice of meetings of the Board and of the Members; keep current records showing the Members of the Association, together with their current contact information, and shall perform such other duties as required by the Board
- (d) Treasurer: The Treasurer shall have custody of all funds and properties of the Corporation and shall keep regular books of account in accordance with accepted accounting practices. The Treasurer shall collect and disburse the funds of the Corporation in such manner as shall from time to time be authorized by the Board of Directors. This may include granting authority to a Property Management Contractor to make payments under limits imposed by the Board of Directors. The Board of Directors may require two signatures on checks exceeding a certain amount.

SECTION 8
COMMITTEES

The Association shall appoint an Architectural Review Board, as provided in the Declaration, and a Nominating Committee as provided in these by-laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out the purpose of the Association.

SECTION 9
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be available for 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 reasonable cost.

SECTION 10
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay the Association annual and special assessments which shall be secured by a continuing lien upon the Property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. 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 one and one-half percent (1.5%) per month; after ninety (90) days, the Association may bring an action at law against the Owner personally obligated to pay the assessment(s) or foreclose the lien against the Property. Interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount collected. NO Owner may waive or otherwise escape liability for the assessments by non-use of the Common Area or abandonment of his/her Lot.

FINES

A Member may be assessed a financial penalty for violations of the Covenants and Restrictions occurring on or about a Member's Lot or house. Such penalty may be assessed for a violation after a two-thirds (2/3) majority approval of the Board and a written notice has been mailed to the Member giving the Member reasonable time, as determined by the Board, to correct or alleviate the violation. The penalty amount may be up to \$50.00 per day per violation. Such penalty shall be paid to the Association within thirty (30) days following written demand by the Association. In the event such payment does not occur, the outstanding sum shall be deemed to be an assessment and processed pursuant to the provisions set forth in this Section.

SECTION 11
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Montebello Homeowners' Association, Inc.

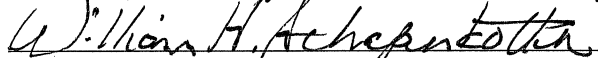
SECTION 12
AMENDMENTS

- 12.1 These By-laws may be amended at a regular or special meeting of the Members by a majority of a quorum of Members present in person or by proxy.
- 12.2 In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

SECTION 13
MISCELLANEOUS

- 13.1 Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year.
- 13.2 Non-Profit Status. Notwithstanding the foregoing purpose of the Association, this Corporation is organized as a non-profit, tax exempt organization pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and including for such purposes, the making of distributions to organizations that qualify as Exempt Organizations under Section 501 of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Law. No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to, its directors, trustees or officers or other private persons except that the Corporation shall be authorized and empowered to pay for reasonable services rendered and to make payments and distributions in furtherance of the purposes set forth in the Corporate purposes hereof. NO substantial part of the activities or the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from the Federal Income Tax under Section 501 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Laws.).
- 13.3 NO Capitalization. This Corporation shall have no capital stock and shall have no capitalization. NO dividends of any kind or nature shall ever be declared or paid to the members hereof or to any officer, director or trustee of this Corporation.

IN WITNESS WHEREOF, I, being the President of Montebello Homeowners' Association, Inc., have hereunto set my hand and seal this 1st day of December, 2015.



William H. Schaperkotter, President

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of Montebello Homeowners' Association, Inc., a South Carolina corporation, and,

THAT the foregoing By-Laws constitute the Amended By-Laws of the Association, as duly adopted at a meeting of the Board of Directors, held on the 1st day of December 2015.

IN WITNESS WHEREOF, I have hereunto subscribed my Name and affixed the seal of the Association this 1st day of December 2015.



Marianne Pierce, Secretary