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Hawkins Island

BY LAWS
OF
HAWKINS ISLAND
PROPERTY OWNERS' ASSOCIATION, INC.
A DOMESTIC NONPROFIT CORPORATION

St. Simons Island, Georgia

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I. DEFINITIONS

1. Association:

"Association" shall mean and refer to Hawkins Island Property Owners' Association, Inc., a non-profit corporation organized and existing under the laws of the State of Georgia.

2 Common Areas:

"Common Areas" shall mean and refer to parks, playgrounds, commons, streets, privacy gates, footways, alleys or buffer areas, and any other properties or facilities owned and maintained by the Association for the common benefit and enjoyment of the residents within the Subdivision provided for in the Declaration.

3. Declaration:

The "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions, Hawkins Island, St. Simons Island, Georgia, now or to be recorded in the public real estate records of Glynn County, Georgia, and any amendments thereto.

4. Company:

"Company" shall mean and refer to Sea Island Company, a Georgia corporation, the subdivider of Hawkins Island.

5. Subdivision:

The "Subdivision" shall mean and refer to Hawkins Island as further described in the Declaration.

II. LOCATION

The initial principal office of the Association shall be located at Administration Building, 100 First Street, Sea Island, Georgia, or at such other place as may be selected by its Directors.

III. ASSOCIATION PURPOSES AND POWERS

The Association shall promote the health, safety and welfare of the residents within the Subdivision, shall be responsible for the ownership, management and operation of the Common Areas, the enforcement of covenants and restrictions as set forth in the Declaration and the performance of such other duties and services as the Board of Directors or Members shall deem to be in the best interest of the Members.

The Association shall have all powers granted to it by its Articles of Incorporation, the Declaration, or the laws of the State of Georgia. Without limiting the generality of the foregoing, the Association shall:

(a) Own, maintain and otherwise manage all of the Common Areas and the improvements and landscaping thereon, and all other property acquired by the Association.

(b) Pay any real and personal property taxes and other charges assessed against the Common Areas.

(c) Have the authority to obtain, for the benefit of all of the Common Areas, all water, gas and electric services and garbage collection.

(d) Grant easements where necessary for utilities and sewer facilities over the Common Areas to serve such Common Areas and the lots in the Subdivision.

(e) Maintain such policy or policies of insurance as the Board of Directors of the Association deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members.

(f) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Board of Directors of the Association.

(g) Have the power to establish and collect regular and special assessments pursuant to the Declaration.

IV. MEMBERSHIP

1. Membership Requirement:

Every person or entity which is or who becomes a record owner of a fee or an undivided fee interest in any lot in the Subdivision shall be a member of the Association (hereinafter referred to as "Member"), provided that any such person or entity which holds such interest as security for the performance of an obligation shall not be a Member.

2. Transfer of Membership:

The transfer of ownership of a fee or undivided fee interest in any portion of a lot shall automatically transfer membership in the Association, and in no event shall such membership be severed from the ownership of such fee or undivided fee interest in the lot. The membership in the Association held by any owner of a lot shall not be transferred, pledged or alienated in any way, except upon the sale of such lot, and then only to the purchaser of such lot. Any attempt to make a prohibited transfer shall be void and will not be reflected upon the books and records of the Association.

3 Assessments:

The membership rights of each person or entity referred to in the preceding Section 1 of this Article IV are subject to the payment of annual and special assessments levied by the Association. The obligation of such assessments is imposed against each owner and becomes a lien upon the lot against which such assessments are made as provided by Article VIII of the Declaration. The membership rights of any person or entity may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, such rights and privileges shall be automatically restored.

Nonpayment of the assessments shall not, however, give the Association the right or power to deny a member, his family or guests, access to his lot in the Subdivision by virtue of any privacy gate in the Subdivision.

4. Violation of Rules:

If the Directors have adopted and published rules and regulations governing the use of the Common Areas, and the personal conduct of any person thereon violates such rules and regulations or any other provision of the Declaration, the Directors, in their discretion, may suspend the rights of any such person for such violation for a period not to exceed thirty (30) days, unless such violation is a continuing violation, in which event the suspension may continue so long as such violation continues.

5. Effect of Suspension on Assessments:

Any suspension of membership for any reason shall not affect such Member's obligations to pay assessments coming due during the period of such suspension and shall not affect the permanent charge and lien in favor of the Association on the lot owned by such Member.

6. Voting Rights:

The voting rights of the Members are set forth in the Declaration.

V. PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON AREAS

Each Member shall be entitled to the use and enjoyment of the Common Areas as provided by the Declaration. Any Member may delegate his rights of enjoyment in the Common Areas to the members of his family who reside in the Subdivision, or to any of his tenants who reside thereon under a leasehold interest. Such Member shall notify the Secretary of the Association in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under the terms hereof to the same extent as those of the Member.

VI. BOARD OF DIRECTORS

1. Number and Term:

The initial Board of Directors shall consist of two (2) Directors. During the existence of the Class B Membership, the number of Directors shall not be less than two (2), nor greater than seven (7) and shall serve until the Class B Membership expires and until their successors are elected.

At and after such time as the Class A Members are entitled to full voting privileges as set out in the Declaration, the affairs of the Association shall be managed by a Board consisting of not less than two nor more than twelve directors, the precise number to be fixed from time to time by the members. Each Director shall be a member or an officer of a Member of the Association. Each Director (whether elected at an annual meeting of members or otherwise) shall serve for a term of one year and until their successors are elected. The Directors may fill the place of any Director which may become vacant prior to the expiration of his or

her term, such appointment by the Directors to continue until the expiration of the term of the Director whose place has become vacant.

VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

1. Powers:

The Board of Directors shall have the power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth of the voting membership, as provided in Section 2 of Article XI;

(b) To appoint and remove at pleasure all officers, 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 Bylaws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity whatsoever;

(c) To obtain and pay for the services of any person or other entity to manage the affairs of the Association, or any part thereof, and enter into such agreements for the management of the Common Areas, all as it deems to be in the best interests of the Association;

(d) To establish, levy and assess, and collect the assessments or charges referred to in Section 3 of Article IV of these Bylaws;

(e) To adopt and publish rules and regulations governing the use of the Common Areas and the personal conduct of the Members and their guests thereon; and

(f) To exercise for the Association all powers, duties and authority vested in or delegated to the Association, except those reserved to the Members in the Declaration.

2. Duties:

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 and to present a statement thereof to the Members of the annual meeting of the Members or at any special meeting when such is requested in writing by one-fourth of the voting membership, as provided in Section 2 of Article XI;

(b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) To adopt a fiscal year for the Association's operation;

(d) To fix the amount of the assessment against each lot in the Subdivision for each assessment period at least thirty days in advance of such date or period;

(e) 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;

(f) To send a written notice of each assessment to every owner subject thereto;

(g) Should any owner of a lot in the Subdivision fail or refuse affirmatively to maintain his lot or to provide for the landscaping called for in the Declaration, the Directors are empowered, authorized and directed to (1) secure at least two bids for such maintenance or execution of the landscape plan;

(2) accept the best bid for such service; and (3) upon the completion thereof to levy an assessment as provided for in the Declaration; and

(h) To issue, or to cause an appropriate officer 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.

VIII. DIRECTORS' MEETING

1. Regular Meetings:

During the existence of the Class B Membership, the Directors shall meet at least annually, the time and place to be set by the Directors. After the termination of the Class B Membership, a regular meeting of the Board of Directors shall be held quarterly on the third Monday of each January, April, July, and October at 10 o'clock a.m., provided that the Board of Directors may, by resolution, change the day and hour of holding such regular meeting.

Notice of such regular meeting need not be given. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

2. Special Meetings:

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

3. Transaction of Business:

The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though 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 of notice, or a consent to the holding of such 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.

4. Quorum:

The majority of the Board of Directors shall constitute a quorum thereof. All resolutions adopted and all business transacted by the Board shall require the affirmative vote of a majority of the Directors present at a duly called meeting.

IX. OFFICERS

1. Officers:

The officers shall be a President and Secretary/Treasurer. The officers shall be Members of the Board of Directors. The officers shall be chosen by majority vote of the Directors. All officers shall hold office at the pleasure of the Board of Directors and shall serve without compensation.

2. President:

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 and shall sign all notes, checks, leases, mortgages, deeds, deeds to secure debt and all other written instruments.

3. Secretary/Treasurer:

The Secretary/Treasurer 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 and shall attest to the signature of the President upon all leases, mortgages, deeds, deeds to secure debt and other written instruments conveying or affecting the Common Areas or any other real property owned by the Association. He shall keep the records of the Association, and 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 and such addresses shall be the addresses to which the Secretary is required to mail notices of liens and assessments as required by the Declaration, unless a Member shall notify the Secretary of the change in address, in which event the new address shall be the official address of such Member for the purposes of the Declaration and these Bylaws.

The Secretary/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 conducted within the limits of a budget adopted by the Board. The Secretary/Treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President.

The Secretary/Treasurer also shall keep proper books of account and cause an annual review of the Association's books to be made by the Audit Committee, if such a committee is appointed by the Board, and if no such committee exists, by any Member, at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

X. COMMITTEES

1. Standing Committees:

At such time as the Class B membership shall cease to exist, the Board shall have authority to establish Committees of the Association as listed below. In the event such Committees are not established by the Board, the entire Board shall undertake the functions of such Committees as listed below. In the event any Committees are established, the Membership of such Committee shall be appointed from time to time by the President. Unless otherwise provided herein, each Committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors for board contact. The Committees may be established by the Board of Directors prior to each annual meeting to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

2. Maintenance Committee:

The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas of the Association, and shall perform such other functions as the Board, in its discretion, determines.

3. Architectural Committee:

The Architectural Committee shall have the duties and functions described in Article IV of the Declaration. It also shall watch for any proposals, programs or activities which may adversely affect the residential value of the Subdivision and shall advise the Board of Directors regarding the Association's action on such matters.

4. Audit Committee:

The Audit Committee shall supervise the annual review of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Secretary/Treasurer shall be an ex officio member of the Committee.

5. Other Powers and Duties:

It shall be the duty of each committee to receive complaints from Members on any matter involving the Association's functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Director or officer of the Association as is further concerned with the matter presented.

XI. MEETINGS OF MEMBERS

1. Regular Meetings:

The regular annual meeting of the Members shall be held at the Association's principal office on the third Monday of the month of April of each year, at the hour of 9 o'clock, a.m. If the day for the annual meeting of the Members shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

2. Special Meetings:

Special meetings of the Members for any purpose may be called at any time by the President, or Secretary/Treasurer, or by any two or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth of all of the votes of the entire membership.

3. Notice:

Notice of any meetings shall be given to the Members by the Secretary/Treasurer. Notice may be given to the Members either personally, 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 or change the address with the Secretary/Treasurer, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least six 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 any action governed by the Articles of Incorporation of the Association or by the Declaration, notice of such meeting shall be given or sent as therein provided, if a different method of notification is therein provided.

4. Quorum:

The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, four of the votes of the membership shall constitute a quorum for any action governed by these Bylaws. Any action governed by the Articles of Incorporation or by the Declaration shall require a quorum as therein provided.

XII. 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. No proxy shall extend beyond a period of eleven months, and every proxy shall automatically cease upon sale by the Member of his lot in the Subdivision.

XIII. BOOKS AND PAPERS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member.

XIV. CORPORATE SEAL

The Association shall have a seal in such form as the Board may from time to time determine.

XV. AMENDMENTS

1. Amendments:

Upon termination of the Class B Membership, these Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy, provided that those provisions of these Bylaws which are governed by the Articles of Incorporation of the Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration.

2. Conflicting Provisions:

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 Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, the undersigned being all of the Directors of Hawkins Island Property Owners' Association, Inc., have hereunto set our hands this 4th day of June, 1998.

(SEAL)

WILLIAM C. SMITH

(SEAL)

C. ALLEN BROWN, JR.