

EXHIBIT "D"

AMENDED AND RESTATED

BY LAWS
OF

INDIAN SPRINGS HOMEOWNERS ASSOCIATION

ARTICLE I

FILED IN DEED - M BOOK 448 PAGE 1160
NAME, LOCATION, AMENDMENT BY SH100 ON 05/15/86

Section 1. Name. The name of the Association is Indian Springs Homeowners Association, Inc.

Section 2. Location. The principal office of the Association shall be located at Indian Springs, Hilton Head Island, South Carolina, or at such other place as is designated by the Board of Directors in accordance with the provisions of these By-Laws.

Section 3. Membership. Each and every record Owner of a fee or undivided fee interest in any Indian Springs Condominium Unit shall be a member of the Association, excluding persons who hold such interest under a deed to secure debt, mortgage or deed of trust. Membership in the Association shall be confined to such Owners and shall be appurtenant to and inseparable from Unit ownership. Such Owner or Owners of each Condominium Unit shall designate in writing delivered to the Secretary one member of the Association from among such Owner or Owners of such Unit, or a member of the immediate family of such Owner or Owners, and such member shall represent the Owner or Owners of such Unit in connection with the activities of the Association and exercise the voting rights thereof. Such designation shall be valid until revoked in writing delivered to the Secretary or until such Owner sells his Condominium Unit whichever event shall first occur. No Unit Owner shall be required to pay any consideration whatsoever for his membership.

Section 4. Suspension of Membership and Voting Rights. During any period in which an Owner or Owners of a Condominium Unit shall be in default of the payment of any annual or special Assessment levied by the Association, the voting rights of the member designated by such Owner or Owners and the right of such Owner or Owners, the members of their family or families and the tenants who reside in such Owner's or Owners' Condominium Unit to use and enjoy the Common Area and Facilities and Limited Common Area and Facilities may also be suspended by the Board of Directors until such time as the Assessment has been paid. Such

rights may also be suspended by the Board of Directors for violation of the published rules and regulations with respect to the use of the Common Area and Facilities and the Limited Common Area and Facilities as published from time to time by the Board of Directors. Such rules shall be kept in the Office of the Association as a matter of record, and copies thereof shall be furnished to any Unit Owner on request.

Section 5. Applicability. These By-Laws are established pursuant to the Horizontal Property Act of South Carolina, South Carolina Code of Laws 1976, Sec. 27-31-10 through Sec. 27-31-300 and are applicable to the Indian Springs Condominium Units, Common Area and Facilities, Limited Common Area and Facilities, and Association; and are binding on all Condominium Owners, their families, tenants and guests, and any other person residing in or occupying a Condominium Unit. Each and every person who accepts a deed to, a lease of, or who occupies any Condominium Unit thereby, consents to be bound by the provisions of these By-Laws.

ARTICLE II

DEFINITIONS

Section 1. Definitions. The terms used in these By-Laws, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as those in the recorded Master Deed for Indian Springs to which these By-Laws are annexed.

ARTICLE III

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Delegation of Property Rights. Each member of the Association shall be entitled to the use and enjoyment of the Common Area and Facilities and Limited Common Area and Facilities as provided in the Deed. Any member may assign his rights of enjoyment and use of the Common Area and Facilities and the Limited Common Area and Facilities to the members of his immediate family or to his guests who reside in his Condominium Unit. Such member shall notify the Secretary of the Association in writing of the name of any such assignees. The rights and privileges of such assignees are subject to suspension to the same extent as those of the member.

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FILED AT 09:11:00 ON 05/15/86

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Place of Meeting. Meetings of the Association shall be held in Hilton Head, South Carolina at such suitable place convenient to the members as may be designated by Developer with regard to the first annual meeting and by the Board of Directors with regard to all subsequent meetings.

Section 2. Annual Meeting. Within one hundred twenty (120) days after Developer has conveyed title to twenty-five (25) Units, he shall call for the first annual meeting which shall be held in Hilton Head, South Carolina. Thereafter regular annual meetings shall be held on the last Saturday in October in each calendar year unless otherwise provided by the members at any previous meeting. If the date of the annual meeting shall fall on a legal holiday, the meeting shall be held at the same hour on the next following business day.

Section 3. Special Meetings. Special meetings of the Association may be called at any time by the President, by resolution of the Board of Directors, or upon the receipt of the Secretary of a petition signed by members holding greater than thirty (30%) percent of the total vote of the Association. The call of a special meeting shall be by notice stating the date, time, place, purpose and order of business of such special meeting. Only the business stated in the notice may be transacted at a special meeting.

Section 4. Notice of Meetings. The Secretary shall mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member at the last address of such member furnished to the Secretary at least ten (10) days but not more than thirty (30) days prior to such meeting. Attendance of a member at a meeting, either in person or by proxy, except for the purpose of stating, at the beginning of the meeting, any objection to the transaction of business, shall constitute waiver of notice and any objection of any nature whatsoever as to the transaction of any business at such meeting. Notice given to one tenant in common, joint tenant or tenant by the entirety shall be deemed notice to all such Owners.

Section 5. Order of Business. The order of business at each annual meeting shall be as follows:

- a. Roll call
- b. Proof of notice or waiver of notice
- c. Reading of minutes of preceding meeting
- d. Reports of officers

- e. Reports of committees, if any
- f. Election of Directors
- g. Unfinished business
- h. New business

Section 6. Quorum. At all meetings, regular or special, a quorum shall consist of the presence in person or by proxy, of members holding not less than fifty-one (51%) percent of the total vote of the Association. If a quorum shall not be present at any meeting, a majority vote of that percentage present in person or by proxy, may adjourn the meeting from time to time until a quorum can be obtained. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 7. Voting Rights. The Association shall have one class of voting membership which shall consist of all Owners of Condominium Units in Indian Springs Horizontal Property Regime. The total number of votes of all members of the Indian Springs Association shall be one hundred (100) and the person designated by the Owner or Owners of each Condominium Unit shall be entitled to cast the number of votes equal to the Percentage Interest appurtenant to the Unit owned by such Owner or Owners. Said percentage is set forth in the Master Deed and shall not be divisible nor may the vote thereof be cast in part. In addition to those voting rights granted herein, any provisions herein or in the By-Laws to the contrary notwithstanding, Indian Springs Corporation shall have the following rights and powers: (i) Until such time as Indian Springs Corporation has sold, conveyed, or otherwise disposed of twenty-five Units located in the Indian Springs Horizontal Property Regime, to retain the right to exercise all voting rights of the members of the Association, to exercise and perform all of the Association's duties and functions, and to appoint interim officers or directors. (ii) Until such time as Indian Springs Corporation has sold, conveyed, or otherwise disposed of all Condominium Units in the Indian Springs Horizontal Property Regime, the Master Deed and/or the By-Laws shall not be changed, altered, amended or revoked with regard to the imposition of Assessments, the repair or reconstruction of any Condominium Units, the method and procedure of adopting rules and regulations pertaining to the conduct of members and to the use of the Common Area and Facilities and the Limited Common Area and Facilities without the express written approval of Indian Springs Corporation being first obtained.

Section 8. Proxy. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the designated time of each meeting. Any Owner may by his written proxy designate an agent to cast his vote. The proxy shall be deemed to cover the authority to execute consents and waivers and to exercise the right to examine the books and records of the

Association. A proxy may be revocable at will unless otherwise stated. No proxy can be honored until delivered in writing to the Secretary of the Association. If at least ten (10) days prior to a duly called meeting, an Owner is informed by first class mail of (i) the time and place of the meeting, (ii) the agenda for the meeting, (iii) and such data as is then available relative to issues on which there will be a vote, and a proxy form is included in such mailing, but the Owner neither attends the meeting nor returns his or her proxy, then such Owner shall be deemed to have given his or her proxy to vote to and for the majority present and voting, and further shall be deemed present when determining a quorum.

Section 9. Majority Vote. Acts authorized, approved or ratified by the casting of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be acts of the Association, except where a higher percentage vote is required by these By-Laws or by Law, and shall be binding for all purposes.

Section 10. Actions without Meetings. Any action which may be taken at a meeting of the membership may be taken without a meeting if a consent or ratification, in writing, setting forth the action so taken shall be signed by persons who would be entitled to cast eighty (80%) percent of the votes of membership of the Association at a meeting and such consent is filed with the Secretary of the Association and is inserted in the Minutes Book thereof.

ARTICLE V

BOARD OF DIRECTORS, NUMBER, POWERS, AND MEETINGS

Section 1. Number. The business and affairs of the Association shall be governed by a Board of Directors (herein sometimes referred to as the "Board"). The initial Board consisting of three (3) directors shall be appointed by the Developer. At the first annual meeting a new Board consisting of three (3) individuals shall be elected. With the exception of directors appointed by the Developer to serve on the initial Board, each director shall be at least twenty-one (21) years of age and must be a titled Owner of a Condominium Unit in Indian Springs. Any qualified director may be re-elected. Each director shall hold office until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified.

At any annual meeting or special meeting of the Homeowners, provided notice to them has been given properly in advance, the Board may request authorization to expand its membership to any uneven number larger than the initial three

- 5 FILED IN DEED - M BOOK 448 PAGE 1164
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provided for in this Section. In such event the additional seats will be filled by appointment of the Directors until the next election.

Section 2. Powers and Duties. The Board of Directors shall direct the affairs of the Association and, subject to any restrictions imposed by law, by the Deed, or these By-Laws, may exercise all of the powers of the Association. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law, the Deed, or these By-Laws as it may deem necessary or appropriate in the exercise of its powers including, without limitation, assistance and input to the management company in charge of the buildings and grounds, the establishment and amendment from time to time of additional regulations governing the use of the Common Area and Facilities and the Limited Common Area and Facilities; and the proposing of budgets and reserves to be voted on by the Association. Additionally, the Board of Directors shall require that all employees of the Association handling and responsible for Association funds furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

Except in the case of an emergency the Board shall not authorize an unbudgeted expenditure in excess of Five Hundred (\$500.00) Dollars without the approval of the Association.

Section 3. Management. Management of the building and grounds shall be conducted by a licensed property management company. At all times the management company must meet the requirements imposed upon property managers by the South Carolina Real Estate Commission. Compensation paid to the management company will be based upon competitive rates charged by the other area management companies performing the same type services. Duties of the management company shall include, but not be limited to, the care, upkeep, and surveillance of the property and its general or limited common elements. Its duties shall further include the employment and dismissal of personnel necessary for managing the Association and its property.

Section 4. Election and Term of Office. Directors shall be elected at the annual meeting. At each annual meeting one vacancy shall be filled by electing a director to serve a term of two (2) years, and any other vacancies shall be filled by electing directors to serve terms of one (1) year.

Section 5. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person elected shall be a director until a successor is elected at the next annual meeting.

of the Association. Vacancies caused by the removal shall be filled by vote of the Association at the same meeting at which a director or directors were removed.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed, with or without cause, by a vote of eighty (80%) percent of the total Percentage Interests authorized to vote thereon, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by an Owner or Owners shall be given an opportunity to be heard at such meeting. Sale of his Condominium by a director shall automatically terminate his directorship, provided that this Section shall not apply to any director appointed by the Developer..

Section 7. Regular Meetings. The first regular meeting of the Board of Directors shall be held immediately following the first annual meeting of the members of the Association and regular meetings thereafter shall be held on such dates and at such time and place, but not less frequently than semiannually, as may be fixed from time to time by resolution of the Board. Notice of regular meetings of the Board shall be given to each director, personally, or by mail, telephone or telegraph at least three (3) days prior to the date of such meeting; provided, however, notice of the first regular meeting shall not be required to be given to the directors provided that a majority of the entire Board is present at such meeting. Should any such 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 8. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association on three (3) days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the date, time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary of the Association in like manner and on like notice upon the written request of at least two directors.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may in writing waive notice of such meetings and such waiver shall be deemed equivalent to the giving and receiving of such notice. Attendance by a director at any meeting of the Board shall be a waiver by him of notice of the date, time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the qualified directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present, which means the remaining director so long as the Board consists of only three, may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice.

Section 11. Compensation. No director shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly to a director; provided, however, a director may be reimbursed for the expenses incurred by him in the performance of his duties. No travel expenses shall be reimbursed to any director.

Section 12. Action by Board Without a Meeting. The Board of Directors shall have the right to take any action which it could take at a meeting by obtaining the written approval of all directors thereto. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 13. Liability of Directors. To the extent permitted by the laws of the State of South Carolina made and provided, no director shall be liable to any Owner for injury or damage caused by such director in the performance of his duties unless due to the willful misfeasance or malfeasance of such director. Furthermore, each director shall be indemnified by the Association against all liabilities and expense, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceeding to which he may be party or in which he becomes involved by reason of his being or having been a director of the Association, whether or not he is a director of the Association at the time such expenses and/or liabilities are incurred, except in such cases where the director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Such indemnity shall be subject to the approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

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ARTICLE VI

OFFICERS

Section 1. Number and Election. There shall be elected annually by and from the Board of Directors a President (who shall also be Chairman of the Board), a Secretary and a Treasurer. The office of Secretary and Treasurer may be filled by the same person. The directors may also elect from time to time such other officers as in their judgement may be needed, which officers need not be directors.

Section 2. Removal and Vacancies. Except as herein provided to the contrary, the officers shall be elected annually and hold office at the pleasure of the Board. A vacancy in any office may be filled by the Board at its next meeting. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 3. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer and shall preside at all meetings of the Board of Directors and the Association, shall see that orders and resolutions of the Board are carried out, shall appoint such committees consisting of members of the Association as in his opinion are necessary, shall co-sign with the Treasurer all promissory notes and similar documents, if any, and shall perform such other duties as may be delegated to him by the Board. He shall have all general powers and duties which are incident to the office of President of a corporation organized under the laws of the State of South Carolina made and provided and control and management of the Association in accordance with such laws and these By-Laws.

(b) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Association; keep appropriate current records showing the members of the Association together with their addresses and designating those members entitled to vote; keep custody of and attest the seal of the Association; and perform such other duties as may be required of him by the Board or incident to the office of Secretary of a corporation organized under the laws of the State of South Carolina made and provided.

(c) Treasurer. The Treasurer shall be responsible for the funds of the Association unless the managing company collects and disburses funds. The Treasurer shall co-sign with the President all promissory notes and similar documents, shall maintain full and accurate fiscal accounts and records, and shall

perform such other duties as may be designated by the Board of Directors or incident to the office of Treasurer under the laws of the State of South Carolina made and provided.

Section 4. Compensation. No director or officer shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly to a director or officer; provided, however, a director or officer may be reimbursed for reasonable expenses incurred by him in the performance of his duties. No travel expenses shall be reimbursed to any director or officer. This Section does not preclude compensation to any management company or reimbursement to that company.

Section 5. Liability of Officers. To the extent permitted by the laws of the State of South Carolina made and provided, no officer shall be liable to any Owner for injury or damage caused by such officer in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer. Furthermore, each officer shall be indemnified by the Association against all liabilities and expenses, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceedings to which he may be a party or in which he becomes involved by reason of his being or having been an officer of the Association at the times such expenses and/or liabilities are incurred, except in such cases where the officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. Such indemnity shall be subject to approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

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FILED AT 09:11:00 ON 05/15/86

OBLIGATIONS OF THE OWNERS

Section 1. Agreements. All Owners are obligated to pay monthly Assessments imposed by the Association as provided in the Deed to meet Common Expenses. An Owner is required to reimburse the Association for any expense incurred by it in repairing or replacing Common Elements and or Limited Common Area and Facilities damaged by such Owner.

Section 2. Maintenance and Repair.

(a) All maintenance of and repair to any Condominium Unit whether structural or non-structural, ordinary or extra-

ordinary, other than maintenance of and repair to any Common Elements contained therein or any Limited Common Area and Facility adjacent and appurtenant thereto, and not necessitated by the misuse or neglect of the Owner or Owners of another Condominium Unit, shall be made by the Owner or Owners thereof, and such Owner or Owners shall keep the same in good condition and repair. Each Owner shall be responsible for any and all damage to any and all other Condominium Units, to the Common Elements and Limited Common Area and Facilities caused by his failure to do so. Each Owner shall have the responsibility of maintaining his porch or balcony and keeping in good repair all outside Unit lights controlled from within his individual Condominium Unit. Any screens attached to the Unit shall likewise be the maintenance responsibility of the individual owners. If said repairs are not made within a reasonable time after notification to the Owner from the Association or its agent, the Association shall complete the repairs and bill the Owner.

(b) All maintenance, repairs, and replacements to the Common Elements and Limited Common Area and Facilities, whether located inside or outside of the Condominium Units shall be made by the Association, or at its direction, and shall be charged to the members thereof as a Common Expense, unless necessitated by the negligence, misuse, or neglect of the Owner or Owners of a Condominium Unit, in which case the cost shall be borne by the Owner or Owners of such Condominium Unit.

Section 3. Right of Entry. Each and every Owner by accepting a deed to a Condominium Unit thereby grants to the managing agent or such other person designated by the Board of Directors, in the event that fire or some similar emergency is, in the opinion of such agent or designated person, threatening his Condominium Unit, the right to enter the same regardless of whether such Owner is present at such time. Likewise, there shall be a right of entry for conducting pest control. For such purposes, each and every Owner shall provide the Association with a key to his Condominium Unit. This key may in turn be given to the managing agent.

Section 4. Conduct. All Owners, their families, guests, visitors and tenants, and each and every occupant of a Condominium Unit shall at all times observe the published rules of conduct which may be established from time to time by the Board of Directors.

Section 5. Notices. An Owner who mortgages his Residence or executes and delivers a deed to secure debt, deed of trust or other security instrument which may become a lien on his Condominium Unit shall, if requested, notify the President or the Board of Directors of the name and address of his mortgagee, or

the holder of such deed to secure debt, deed of trust or security instrument. Further, the Owner authorizes the Association to furnish information to the mortgagees regarding unpaid Assessments, taxes, or other reasonable information concerning such Unit.

ARTICLE VII

COMPLIANCE

These By-Laws are set forth to comply with the Horizontal Property Act of South Carolina as outlined in the South Carolina Code of Laws 1976, Section 27-31-10 through Section 27-31-300. In the event any of these By-Laws conflict with the provisions of said Act, the provisions of said Act will control.

ARTICLE VII
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FILED AT 09:11:00 ON 05/15/86

BOOKS AND RECORDS

Section 1. Inspection. The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member at the principal office of the Association. The Deed and 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 for a reasonable price.

ARTICLE IX

ASSOCIATION SEAL

Section 1. Description. The Association shall have a seal in circular form having within its circumference the words "Indian Springs Homeowners Association".

ARTICLE X

AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by a vote of not less than ninety-five (95%) percent of the total vote of the Association at a duly constituted meeting for such purposes, in strict accordance with the recorded Deed to which they are attached, and Laws of the State of South Carolina made and provided. Said amendments shall be set forth in an amend

Deed and duly recorded. Each and every Owner of a Condominium Unit by accepting a deed thereof thereby agrees to be bound by and benefit from any such amendment hereto.

Section 2. Deed. The Master Deed for Indian Springs Horizontal Property Regime shall be amended only upon the written consent of ninety-five (95%) percent of the total Percentage Interest authorized to vote thereon. This section shall not apply to a change in the unit participation and ownership percentage, for such a change shall require the written consent of one hundred (100%) percent of the Owners of the Association.

Section 3. Conflicts. In the event of any conflict between the provisions of the Deed and the provisions of these By-Laws, the Provisions of the Deed shall control.

Witness the execution of these By-Laws of the Indian Springs Homeowners Association, Inc. by its duly authorized officers this 22nd day of April, 1986.

WITNESS:

INDIAN SPRINGS HOMEOWNERS
ASSOCIATION, INC.

BY: Clark E. Luther
Clark E. Luther, President

Sandy M. Munn
Sara A. Parker

ATTEST: George F. Butterworth, 3rd
George F. Butterworth,
3rd, Secretary

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FILED AT 09:11:00 ON 05/15/86

C E R T I F I C A T I O N

The undersigned, Board of Directors of the Indian Springs Homeowners Association, do hereby certify:

That we are the duly elected Board of Director of the Indian Springs Homeowners Association, an incorporated association, and THAT the foregoing By-Laws constitute the By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 30th day of December, 1985.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of the Association this 22nd day of April, 1986.

WITNESS:

INDIAN SPRINGS HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS

Samuel J. Morris, III
Sara A. Parker

By: Clark E. Luther
Clark E. Luther, Director

By: George F. Butterworth, 3rd
George F. Butterworth, 3rd
Director

By: Arthur R. Muller
Arthur R. Muller, Director

STATE OF SOUTH CAROLINA)
)
COUNTY OF)

PROBATE

PERSONALLY appeared before me Samuel J. Morris, III, who being duly sworn, says that s/he saw the within named INDIAN SPRINGS HOMEOWNERS ASSOCIATION, INC. by Clark E. Luther, its President, sign the within document, and George F. Butterworth, 3rd, its Secretary, attest the same, and that s/he with Sara A. Parker witnessed the execution thereof.

SWORN to before me this 22 day of April, 1986.

Samuel J. Morris, III
(witness)

Sara A. Parker
Notary Public for South Carolina
My Commission expires: 9/14/94

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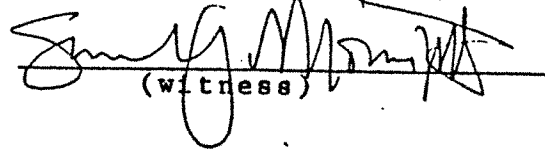
STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

PROBATE

PERSONALLY appeared before me Samuel J. Morris, III,
who, on oath, says that (s)he saw the within named INDIAN SPRINGS
HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS by Clark E. Luther,
Director; George F. Butterworth, 3rd, Director; and Arthur R.
Muller, Director, sign, seal, and as its act and deed, deliver
the within written document, and that (s)he with
Sara A. Parker witnessed the execution thereof.

SWORN to before me this 22 day
of April, 1986.

Sara A. Parker
Notary Public for South Carolina
My Commission expires: 9/11/94


(witness)

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FILED AT 09:11:00 ON 05/15/86

EXHIBIT "D"

BY LAWS

OF

INDIAN SPRINGS

1442

ARTICLE I

NAME, LOCATION, AND MEMBERSHIP

Section 1. Name. The name of the Association is Indian Springs.

Section 2. Location. The principal office of the Association shall be located at Indian Springs, Hilton Head Island, South Carolina, or at such other place as is designated by the Board of Directors in accordance with the provisions of these By-Laws.

Section 3. Membership. Each and every record Owner of a fee or undivided fee interest in any Indian Springs Condominium Unit shall be a member of the Association, excluding persons who hold such interest under a deed to secure debt, mortgage or deed of trust. Membership in the Association shall be confined to such Owners and shall be appurtenant to and inseparable from Unit ownership. Such Owner or Owners of each Condominium Unit shall designate in writing delivered to the Secretary one member of the Association from among such Owner or Owners of such Unit, or a member of the immediate family of such Owner or Owners, and such member shall represent the Owner or Owners of such Unit in connection with the activities of the Association and exercise the voting rights thereof. Such designation shall be valid until revoked in writing delivered to the Secretary or until such Owner sells his Condominium Unit whichever event shall first occur. No Unit Owner shall be required to pay any consideration whatsoever for his membership.

Section 4. Suspension of Membership and Voting Rights.

During any period in which an Owner or Owners of a Condominium Unit shall be in default of the payment of any annual or special Assessment levied by the Association, the voting rights of the member designated by such Owner or Owners and the right of such Owner or Owners, the members of their family or families and the tenants who reside in such Owner's or Owners' Condominium Unit to use and enjoy the Common Area and Facilities and Limited Common Area and Facilities may also be suspended by the Board of Directors until such time as the Assessment has been paid. Such rights may also be suspended by the Board of Directors for the violation of the published rules and regulations with respect to the use of the Common Area and Facilities and the Limited Common Area and Facilities as published from time to time by the Board of Directors. Such rules shall be kept in the Office of the Association as a matter of record, and copies thereof shall be furnished to any Unit Owner on request.

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ARTICLE III

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Delegation of Property Rights. Each member of the Association shall be entitled to the use and enjoyment of the Common Area and Facilities and Limited Common Area and Facilities as provided in the Deed. Any member may assign his rights of enjoyment and use of the Common Area and Facilities and the Limited Common Area and Facilities to the members of his immediate family or to his guests who reside in his Condominium Unit. Such member shall notify the Secretary of the Association in writing of the name of any such assignee. The rights and privileges of such assignees are subject to suspension to the same extent of those of the member.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Place of Meeting. Meetings of the Association shall be held in Hilton Head, South Carolina at such suitable place convenient to the members as may be designated by Developer with regard to the first annual meeting and by the Board of Directors with regard to all subsequent meetings.

Section 2. Annual Meeting. Within one hundred twenty (120) days after Developer has conveyed title to twenty five (25) Units, he shall call for the first annual meeting which shall be held in Hilton Head, South Carolina. Thereafter regular annual meetings shall be held on the last Saturday in October in each calendar year unless otherwise provided by the members at any previous meeting. If the date of the annual meeting shall fall on a legal holiday, the meeting shall be held at

the same hour on the next following business day.

Section 3. Special Meetings. Special meetings of the Association may be called at any time by the President, by resolution of the Board of Directors, or upon the receipt of the Secretary of a petition signed by members holding greater than thirty (30%) percent of the total vote of the Association. The call of a special meeting shall be by notice stating the date, time, place, purpose and order of business of such special meeting. Only the business stated in the notice may be transacted at a special meeting.

Section 4. Notice of Meetings. The Secretary shall mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member at the last address of such member furnished to the Secretary at least ten (10) days but not more than twenty (20) days prior to such meeting. Attendance of a member at a meeting, either in person or by proxy, except for the purpose of stating, at the beginning of the meeting, any objection to the transaction of business, shall constitute waiver of notice and any objection of any nature whatsoever as to the transaction of any business at such meeting. Notice given to one tenant in common, joint tenant or tenant by the entirety shall be deemed notice to all such Owners.

Section 5. Order of Business. The order of business at each annual meeting shall be as follows:

- a. Roll call
- b. Proof of notice or waiver of notice
- c. Reading of minutes of preceding meeting
- d. Reports of officers
- e. Reports of committees, if any
- f. Election of directors
- g. Unfinished business
- h. New Business

Section 6. Quorum. At all meetings, regular or special a quorum shall consist of the presence in person or by proxy,

of members holding not less than fifty-one (51%) percent of the total vote of the Association. If a quorum shall not be present at any meeting, a majority vote of that percentage present in person or by proxy, may adjourn the meeting from time to time until a quorum can be obtained. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 7. Voting Rights. The Association shall have one class of voting membership which shall consist of all Owners of Condominium Units in Indian Springs Horizontal Property Regime. The total number of votes of all members of the Indian Springs Association shall be one hundred (100) and the person designated by the Owner or Owners of each Condominium Unit shall be entitled to cast the number of votes equal to the Percentage Interest appurtenant to the Unit owned by such Owner or Owners. Said percentage is set forth in the Master Deed and shall not be divisible nor may the vote thereof be cast in part. In addition to those voting rights granted herein, any provisions herein or in the By-Laws to the contrary notwithstanding, Indian Springs Corporation shall have the following rights and powers: (i) Until such time as Indian Springs Corporation has sold, conveyed, or otherwise disposed of twenty five Units located in the Indian Springs Horizontal Property Regime, to retain the right to exercise all voting rights of the members of the Association, to exercise and perform all of the Association's duties and functions, and to appoint interim officers or directors. (ii) Until such time as Indian Springs Corporation has sold, conveyed, or otherwise disposed of all Condominium Units in the Indian Springs Horizontal Property Regime, the Master Deed and/or the By-Laws shall not

be changed, altered, amended or revoked with regard to
the imposition of Assessments, the repair or reconstruction
of any Condominium Units, the method and procedure of adopting
rules and regulations pertaining to the conduct of members and
to the use of the Common Area and Facilities and the Limited
Common Area and Facilities without the express written approval
of Indian Springs Corporation being first obtained.

144

Section 8. Proxy. Votes may be cast in person or
by proxy. Proxies must be filed with the Secretary before the
designated time of each meeting. Any Owner may by his written
proxy designate an agent to cast his vote. Otherwise, the
proxy shall be deemed to cover the authority to execute consents
and waivers and to exercise the right to examine the books and
records of the Association. A proxy may be revocable at Will
unless otherwise stated. No proxy can be honored until delivered
in writing to the Secretary of the Association. If at least
twenty (20) days prior to a duly called meeting, an Owner is
informed by first class mail of (i) the time and place of
the meeting, (ii) the agenda for the meeting, (iii) and such
data as is then available relative to issues on which there
will be a vote, and a proxy form is included in such mailing,
but the Owner neither attends the meeting nor returns his or
her proxy, then such Owner shall be deemed to have given his
or her proxy to vote to and for the majority present and voting,
and further shall be deemed present when determining a quorum.

Section 9. Majority Vote. Acts authorized, approved
or ratified by the casting of a majority of the votes represented
at a meeting at which a quorum is present, in person or by proxy,
shall be acts of the Association, except where a higher per-
centage vote is required by these By-Laws or by Law, and shall
be binding for all purposes.

Section 10. Actions without Meetings. Any action
which may be taken at a meeting of the membership may be taken

without a meeting if a consent or ratification, in writing, setting forth the action so taken shall be signed by persons who would be entitled to cast eighty (80%) percent of the votes of membership of the Association at a meeting and such consent is filed with the Secretary of the Association and is inserted in the Minutes Book thereof.

ARTICLE V

BOARD OF DIRECTORS, NUMBER, POWERS, AND MEETINGS

Section 1. Number. The business and affairs of the Association shall be governed by a Board of Directors (herein sometimes referred to as the "Board"). The initial Board consisting of three (3) directors shall be appointed by the Developer. At the first annual meeting a new Board consisting of three (3) individuals shall be elected. With the exception of directors appointed by the Developer to serve on the initial Board, each director shall be at least twenty one (21) years of age and must be a titled Owner of a Condominium Unit in Indian Springs. Any qualified director may be re-elected. Each director shall hold office until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified.

Section 2. Powers and Duties. The Board of Directors shall direct the affairs of the Association and, subject to any restrictions imposed by law, by the Deed, or these By-Laws, may exercise all of the powers of the Association. The Board of Directors shall exercise such duties and responsibilities as shall be incumbent upon it by law, the Deed, or these By-Laws as it may deem necessary or appropriate in the exercise of its powers including, without limitation, assistance and input to the management company in charge of the buildings and grounds; the establishment and amendment from time to time of additional regulations governing the use of the Common Area and Facilities and Limited Common Area and Facilities; and the proposing of

budgets and reserves to be voted on by the Association.

Additionally, the Board of Directors shall require that all employees of the Association handling and responsible for Association funds furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

Except in the case of an emergency the Board shall not authorize an unbudgeted expenditure in excess of Five Hundred (\$500.00) Dollars without the approval of the Association.

Section 3. Management. Management of the building and grounds shall be conducted by a licensed property management company. At all times the management company must meet the requirements imposed upon property managers by the South Carolina Real Estate Commission. Compensation paid to the management company will be based upon competitive rates charged by the other area management companies performing the same type services. Duties of the management company shall include, but not be limited to, the care, upkeep, and surveillance of the property and its general or limited common elements. Its duties shall further include the designation and dismissal of personnel necessary for managing the Association and its property.

Section 4. Election and Term of Office. Directors shall be elected at the annual meeting. One director shall serve a term of two (2) years and the other directors shall serve terms of one (1) year each.

Section 5. Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person elected shall be a director until a successor is elected at the next annual meeting of the Association. Vacancies caused by the removal shall be filled by vote of the Association at the same meeting

at which a director or directors were removed.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by a vote of eight (80%) percent of the total Percentage Interests authorized to vote thereon, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by an Owner or Owners shall be given an opportunity to be heard at such meeting. Sale of his Condominium Unit by a director shall automatically terminate his directorship, provided that this section shall not apply to any director appointed by the Developer.

Section 7. Regular Meetings. The first regular meeting of the Board of Directors shall be held immediately following the first annual meeting of the members of the Association and regular meetings thereafter shall be held on such dates and at such time and place, but not less frequently than semiannually, as may be fixed from time to time by resolution of the Board. Notice of regular meetings of the Board shall be given to each director, personally, or by mail, telephone or telegraph at least three (3) days prior to the date of such meeting; provided, however, notice of the first regular meeting shall not be required to be given to the directors provided that a majority of the entire Board is present at such meeting. Should any such 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 8. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association on three (3) days notice to each director, given personally or by mail, telephone, or telegraph, which notice shall state the date, time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of

Directors shall be called by the President or Secretary of the Association in like manner and on like notice upon the written request of at least two directors.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors any director may in writing waive notice of such meetings and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the date, time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the qualified directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Compensation. No directors shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly to a director; provided, however, a director may be reimbursed for the expenses incurred by him in the performance of his duties. No travel expenses shall be reimbursed to any director.

Section 12. Action by Board Without a Meeting. The Board of Directors shall have the right to take any action which it could take at a meeting by obtaining the written approval of all directors thereto. Any action so approved shall have the same effect as though taken at a meeting of the Board.

Section 13. Liability of Directors. To the extent permitted by the laws of the State of South Carolina made and provided, no director shall be liable to any Owner for injury or damage caused by such director in the performance of his duties unless due to the willful misfeasance or malfeasance of such director. Furthermore, each director shall be indemnified by the Association against all liabilities and expense, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceeding to which he may be party or in which he becomes involved by reason of his being or having been a director of the Association, whether or not he is a director of the Association at the times such expenses and/or liabilities are incurred, except in such cases where the director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Such indemnity shall be subject to the approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

ARTICLE VI

OFFICERS

Section 1. Number and Election. There shall be elected annually by and from the Board of Directors a President (who shall also be Chairman of the Board), a Secretary and a Treasurer. The office of Secretary and Treasurer may be filled by the same person. The directors may also elect from time to time such other officers as in their judgement may be needed, which officers need not be directors.

Section 2. Removal and Vacancies. Except as herein provided to the contrary, the officers shall be elected annually and hold office at the pleasure of the Board. A vacancy in any

office may be filled by the Board at its next meeting. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 3. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer and shall preside at all meetings of the Board of Directors and the Association, shall see that orders and resolutions of the Board are carried out, shall appoint committees consisting of members of the Association as in his opinion are necessary, shall co-sign with the Treasurer all promissory notes and similar documents, if any, and shall perform such other duties as may be delegated to him by the Board. He shall have all general powers and duties which are incident to the office of President of a corporation organized under the laws of the State of South Carolina made and provided and control and management of the Association in accordance with such laws and these By-Laws.

(b) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Association; keep appropriate current records showing the members of the Association together with their addresses and designating those members entitled to vote; keep custody of and attest the seal of the Association; and perform such other duties as may be required of him by the Board or incident to the office of Secretary of a corporation organized under the laws of the State of South Carolina made and provided.

(c) Treasurer. The Treasurer shall be responsible for the funds of the Association unless the managing company collects and disburses funds. The Treasurer shall co-sign with the President all promissory notes and similar documents, shall maintain full and accurate fiscal accounts and records, and shall

perform such other duties as may be designated by the Board of Directors or incident to the office of Treasurer under the laws of the State of South Carolina made and provided.

Section 4. Compensation. No directors or officers shall receive compensation for any service he may render to the Association nor shall the Association make any loan, directly or indirectly to a director or officer; provided, however, a director or officer may be reimbursed for reasonable expenses incurred by him in the performance of his duties. No travel expenses shall be reimbursed to any director or officer. This section does not preclude compensation to any management company or reimbursement to that company.

Section 5. Liability of Officers. To the extent permitted by the laws of the State of South Carolina made and provided, no officer shall be liable to any Owner for injury or damage caused by such officer in the performance of his duties unless due to the willful misfeasance or malfeasance of such director. Furthermore, each officer shall be indemnified by the Association against all liabilities and expenses, including attorney's fees, reasonably incurred and imposed upon him in connection with any proceedings to which he may be a party or in which he becomes involved by reason of his being or having been an officer of the Association at the times such expenses and/or liabilities are incurred, except in such cases where the officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. Such indemnity shall be subject to approval by the members of the Association only when such approval is required by the laws of the State of South Carolina made and provided.

ARTICLE VII

14

OBLIGATIONS OF THE OWNERS

Section 1. Agreements. All Owners are obligated to pay monthly Assessments imposed by the Association as provided in the Deed to meet Common Expenses, which may include the expense of liability insurance coverage and/or hazard insurance coverage for repair and reconstruction. Each resident may be assessed a proportional monthly charge for street lighting service if required. An Owner is required to reimburse the Association for any expense incurred by it in repairing or replacing Common Elements and/or Limited Common Area and Facilities damaged by such Owner.

Section 2. Maintenance and Repair.

(a) All maintenance of and repair to any Condominium Unit whether structural or non-structural, ordinary or extraordinary, other than maintenance of and repair to any Common Elements contained therein or any Limited Common Area and Facilities adjacent and appurtenant thereto, and not necessitated by the misuse or neglect of the Owner or Owners of another Condominium Unit, shall be made by the Owner or Owners thereof, and such Owner or Owners shall keep the same in good condition and repair. Each Owner shall be responsible for any and all damage to any and all other Condominium Units, to the Common Elements and Limited Common Area and Facilities caused by his failure to do so. Each Owner shall have the responsibility of maintaining his porch or balcony and keeping in good repair all outside Unit lights controlled from within his individual Condominium Unit. Any screens attached to the Unit shall likewise be the maintenance responsibility of the individual owners. If said repairs are not made within a reasonable time after notification to the Owner from the Association or its agent, the Association shall complete the repairs and bill the Owner.

(b) All maintenance, repairs, and replacements to

the Common Elements and Limited Common Area and Facilities, whether located inside or outside of the Condominium Units, unless necessitated by the negligence, misuse, or neglect of the Owner or Owners of a Condominium Unit, in which case the cost shall be borne by the Owner or Owners of such Condominium unit, shall be made by the Association or at its direction and shall be charged to the members thereof as a Common Expense.

Section 3. Right of Entry. Each and Every Owner by accepting a deed to a Condominium Unit thereby grants to the managing agent or such other person designated by the Board of Directors, in the event that fire or some similar emergency is, in the opinion of such agent or designated person, threatening his Condominium Unit, the right to enter the same regardless of whether such Owner is present at such time. Likewise, there shall be a right of entry for conducting pest control. For such purposes, each and every Owner shall provide the Association with a key to his Condominium Unit. This key may in turn be given to the managing agent.

Section 4. Conduct. All Owners, their families, guests, visitors and tenants, and each and every occupant of a Condominium Unit shall at all times observe the published rules of conduct which may be established from time to time by the Board of Directors.

Section 5. Notices. An Owner who mortgages his Residence or executes and delivers a deed to secure debt, deed of trust or other security instrument which may become a lien on his Condominium Unit shall, if requested, notify the President or the Board of Directors of the name and address of his mortgage or the holder of such deed to secure debt, deed of trust or security instrument. Further, the Owner authorizes the Association to furnish information to the mortgagees regarding unpaid Assess-

ments, taxes, or other reasonable information concerning such Uni

ARTICLE VII

COMPLIANCE

These By-Laws are set forth to comply with the Horizontal Property Act of South Carolina as outlined in the South Carolina Code of Laws 1976, Section 27-31-10 through Section 27-31-300. In the event any of these By-Laws conflict with the provisions of said Act, the provisions of said Act will control.

ARTICLE IX

BOOKS AND RECORDS

Section 1. Inspection. The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member at the principal office of the Association. The Deed and 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 for a reasonable price.

ARTICLE X

ASSOCIATION SEAL

Section 1. Description. The Association shall have a seal in circular form having within its circumference the words "Indian Springs Homeowners Association".

ARTICLE XI

AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by a

vote of not less than ninety five (95%) percent of the total vote of the Association at a duly constituted meeting for such purposes, in strict accordance with the recorded Deed to which they are attached, and Laws of the State of South Carolina made and provided. Said amendments shall be set forth in an amended Deed and duly recorded. Each and every Owner of a Condominium Unit by accepting a deed thereof thereby agrees to be bound by and benefit from any such amendment hereto.

Section 2. Deed. The Master Deed for Indian Springs Horizontal Property Regime shall be amended only upon the written consent of ninety five (95%) percent of the total Percentage Interest authorized to vote thereon. This section shall not apply to a change in the unit participation and ownership percentage, for such a change shall require the written consent of one hundred (100%) percent of the Owners of the Association.

Section 3. Conflicts. In the event of any conflict between the provisions of the Deed and the provisions of these By-Laws, the provisions of the Deed shall control.

C E R T I F I C A T I O N

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the Indian Springs Owners Association, an unincorporated association, and THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 21st day of December 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this 21st day of December, 1982.

Paul E. Jordan

Secretary