



DeBORDIEU®

WHEREAS, the DeBordieu Colony Community Association, Inc. (the "Association") has authority pursuant to the Declarations of Covenants and Restrictions (the "Covenants") Article II, Section 27 which reads as follows:

In order to maintain the high standards of the subdivision, each lot and dwelling unit in the subdivision will be subject to an annual assessment which shall be secured by a lien upon each lot and dwelling unit until the same is paid, unless otherwise determined by Declarant.

WHEREAS, pursuant to Article VII, Section 3 of the Covenants;

In the event of a violation or breach of any of the affirmative obligations or restrictions contained in this Declaration by any Owner or agent of such Owner, the Declarant or any other Owners or any of them jointly or severally shall have the right to proceed at law or in equity to compel compliance to the terms hereof or to prevent the violation or hereof in any event.

The Declarant may engage a person or persons to respond to complaints received as to violations of the Covenants and shall inform the violators of such complaint. If the violation is not expeditiously terminated, the Declarant may engage legal counsel to bring an appropriate injunctive action, including any appeals, to enforce these covenants.

Violators shall be obligated to reimburse the Declarant in full for all its direct and indirect costs, including but not limited to legal fees incurred in maintaining compliance with these Covenants. Enforcement of these Covenants shall be by any proceeding at law or in equity, whether it be to restrain violation or to recover damages or to create any lien created by these Covenants. The failure to enforce any rights, reservations, restrictions, or conditions contained herein, however long continued, shall not be deemed a waiver of this right to so hereafter as to the same breach, or as to breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement.

WHEREAS, Article V, section 1 of the By-laws provides as follows:

In order to maintain the high standards of DeBordieu Colony each lot, dwelling unit or other parcel of land in the subdivision included under the Article is hereby subject to assessments which shall, after notice of pendency of an action to recover the said assessments (Notice of Lis Pendens) has been filed with the Clerk of Court for Georgetown County by the Association, its successors and assigns, be secured by a lien upon each such lot, dwelling unit or parcel until the same is paid. Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The Annual Assessment shall be set by the Board of Directors of the Association, and payable within thirty (30) days after written notice to each Owner.

WHEREAS, Article V, Section 2 of the By-laws reads as follows:

Each Annual Assessment shall be made for the calendar year and shall become due and payable on or before January 31 of that year.

WHEREAS, Article VIII, Section 1 of the By-laws reads as follows:

The Board of Directors shall manage the affairs of the Association. The Board of Directors shall have full authority to take any and all actions with respect to the affairs of the Association except for such actions as may be specifically reserved to Members of the Association by these By-laws, the Articles of Incorporation or the laws of the State of South Carolina. The Board shall have the power and authority to take any action it deems necessary to enforce rules and regulations governing the conduct of Members and visitors in DeBordieu Colony.

WHEREAS, based upon the foregoing, the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue; and

WHEREAS the Board has directed the Association's attorneys to represent the Association on the terms outlined in this resolution; NOW, THEREFORE,

BE IT RESOLVED that the week following the due date, the Manager is directed to send to any member who has failed to pay by the due date any regular or special assessments, or other charges authorized by the Association's governing documents (hereinafter referred to as "Assessments") written notice of the late fee and a request for immediate payment. After thirty (30) days, the Manager is directed to send any member who has failed to pay any Assessments, written notice of an additional late fee and that, if the account is not paid in full within fifteen (15) days, it will be turned over to the Association's attorneys for collection, who shall also seek to recover from the member reimbursement of all attorneys fees and other expenses incurred by the Association in attempting to collect the sums due; and

BE IT RESOLVED that a Notice of Claim of Lien will be recorded and a copy thereof will be forwarded to any lender with a mortgage against the property; and

BE IT RESOLVED that the following policies shall apply to all delinquent accounts turned over to the Association's attorneys for collection:

1. All contacts with a delinquent member shall be handled through the Association's attorneys. Neither the Manager nor any Association officer or director shall discuss the collection of the account directly with a member after it has been turned over to the Association's attorneys unless one of the Association's attorneys is present or has consented to the contact.
2. All sums collected on a delinquent account shall be remitted to the Association in care of the Association's attorneys until the account has been brought current. Where at the expiration of the period specified in the Association's attorneys' demand letter, an

account remains delinquent and without a payment plan agreed to in writing by the member and the Association, or in the event of a default under the terms of any such payment plan, the Association's attorneys are authorized to take such further action as they, in consultation with the Board president, believe to be in the best interest of the Association, including but not limited to:

Filing suit against the delinquent homeowner in order to collect assessments due from the member, pre-judgment interest at the legal rate on said assessments, all expenses and costs of collection, and attorneys fees; and/or asserting, filing, and foreclosing the Association's lien and/or requesting the appointment of a receiver, together with the assertion of any and all other remedies, legal or equitable, which may be available to the Association under the state law or under the governing documents.

BE IT FURTHER RESOLVED that a copy of this resolution shall be mailed to all property owners at their last known address; and

BE IT FURTHER RESOLVED that for good cause shown, the Manager of the Association be authorized to extend the deadlines set herein and/or to establish new terms for repayment for any member who applies for such relief within thirty days from the date payment was originally due; PROVIDED, HOWEVER, that any extensions or changes in payment terms must be evidenced by a written agreement signed by the member and by the Manager in behalf of the Association.

This resolution was adopted by the Board of Directors on March 13, 2004.

President



Secretary



Witness

