

**AMENDED AND RESTATED
BYLAWS
OF DEWEES UTILITY CORPORATION**

ARTICLE I: OFFICES

The principal office of the Corporation shall be located in the County of Charleston, State of South Carolina. The Corporation may have such other offices, either within or without the State of South Carolina, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

The registered office of the Corporation required by the South Carolina Nonprofit Corporation Act of 1994 to be maintained in the State of South Carolina may be, but need not be, identical with the principal office of the Corporation, and the address of the registered office may be changed from time to time by the Corporation.

ARTICLE II: ORGANIZATION

The Corporation shall be a nonprofit organization incorporated under the South Carolina Nonprofit Corporation Act, Article 1, Chapter 31, Title 33 of the South Carolina Code. The Corporation shall be an independent and autonomous organization. Its period of duration shall be perpetual unless terminated in accordance with Article XV, infra.

ARTICLE III: PURPOSES

The purposes for which the Corporation is established and shall operate are as follows:

1. The Corporation is organized and shall operate exclusively as a non-profit corporation to promote and support activities which are designed to furnish utility services, including, but not limited to, water and sewage services, to the residents of Dewees Island, South Carolina. In pursuit of its purposes the Corporation shall be authorized to engage in any and all lawful activities necessary or incident to the foregoing purpose, except as limited in the Corporation's Articles of Incorporation.

2. The Corporation is organized and shall operate exclusively for the aforesaid purpose, and in connection therewith its scope of activities shall include accepting, buying, selling, owning, holding, operating, mortgaging, insuring, pledging, assigning, transferring or otherwise receiving or disposing of real and personal property.

3. The Board of Directors may authorize, amend or restate operating guidelines, plans, practices and/or procedures from time to time in order to effectively implement the purposes of the Corporation.

ARTICLE IV: FINANCES

The Corporation shall raise funds by collection of money and property, contributions, receipts and fees for services; provided, however, all such funds must be accepted by the Board of Directors of the

Corporation.

All funds collected and received by the Corporation, together with the income therefrom, shall be held, retained, managed and conserved in a capital fund or funds and administered, used and applied by the Corporation in the sole discretion of the Board of Directors in accordance with the purposes described in Article III of these Bylaws and the Corporation's Articles of Incorporation and as provided in Article V. The Board of Directors may accept revenues and properties which are qualified, limited or restricted in their use; provided, however, such qualifications, conditions, limitations and/or restrictions shall not conflict with the purposes of the Corporation set forth in Article III of these Bylaws and the Corporation's Articles of Incorporation. Unless otherwise specifically required, such restricted revenues and/or property may be mingled with other funds of the Corporation.

ARTICLE V: APPLICATION AND USE OF FUND

Revenues received by the Corporation shall be held in an account or accounts in the name of the Corporation in such location(s) as may be designated by the Board of Directors or the President. The Corporation shall hold, manage, invest and reinvest its funds in accordance with the investment policies of the Corporation and shall collect and receive the income there from. After deducting all necessary expenses incident to the operation and administration of the Corporation, such funds shall be utilized in accordance with the purposes set forth in these Bylaws and the Corporation's Articles of Incorporation. The Board of Directors may establish a committee within itself for the purpose of supervising and managing investments. All such revenues received and held by the Corporation shall be distributed to such persons and in such amounts as the Board of Directors of the Corporation shall deem appropriate, in keeping with the purposes of the Corporation.

The Corporation shall be the sole entity or person responsible for the application and use of its assets, including payment of its expenses in accordance with such operating guidelines as may be established by the Board of Directors; and it shall operate as an independent and autonomous entity for the purposes of meeting its financial obligations.

ARTICLE VI: MEMBERSHIP

Section 1. Members. The members of the Corporation shall consist solely of those record owners of a fee interest or undivided fee interest in, or a substantial possessory interest in, the property located on Dewees Island (the "Members"). Notwithstanding anything herein to the contrary, only one (1) membership at any one time may be held for each lot served. Where membership is granted to one or more persons having a substantial possessory interest, the Corporation, as a condition to membership, may require such applicant to post such collateral or bond as the Board of Directors determine necessary to fully protect the Corporation from any additional risk that may be involved to the Corporation by reason of the lack of legal ownership in the applicant.

Each Member and applicant for membership shall notify the Corporation of any transfer of membership and shall, if requested, provide evidence to establish membership. The Corporation shall maintain records identifying each Member and the lot or lots owned or possessed by such Member.

For the purposes of Article VI, Section 1, a substantial possessory interest is defined as an interest whereby a person has a legal right to control the occupancy of a lot but does not have the legal or equitable ownership of a lot. Such interest may exist under a lease or similar right to possession; however, before membership is allowed to one or more persons claiming such a possessory interest, the Board of Directors

will endeavor to obtain the application for membership from the owner of such lot.

Section 2. Annual Meeting. The annual meeting of the Members shall be held within six months following the end of the Corporation's fiscal year for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. The exact time and place of the annual meeting shall be determined by the Board of Directors. If the annual meeting shall not be held within the period designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 5 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3. Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President of Directors, or by a majority of the Board of Directors, and shall be called by the President if at least five percent (5%) of the Members sign, date and deliver to the Corporation's Secretary one or more written demands for the meeting describing the purpose for which it is to be held.

Section 4. Place of Meeting. The Board of Directors may designate any place, either within or without the State of South Carolina, as the place of meeting for any annual meeting or for any special meeting. A waiver of notice signed by all Members entitled to vote at a meeting may designate any place, either within or without the State of South Carolina, as the place for holding such meeting. If no designation is made, the place of meeting shall be the principal office of the Corporation in the State of South Carolina.

Section 5. Notice of Meeting. Except as otherwise provided by law, notice of the date, time and place of each annual and special meeting shall be given no fewer than ten (10) nor more than forty (40) days before the date of the meeting when notice is given by first class or registered mail. When notice is mailed by other than first class or registered mail, notice shall be given no fewer than thirty (30) nor more than sixty (60) days before the meeting date. Except as otherwise provided by law, such notice shall be given in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, telegraph, teletype or other form of wire or wireless communication or by mail or private carrier or any other lawful means, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

In the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat. In the case of a special meeting, the notice of meeting shall state the purpose or purposes for which the meeting is called.

When a meeting is adjourned, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken. If a new record date for the adjourned meeting is or must be fixed, however, notice of the adjourned meeting must be given to persons who are Members as of the new record date.

Section 6. Fixing of Record Date. For the purpose of determining Members entitled to notice of a Members' meeting, to demand a special meeting of Members, to vote or to take any other action, or in order to make a determination of Members for any other proper purpose, the Board of Directors of the Corporation may fix a future date as the record date, such date in any case to be not more than seventy (70) days before the meeting or action date requiring such determination of Members. If no record date is

fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the close of business on the day before the first notice of the meeting is given to Members, shall be the record date for such determination of Members. When a determination of Members entitled to notice of or to vote at any meeting of Members has been made as provided in this section, such determination shall apply to any adjournment thereof unless the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

Section 7. Quorum. Members entitled to vote at a meeting of Members may take action on a matter only if a quorum of those Members exists. Except as otherwise provided by law or the Corporation's Articles of Incorporation, fifty-one percent (51%) of Members, represented in person or by proxy, shall constitute a quorum of Members for action on a matter. If less than fifty-one percent (51%) of Members are represented at a meeting, a majority of the Members so represented may adjourn the meeting from time to time. No further notice shall be required for an adjourned meeting unless a new record date is or must be fixed for such meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 8. Proxies. A Member may vote in person or by proxy. A Member may appoint a proxy to vote or otherwise act for him, including giving waivers and consents, by signing an appointment form, either in person or by his attorney in fact. An appointment of a proxy shall be effective when received by the Secretary of the Corporation or other officer or agent authorized to tabulate votes. Such proxies may be general or restrictive. Proxies shall be revocable and shall not be valid beyond eleven (11) months, nor after termination of the membership by cessation of the Member's interest in the property.

Section 9. Voting by Members. Except as otherwise provided by law or the Corporation's Articles of Incorporation each Member of the Corporation shall be entitled to one (1) vote upon each matter submitted to a vote of Members, regardless of the number of service connections the Member may obtain to serve the lot.

When more than one person holds the interest in the lot served, the vote shall be exercised by the person named on the Corporation's records as exercising voting rights or by such person as the several persons may designate, but in no event shall more than one (1) vote be cast with respect to any lot.

If a quorum exists, action on a matter (other than the election of directors) shall be approved if the votes cast favoring such action exceed the votes cast opposing such action unless a greater number of affirmative votes is required by law or the Articles of Incorporation of the Corporation.

Section 10. Informal Action by Members. Any action required or permitted to be taken at a meeting of the Members, including the annual meeting, may be taken without a meeting if the action is taken by all Members entitled to vote on the action. The action must be evidenced by one or more written consents describing the action taken, signed by all Members entitled to vote on the action, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records.

Section 11. Order of Business. The Directors of the Corporation shall be elected every three (3) years at the annual meeting of the Members. No cumulative voting shall be allowed. The order of business at the annual meeting and, so far as practicable at all other meetings of the Members, shall be as follows:

1. Call of roll or other method of ascertaining the number of Members present in person or by proxy.
2. Proof of due notice of meeting.
3. Reading and disposal of any unapproved minutes.
4. Reports of Officers.
5. Election of Directors.
6. Unfinished business.
7. New business.
8. Adjournment.

Section 12. Transfer of Membership. Membership shall be transferable but the transfer will be effective only when noted on the books of the Corporation. Such transfer will be made only to a person who obtains a qualifying interest in a lot as described in Section 1 of this Article VI and the Corporation receives notice of such transfer to a person with a qualifying interest. A Member will transfer membership in the Corporation to a successor in interest as part of the transaction whereby the Member disposes of any interest to said lot as described in Section 1 of this Article VI.

Section 13. Termination of Membership. When membership in the Corporation is not transferred, membership shall terminate as follows:

- (a) Membership may be terminated by action of the Board of Directors upon the disposition or other termination of the Member's interest in the lot.
- (b) Membership may be terminated by action of the Board of Directors where the use of the lot has changed so as to materially increase the amount of utilities consumed to the prejudice of other existing Members or to the prejudice to the orderly operation of the system.

Notwithstanding the above, termination of membership under this Section by the Board of Directors shall not occur until the Member to be terminated has received a written notice of such termination at least fifteen (15) days prior to the effective date of such termination and the Member is given the opportunity to contest such termination to the Board of Directors five (5) days before the date the termination is to be effective. Notice shall be provided to the Member to be terminated by certified mail at the Member's last known address. If the Member chooses to contest termination of his membership in the Corporation, then the Member shall make such contest in writing which shall be considered at a special Board of Director's meeting to be held before the effective date of such Member's termination.

Termination of membership under this Section will result in the loss of the Member's right to vote under these Bylaws but will not result in forfeiture of the former Member's rights and interests in the organization's assets and the former Member will not be precluded from receiving a proportionate share of any subsequent distribution of such assets by the organization. The termination of the membership of any Member shall not disqualify any other person for membership who has or obtains an interest in the lot of the terminated Member and who otherwise meets the requirements of these Bylaws.

Section 14. Divestiture of Member's Property Interest. In the event a Member's property interest is

divested other than by voluntary means, such Member's membership will pass to the trustee, receiver, executor, or the like who will be entitled either in person or through a designated representative to exercise all of the rights incident to such membership, but subject to such duties and liabilities also applicable to the membership. The trustee, receiver, executor, or the like may terminate such membership by written notice to such effect delivered or mailed to the Secretary of the Corporation. Upon final disposition of such property rights, the owner thereof shall be entitled to membership in like manner as if the membership had been transferred to the owner by the original Member as set forth above.

ARTICLE VII: BENEFITS AND DUTIES OF MEMBERS

Section 1. Services Provided. The Corporation will install, maintain and operate utility services to water delivery points and from waste water return points at or on the lots of each Member of the Corporation, at which points appropriate connections maintained by the Corporation shall be placed. The cost of service to the delivery and from the return points of each lot shall be paid by the Corporation. The Corporation may also purchase and install appropriate cut-off valves for each line, such valves to be owned and maintained by and under the exclusive control of the Corporation. Each Member will maintain such portion of the system as is owned by the Member. The Corporation may, if the Board of Directors so determines, purchase, install and maintain portions of the system for Members, the cost thereof to be paid by the individual Members. In addition, each Member shall pay any charges imposed by the Board of Directors before such Member will be entitled to receive service from the system.

Section 2. Additional Service. Each Member may be permitted to have additional services from the Corporation's system in the discretion of the Board of Directors upon proper application and the tender of payment not to exceed the then existing charges. The approval by the Board of additional services to an existing Member may be conditioned as the Board of Directors determines.

Section 3. Shortage of Utilities. In the event that the supply of any utility service shall be insufficient to meet all the needs of Members, the Corporation may prorate the availability of that service among the various Members on such basis as is deemed equitable by the Board of Directors.

Section 4. Fees. The Board of Directors shall determine the monthly rate to be charged to each Member during the following calendar year, such monthly rate to be payable irrespective of whether any utility is used by a Member during any month. The monthly rate levied by the Corporation shall be used to provide for utility services and for such other uses as may be determined by the Board of Directors of the Corporation. The Board of Directors shall also determine the amount of additional charges, if any, for additional services supplied to the Members, and the amount of penalty for late payments, fixing the date for payment of charges.

Section 5. Collection of Past Due Amounts. Each Member, as determined in Article VI, Section 1, shall be deemed to covenant and agree to pay all charges and fees which may hereafter be charged by the Corporation. If any fees or charges assessed by the Corporation are not paid on or before the past due date specified in any bill for such fees, such fees and costs of collection as hereinafter provided shall be a charge and continuing lien on the lot and any improvements. The Corporation shall have the right, in addition to any other remedies at law or in equity, to file a notice of lien in the Charleston County RMC Office and such lien may be foreclosed upon by the Corporation by an action brought as in mortgage foreclosure. In any proceedings brought to collect the fees or enforce the lien, any judgment rendered shall include interest on the fees and all costs of collection, including reasonable attorney fees. The lien for fees provided herein shall be subordinate to the lien of any mortgage now or hereafter placed on the lot; provided, however, that such subordination shall apply only to the fees which accrue subsequent to the

date of such mortgage and have become due and payable prior to a sale or transfer of such lot pursuant to foreclosure, or any proceeding or deed in lieu of foreclosure, in addition to being a continuing lien against the lot, the charges, together with interest and costs of collection shall also be the personal obligation of the person who was the owner of the lot at the time the fee or charge first became due and payable. In the case of co-ownership, such co-owners shall be jointly and severally liable for the entire charge and costs of collection.

ARTICLE VIII: BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors. The Directors shall have the authority to do all things and undertake all activities, not prohibited by law, which they deem advisable in carrying out the purposes herein set forth, including, but not limited to:

- (a) approval of membership applications .
- (b) selection and appointment of agents and employees to the Corporation, removal of such agents or employees, prescription of such duties and designation of such powers as may not be inconsistent with these Bylaws, and determination of the compensation and pay for said services;
- (c) prescription, adoption, and amendment from time to time of equitable, uniform rules and regulations deemed essential or convenient for the conduct of the business or affairs of the Corporation and the guidance and control of its Directors, Officers, and employees;
- (d) fixing or altering the charges to be paid by each Member for services rendered by the Corporation to the Member, including maintenance and repair of the Member's septic system and connection or re-connection fees deemed necessary by the Directors, fixing or altering the methods of billing, time of payment, manner of connection, and penalties for late or non-payment of the same.
- (e) the levy of assessments against Members of the Corporation in such manner and upon such proportionate basis as the Directors deem equitable to enforce collection of assessments by the suspension of services or other legal methods. The Board shall have the option to suspend the service of any Member who has not paid the assessment within thirty (30) days from the date of the assessment; provided, however, the Corporation must give the Member at least fifteen (15) days written notice at the address of the Member on the books of the Corporation of its intention to suspend service if the assessment is not paid. Upon payment of such assessment, any penalties, if applicable, and a re-connection charge, if one is in effect, service will be promptly restored to such Member.

Section 2. Number, Tenure and Qualifications. The number of Directors of the Corporation shall be not less than three (3) and not more than seven (7) as determined from time to time by the Board of Directors. Directors shall be elected at the annual meeting of the Members to serve terms of three (3) years. Except as otherwise required by law or the Corporation's Articles of Incorporation any directorships not filled by the Members shall be treated as vacancies to be filled by and in the discretion of the Board of Directors. Each Director shall hold office until his successor shall have been elected and qualified or until his earlier resignation, removal from office, death or incapacity. Directors must be natural persons but need not be

residents of the State of South Carolina.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held at least once each year at a time and place selected by all the Directors. The Board of Directors may provide, by resolution, the time and place, either within or without the State of South Carolina, for the holding of additional regular meetings.

Section 4. Special Meetings. Special meetings of the Board of Directors may be held at any time and place upon the call of the President of Directors or of any Director.

Section 5. Notice. Notice of the time, date and place of any special meeting shall be given at least fourteen (14) days previously thereto. Such notice shall be given in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, telegraph, teletype or other form of wire or wireless communication or by mail or private carrier or any other lawful means. A Director's attendance at or participation in a meeting waives any required notice of such meeting unless the Director upon arriving at the meeting (or prior to the vote on a matter not properly noticed under these Bylaws) objects to lack of notice and does not thereafter vote for or assent to the objected to action. Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting adjourning.

Section 6. Quorum and Voting. The greater of one-third (1/3) or two (2) Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than the greater of one-third (1/3) or two (2) Directors is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. At any meeting of the Board of Directors, each Director shall be entitled to one (1) vote on any issue.

Section 7. Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided in this Section.

The creation of a committee and the appointment of Members to it must be approved by the greater of (i) a majority of all the Directors in office when the action is taken or (ii) the majority of the number of Directors fixed as provided in Section 2 of this Article VIII.

Section 8. Vacancies. Except as otherwise required by law, or the Corporation's Articles of Incorporation, any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall hold office only until the next Members' meeting at which Directors are elected and until a successor shall be elected and qualified.

Section 9. Unanimous Consent Action by Directors. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is assented to by all Members of the Board of Directors.

Section 10. Order of Business. The regular order of business at the meeting of the Board of Directors shall be as follows:

1. Reading and disposal of any unapproved minutes.
2. Reports of Officers.
3. Unfinished business.

4. New business.

5. Adjournment.

Section 11. Committees. The Board of Directors then in office may create one or more committees of the Board of Directors and appoint members of the Board of Directors to serve on them. Each committee must have two or more members. To the extent specified by the Board of Directors, between meetings of the Board of Directors and subject to such limitations as may be required by law, the Corporation's Articles of Incorporation, these Bylaws or imposed by resolution of the Board of Directors, such committees may exercise all of the authority of the Board of Directors in the management of the Corporation. The creation of, delegation of authority to or action by a committee shall not alone constitute compliance by a Director with the standards of conduct prescribed by the South Carolina Nonprofit Corporation Act of 1994.

Meetings of the committees may be held at any time on call of the President or of any Member of the committee. A majority of the Members shall constitute a quorum for all meetings. Committees shall keep minutes of their proceedings and submit them to the next succeeding meeting of the Board of Directors for approval.

Section 12. Compensation. Each Director shall serve without compensation for service in such office. The Board of Directors may also authorize the payment of, or reimbursement for, all expenses of each Director related to such Director's attendance at meetings.

Section 13. Termination of a Director. The Members may, by a majority vote, remove one or more Directors elected by the Members without cause. A Director elected by the Members shall be removed by the Members only at a meeting called for the purpose of removing the Director and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the Director.

In addition to death or resignation, a Director may be terminated by a majority vote of the remaining Directors because of such Director's:

- (a) physical or mental incapacity; or
- (b) absence from three (3) consecutive meetings, unless excused by a majority vote of the other Directors.

ARTICLE IX: OFFICERS

Section 1.

(a) General. The officers of the Corporation shall be vested with authority to administer and implement duties, responsibilities and directives in conformity with their respective offices in furtherance of the purposes set forth in the Bylaws and the Corporation's Articles of Incorporation.

(b) Number. The officers of the Corporation shall be a President of Directors, a Vice President, a Treasurer, a Secretary and such other officers and assistant officers as the Board of Directors shall deem necessary or desirable. Any two (2) or more offices may be held by the same person, and an officer may act in more than one capacity where action of two (2) or more officers is required.

Section 2. Appointment of Officers. The officers of the Corporation shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors held as provided in Article VIII, Section 3, or at such time or times as the Board of Directors shall determine. The President, Vice

President, Secretary and Treasurer must be chosen from the Board of Directors.

Section 3. Removal. Any officer or agent appointed by the Board of Directors may be removed by the Board of Directors, whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in an office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired portion of the term by a person designated by the Board of Directors.

Section 5. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He shall, when present, preside at all meetings of the Board of Directors and at all meetings of the Members. He may sign any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. The Vice President shall familiarize himself with the affairs of the Corporation, and shall have such powers and perform such duties as may be prescribed from time to time by the President or the Board of Directors. At the request of the President, or, in the event of the absence or disability of the President, at the request of the Board of Directors, the Vice President may act temporarily in the place of the President and when so acting shall possess all the powers of and perform all the duties of that officer.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the Members' and of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (e) authenticate records of the Corporation when such authentication is required; and (f) in general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President **or** the Board of Directors.

Section 8. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article XI of these Bylaws; and (b) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 9. Compensation. Officers of the Corporation shall receive no compensation for service in such office unless specifically set by the Board of Directors; provided, however, that officers, regardless of compensation, shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties.

Section 10. Bonds. Any or all officers and agents shall, respectively, if required by the Board of

Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

ARTICLE X: DISTRIBUTION OF SURPLUS FUNDS

Section 1. Surplus Funds. The Corporation does not anticipate any surplus funds or net income at the end of the fiscal year after provision for the payment of the expenses of operation and maintenance and the funding of various reserves for depreciation, debt retirement, and other purposes, including those required by the terms of any borrowing transaction. The occurrence in subsequent fiscal years of surplus funds or net income above the requirements of the Corporation as mentioned above, including, if any, a reserve for improvements and extension of the facilities, shall be taken into consideration by the Board of Directors in determining the rates charged to Members.

Section 2. Services Provided. The Corporation will provide services substantially at cost. Dividends shall not be paid on the basis of membership in the organization. All funds in excess of those needed to meet current losses and expenses from whatever sources remaining at the end of the year will be retained for such purposes as retiring indebtedness incurred in acquiring assets, expanding the Corporation's services, maintaining reserves for necessary purposes, or reducing subsequent years' rates; provided, however, the Corporation will maintain records reflecting each Members' interest in the retained funds and assets acquired with such funds. Required records for this purpose include financial records that show the organization's revenues from all sources for each year and records, such as bills or receipts showing the amount of each Member's business annually with the organization. Upon dissolution, after paying off all debts and obligations, Members and former Members under Article VI, Section 13 will be entitled to receive their equitable share of all the proceeds remaining to the extent practical as reflected by the records.

ARTICLE XI: CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers or agent or agents to enter into any contract or execute and deliver any instruments in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. Except for loans which are incurred in the ordinary course of business, no loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by the President or by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors or the President may select.

ARTICLE XII: INDEMNIFICATION

Section 1. Authority. The Corporation shall to the fullest extent permitted by the South Carolina Nonprofit Corporation Act of 1994, indemnify all persons whom it may indemnify pursuant thereto so long as such persons have conducted themselves in good faith and reasonably believed their conduct not to

be opposed to the Corporation's best interests.

Section 2. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against liability asserted against or incurred by him in that capacity or arising from his status as such, whether or not the Corporation would have the power to indemnify him against the same liability under Sections 33-31-851 and 33-31-852 of the South Carolina Nonprofit Corporation Act of 1994.

ARTICLE XIII: AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by a two-thirds ($2/3^{\wedge}$) vote of the Members present at any regular meeting of the Corporation or at a special meeting of the Corporation called for that purpose. Any notice of a meeting of the Board of Directors at which these Bylaws are to be amended or repealed or new Bylaws adopted must be given at least seven (7) days previously thereto and such notice shall include notice of such proposed action.

ARTICLE XIV: SEAL

The Corporation may have a corporate seal as determined by the Board of Directors, including an inscription thereon of the name of the Corporation, the year of its incorporation, and the name of South Carolina pursuant to the laws of which the Corporation was organized.

ARTICLE XV: DISSOLUTION

The Corporation may be dissolved and its business and affairs terminated upon a vote of a two-thirds ($2/3$ ds or 66.67%) of its Members present at a meeting of which written notice mailed to each Member shall be given at least seven (7) days previously thereto. Such notice shall state the purpose of the proposed meeting and contain a copy or summary of the place of dissolution. After dissolution is approved. Articles of Dissolution shall be filed with the Secretary of State.

Upon dissolution of the Corporation and after all its debts and expenses have been paid, all its assets which may be legally so distributed shall be distributed in conformity with these Bylaws pursuant to Article X, Section 2.

ARTICLE XVI: FISCAL YEAR

The fiscal year of the Corporation shall end on December 31 of each calendar year unless otherwise determined by the Board of Directors.

ARTICLE XVII: WAIVER OF NOTICE

Except as otherwise provided by law, whenever any notice is required to be given to any Member or Director of the Corporation under the provisions of the South Carolina Code, or under the provisions of the Articles of Incorporation or Bylaws of the Corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, and delivered to the Corporation for inclusion or filing with the minutes or corporate records, shall be equivalent to the giving of such notice.

ARTICLE XIII: MISCELLANEOUS

Any male noun or pronoun that may appear in these Bylaws shall be understood to refer to persons of either sex.