

EXHIBIT E

BY-LAWS OF
MARINA VILLAS ASSOCIATION, INC.
A South Carolina Nonprofit Corporation

ARTICLE I

Name and Location

The name of this corporation is Marina Villas Association, Inc. Its principal office is located in Oconee County, South Carolina.

ARTICLE II

Purpose

The purpose of this corporation is to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of that certain property which has been submitted to the provisions of the Horizontal Property Act of South Carolina and known as Marina Villas Horizontal Property Regime.

ARTICLE III

Membership

Section 1. Members: The members shall consist of all of the co-owners of that property located in the Keowee Key subdivision, Oconee County, South Carolina, known as Marina Villas Horizontal Property Regime, in accordance with the respective percentages of ownership of said co-owners in the Common Elements of the property. Such respective percentages of ownership shall be determined in accordance with the provisions of the Master Deed which has been recorded in the office of the Clerk of Court for Oconee County, South Carolina, by which the said property has been submitted to the provisions of the Horizontal Property Act of South Carolina, to which Master Deed a copy of these By-Laws has been appended.

Section 2. Transfer: Except as provided herein or in the Master Deed, membership shall not be transferable. The membership of each Unit co-owner shall terminate upon a sale, transfer or other disposition of his ownership interest in the property, accomplished in accordance with the provisions of the Master Deed, and thereupon the membership shall automatically transfer to and be vested in the new co-owner succeeding to such ownership

interest. The Association may, but shall not be required to, issue certificates or other evidence of membership therein.

ARTICLE IV

Members' Meetings

Section 1. Annual Meeting: The annual members' meeting shall, except as set forth in Section 8 of this Article, be held in the office of the Association at 10:00 o'clock a.m. on the second Sunday of February of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members. If that day is a legal holiday, the meeting shall be held at the same hour on the next day.

Section 2. Special Meetings: Special members' meetings shall be held whenever called by the President and Vice-President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

Section 3. Notice: Notice of all members' meetings, stating the time and place and the objects for which the meeting is called, shall be given by the President or Vice President or Secretary, unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meetings may be waived before or after meetings.

Section 4. Quorum: A quorum at members' meetings shall consist of persons entitled to cast ten percent of the votes of the entire membership, whether in person or by proxy. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting for at least ten (10) days, and adequate notice of the new date shall be given as described in Section 3 of this Article.

Section 5. Voting: The aggregate number of votes for all members of the Association shall be one hundred. Such votes shall be divided among the members in the same ratio as their respective percentages of co-ownership interest in the General Common Elements as set forth from time to time in the Master Deed for Marina Villas Horizontal Property Regime.

Section 6. Majority: Unless otherwise provided in the Master Deed or these By-Laws, the vote of the majority of the ownership interests present or represented by proxy at a meeting at which a quorum is present is necessary for the adoption of any matter voted upon by the members.

Section 7. Proxies: Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary before the appointed time of the meeting.

Section 8. Meetings Prior to Completion of Project: Until Lake Keowee Development Corporation (herein called the Developer) has completed and sold all of the units from time to time constituting Marina Villas Horizontal Property Regime, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, there shall be no meeting of members of the Association unless a meeting is called by the Board of Directors.

ARTICLE V

Directors

Section 1. Function: The affairs of this Association shall be managed by a Board of three (3) directors elected by the members at their annual meeting, who shall hold office for one (1) year and until their successors are elected and qualified. After completion of the project, each member of the Board of Directors shall be either the owner of a Unit, have an interest therein, or in the event of corporate ownership, be a designated agent of the corporation.

Section 2. Vacancies: Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

Section 3. Removal: Any director elected by the members may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

Section 4. Initial Directors: Until the Developer has completed and sold all of the units of the condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the initial Board of Directors of the Association, which shall be appointed by the Developer, shall serve, and in the event of vacancies the remaining directors shall fill the vacancies, and if there are no remaining Directors, the vacancies shall be filled by the Developer.

Section 5. Organizational Meeting: The organizational meeting of a newly-elected Board of Directors shall be held within ten (10) days of its election at such place and time as shall be fixed by the directors at the meeting at which they were

elected and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 6. Regular Meetings: Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone, or telegraph at least three (3) days prior to the day named for such meeting.

Section 7. Special Meetings: Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of two-thirds (2/3) of the directors. Notice of the meeting shall be given personally or by mail, telephone, or telegraph at least three (3) days prior to the day named for such meeting, which notice shall state the time, place, and purpose of the meeting.

Section 8. Waiver of Notice: Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

Section 9. Quorum: A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Declaration, Articles of Incorporation, or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

ARTICLE VI

Powers and Duties of the Board of Directors

Section 1. Powers and Duties: The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law, by the Master Deed or by these By-Laws directed to be exercised and done by the owners.

Section 2. Other Duties: In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

(a) Care, upkeep, and surveillance of the project and the common areas and facilities;

(b) Collection of assessments from the owners;

(c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project and the Common Elements and facilities.

Section 3. Manager or Management Agent, Employees, Generally: The Board of Directors may employ for the Association a management agent or manager, at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 2 of this Article. The duties conferred upon the management agent or manager by the Board of Directors may be at any moment revoked, modified, or amplified by the majority of owners in a duly constituted meeting. The Board of Directors may employ any other employee or agents to perform such duties and at such salaries as the Board of Directors may establish.

ARTICLE VII

Officers

Section 1. Positions: The principal officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be appointed by and from the Board of Directors. The directors may appoint an Assistant Secretary and Assistant Treasurer and such other officers as in their judgment may be necessary.

Section 2. Appointments: The officers of the Association shall be appointed annually by the Board of Directors at the organizational meeting of each new Board and shall hold office for one (1) year and until their successors are appointed and qualified.

Section 3. Removal: Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor appointed at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice Presidents: In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or in the event there be more than one Vice

President, the Vice Presidents in the order designated at the time of their election) shall perform the duties of the President, and when still acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall also perform such duties as are from time to time assigned to him by the President or Board of Directors.

Section 6. Secretary: The Secretary shall:

(a) Keep the minutes of the proceedings of the Members' meetings and of the Board of Directors in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with the provisions of these By-Laws or as required by law:

(c) Be custodian of the records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; and

(d) In general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer: The Treasurer shall:

(a) Have charge and custody of and be responsible for all funds, books and accounts of the Association;

(b) Have charge and be responsible for the collection of assessments, as set forth in Article VIII of these By-Laws; and

(c) In general perform all 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 by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine..

Section 8. Salaries: Although it is intended that the officers of the Association generally serve without pay, the Board of Directors may fix salaries for such officers in such amounts as in its discretion it may from time to time determine. In such event, no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Association.

ARTICLE VIII

Fiscal Management

Section 1. Fiscal Year: The fiscal year of the Association shall begin on the first day of January of each year, except the first fiscal year of the Association shall begin at the date of incorporation.

Section 2. Books and Accounts: Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principals and practices. Within a reasonable time after the close of each fiscal year, the Association shall furnish its members with a statement of the income and disbursements of the corporation for such prior fiscal year.

Section 3. Assessments: With respect to each fiscal year, the Board shall estimate the amount required by the Association to meet its expenses for such year, including but not limited to the following items:

- (a) Management and administration expenses;
- (b) The estimated cost of repairs, maintenance and replacements of Common Elements;
- (c) The cost of such utilities as may be furnished to the Association.
- (d) The amount of such reserves as may be reasonably established by the Board, including general operating reserves, reserves for contingencies, and reserves for replacements;
- (e) Such other expenses of the Association as may be approved by the Board of Directors including operating deficiencies, if any, for prior periods.

Within ninety (90) days before the commencement of each fiscal year, the Board shall cause an estimated annual budget to be prepared based on its estimations of annual expenses and membership assessments, and copies of such budget shall be furnished to each member.

On or before the first day of each month of the fiscal year covered by such estimated annual budget, each member shall pay as his respective monthly assessment one-twelfth (1/12) of his proportionate share of the amount designated in the estimated annual budget as membership assessments. At the discretion of the Board of Directors, such payments may be made in quarterly or annual installments. Each member's proportionate share of membership assessments shall be the same as his respective percentage ownership in the Common Elements.

Until the annual budget for a fiscal year is sent to each member by the Board, the member shall continue to pay that amount which had been established on the basis of the previous estimated annual budget.

If any member shall fail or refuse to make payment of his proportionate share of the Common Expenses when due, the amount thereof shall constitute a lien on the interest of such member in the property. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided in the Horizontal Property Act, the Master Deed or these By-Laws, or which are otherwise available at law or in equity for the collection of all unpaid assessments.

Upon the sale or conveyance of an apartment or Unit, all unpaid assessments against a Unit owner for his pro-rata share of the expenses as referred to in these By-Laws shall first be paid out of the sales price or by the acquirer in preference over any other assessments or charges of whatever nature except for unpaid taxes or liens payable under mortgage instruments.

Section 4. Revised Assessments: If at any time during the course of any fiscal year, the Board shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimate of either expenses or other income, the Board shall prepare and cause to be delivered to the members a revised estimated annual budget for the balance of such fiscal year and thereafter monthly assessments shall be determined and paid on the basis of such revision.

Section 5. Developer's Assessments: With respect to any units which have not been sold by the Developer and which the Developer continues to own, the Developer shall pay to the Association the aggregate amounts of the actual operating expenses from time to time required to be paid with respect to the operation of the property over and above such amounts as have been established by the Board of Directors as the assessments with respect to all other units; provided that in no event shall the Developer be required to pay an amount in excess of the aggregate of the assessments established with respect to those units owned by the Developer.

Anything herein or in the Master Deed to the contrary notwithstanding, the Developer shall have the right to utilize any units owned or leased by the Developer as models or general or sales offices for sale and promotion purposes including the sale and promotion of property or projects other than the property, and shall have the right to utilize the Common Elements for such purposes and in such manner as the Developer may reasonably require.

ARTICLE IX

Rules and Regulations

In order to assure the peaceful and orderly use and enjoyment of the Common Elements, the Association may from time to time adopt, modify, and revoke in whole or in part by a vote of the members present in person or represented by proxy whose aggregate interest in the Common Elements constitutes 51 percent, at any meeting duly called for the purpose, such reasonable rules and regulations governing the conduct of persons on the property as it may deem necessary. Such rules and regulations upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Unit owner and shall be binding upon all members of the Association and occupants of the property.

ARTICLE X

Parliamentary Rules

Roberts Rules of Order (latest edition) shall govern the conduct of the meetings when not in conflict with the By-Laws and Statutes of South Carolina.

ARTICLE XI

Dissolution

In the event of dissolution the residual assets of this organization will be turned over to one or more organizations which themselves are exempt from Federal Income Tax as organizations described in Section 501 (c) (4) of the Internal Revenue Code or the corresponding provisions of any prior or future Internal Revenue Code.

Notwithstanding any other provision of these By-Laws, this Corporation shall not carry on any other activities not permitted to be carried on of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law.

ARTICLE XII

Amendments

These By-Laws may be amended or modified at any time; or from time to time, by the action or approval of fifty-one percent of the ownership interest in the General Common Elements, except the By-Laws affecting the rights or interest of the Developer shall not be amended or modified without the written consent of the Developer. Also, this Article shall not abridge, amend or alter the rights of institutional mortgagees without their prior written consent.