

**ELEVENTH – DEVELOPER’S BOARD SEAT & TYPE E MEMBER
FINAL VERSION FOR BOARD APPROVAL**

DEVELOPER’S BOARD SEAT & TYPE E MEMBER

**ELEVENTH AMENDMENT TO THE DECLARATION OF COVENANTS
AND RESTRICTIONS OF THE KIAWAH ISLAND COMMUNITY
ASSOCIATION, INC.**

NOW THEREFORE, the Declaration of Covenants and Restrictions of the Kiawah Island Community Association, Inc. (the “KICA Covenants”) is hereby amended as follows:

1. Article I, Item (s), second sentence is hereby amended by adding “and the Company as lessor”.
2. Article III, Section 1 of the KICA Covenants is hereby amended by deleting the second sentence thereof.
3. Article III, Section 2 of the KICA Covenants is hereby amended by (a) inserting in the first sentence thereof a period after the word “membership” and deleting the phrase “and one type of special voting membership which provides the Company with the power to elect a single member of the Board of Directors”, and (b) deleting the paragraph headed by the phrase “TYPE E:” in its entirety which before such deletion currently reads as follows: “Type E: The Type E Member shall be the Company. The Type E Member shall be entitled to appoint a single member of the Board of Directors and shall not cast Type A votes for the election of other members of the Board of Directors”.
4. All references in the KICA Covenants to “Type E Member” or “E Member” are hereby changed to the “Company.”
5. Article III, Section 4, subsection (b) of the KICA Covenants is hereby amended by (i) deleting in the first paragraph the phrase “but one”, (ii) deleting the semi-colon and inserting a period immediately after the word “Association” and (iii) deleting the phrase “however the Type E Member shall not cast Type A votes”.
6. Article III, Section 4, subsection (b) of the KICA Covenants is hereby amended by deleting the first sentence of the second paragraph thereof and inserting in lieu thereof the following new sentence: “The Board of Directors shall be elected by the Type A, B, C and D Members.”
7. Article III, Section 4, subsection (b) of the KICA Covenants is hereby amended by (i) deleting in the second paragraph, the following: "Provided, however, the Type E Member shall be entitled to elect no less than a majority of the Board of Directors until such time as eighty per cent (80%) of the cumulative maximum number of authorized lots and dwelling units have been sold to Type A Members. The Type A, B, C and D Members shall elect the remainder. Subsequent to the sale of eighty per cent (80%) of the cumulative maximum number of authorized lots and dwelling units, the Type A, B, C and D members shall elect a percentage of the Board of Directors equal to the percentage of cumulative maximum number of dwelling units and lots owned by Type A Members; the Type E Members shall elect the remainder.”, and (ii) deleting the third paragraph in its entirety.
8. Article IV, Section 1, of the KICA Covenants is hereby amended by (i) changing both references in the first paragraph of “Type A, B, C, D and E Member” to “Member” and (ii)

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changing the second paragraph to “While the Company still owns any of the Properties, Employees of the Company shall have access to the Common Properties during the performance of their duties subject to the rules and regulations and user fees established by the Board of Directors.

9. Article IV, Section 2, first sentence of the KICA Covenants is hereby amended by removing “and Company employee”.

10. Upon the effective date of this Amendment, the right of the Company as the former “Type E Member” to appoint a Director of the Board of Directors is hereby terminated and the position of such Director on the Association’s Board of Directors is hereby declared vacant and discontinued. Upon the effective date of this Amendment, the Association is hereby authorized and directed to facilitate the election of an Elected Director to fill such vacancy as soon as practicable at either a Regular Election or, alternatively, at a Special Election to be conducted in accordance with the provisions of Section 10 of Article IV of the Association’s By-laws. To the extent this Amendment conflicts with any of the provisions of the Association’s By-laws, the provisions of this Amendment shall control.

IN WITNESS WHEREOF, the undersigned officers of the Kiawah Island Community Association, Inc. hereby certify that the above Amendment to the Declaration of Covenants and Restrictions of the Kiawah Island Community Association, Inc. was duly adopted by the requisite vote of the Kiawah Island Community Association Membership. This Amendment will become effective as of the date listed below.

This _____ day of _____, 20____.

KIAWAH ISLAND COMMUNITY ASSOCIATION, INC.

By: _____
Chair

Attest: _____
Secretary

[CORPORATE SEAL]