

SEA PINES LAND USE RULES AND REGULATIONS FOR RESIDENTIAL PROPERTY OWNERS, LONG TERM AND SHORT TERM TENANTS

Adopted May 25, 2021

As Amended May 19, 2022

PART I. INTRODUCTION

A. PURPOSE

The purpose of these Land Use Rules and Regulations is to promote aesthetic excellence of all Residential Property within Sea Pines, to encourage mutual respect among all Residential Property Owners and Tenants, and to foster standards which will maintain Sea Pines as the premier community on Hilton Head Island. These Land Use Rules and Regulations may be enforced by staff of Community Services Associates, Inc. and compliance will maintain Sea Pines' high standards of excellence in the community.

B. DEFINITIONS AND ACRONYMS

Sea Pines Architectural Review Board ("ARB")

Sea Pines Architectural Review Board Guidelines ("ARB Guidelines")

Association of Sea Pines Plantation Property Owners, Inc. and the Advisory Board ("ASPPPO")

Community Services Associates, Inc. ("CSA")

Development. Any external new construction, additions, alterations, signage, and/or renovation of existing structure and/or appurtenances including, but not limited to, installation or modification of propane tanks, satellite dishes, playhouses, gazebos/pergolas, and pools; repainting (even with the same colors); fence installation; driveway repair/replacement; reroofing (even with the same colors); window/door/garage door replacement (even with same style or color).

Fines Schedule. A listing of monetary fines that may be used as enforcement action for violating these Land Use Rules and Regulations.

Identified Property. A Residential Property judged by the Land Use Monitor to be in violation of the Land Use Rules and Regulations.

Land Use Rules and Regulations ("LU Rules and Regulations"). The Rules and Regulations pertaining to Residential Property land use management contained herein.

Land Use Violation ("LU Violation"). A condition that fails to conform to the LU Rules and Regulations.

Land Use Violation Appeal ("LU Appeal"). A written plea by the Owner to the CSA President challenging the validity of the LU Violation.

Land Use Violation Notice ("LU Violation Notice"). A written notification to the Owner by the Land Use Monitor describing the LU Violation(s), specifying a deadline for violation resolution, and stating the fine enforcement action. Such notices are also referred to as the "Initial Notice", the "Second Notice", and so forth.

Land Use Violation Resolution Date ("Violation Resolution Date"). The official date a LU Violation is deemed resolved by the Land Use Monitor, as verified by Property inspection.

Land Use Violation Resolution Notice ("Violation Resolution Notice"). A written notification to the Owner by the Land Use Monitor documenting the full remediation of the LU Violation.

Land Use Violation Timeline Extension Request ("Timeline Extension Request"). A written notification by the Owner to the Land Use Monitor requesting an LU Violation remediation deadline extension.

Land Use Monitor ("LUM"). A CSA employee responsible for conducting Property inspections and taking actions in accordance with the LU Rules and Regulations.

Residential Property ("Property"). Any parcel of land, improved or unimproved, intended for residential use within Sea Pines Community. An improved property is a "Developed Property" and an unimproved property is an "Undeveloped Property" (commonly called a lot).

Residential Property Owner ("Owner"). The owner of a Property within Sea Pines.

Residential Property Tenant ("Tenant"). The tenant of a Property within Sea Pines for any short- or long-term period.

Sea Pines. The planned unit development known as Sea Pines on Hilton Head Island, South Carolina.

Sea Pines Gate Entry Policy ("Gate Entry Policy" or "GEP"). The Community Services Associates, Inc. Sea Pines Gate Entry Policy. In referencing the GEP, the most current version applies.

Violation Category ("Category"). A subset of Violations of these LU Rules and Regulations contained within a Fine Schedule that incur a given set of monetary fines.

C. PREAMBLE

1. Authority. The legal authority to promulgate and enforce these LU Rules and Regulations is derived from the CSA Bylaws, the South Carolina Nonprofit Corporation Act of 1994, and various restrictive land use covenants and other agreements of record or otherwise applicable to Property in Sea Pines. The LU Rules and Regulations may be amended from time to time at the sole discretion of the CSA Board of Directors.

2. Supersession. This LU Rules and Regulations statement, together with subsequent amendments approved by the CSA Board, supersedes all rules and regulations pertaining to Residential Property land use management contained in previous statements of Sea Pines Rules and Regulations for Owners and Long Term Renters, all previous statements of Sea Pines Rules and Regulations for Short Term Renters and Guests, as well as the Sea Pines Land Use Standards and Procedures.

3. Enforcement. Violations of the LU Rules and Regulations may result in the levy of a fine or fines, as set forth in Exhibit A Schedule of Fines for Land Use Rules and Regulations Violations, attached hereto and made part of these LU Rules and Regulations, and may result in penalties as set forth in the Sea Pines Gate Entry Policy (the "GEP"). Unpaid fines may be subject to interest and costs of collection. CSA has the right but not the obligation to proceed at law or in equity to compel compliance with these LU Rules and Regulations. Paid fines will go to the CSA General Fund. Further, CSA staff have the right but not the obligation to enter upon any lot (i.e., any Undeveloped Property) to remedy or abate a Land Use Violation (an "LU Violation") and such entry is not deemed a trespass. Any person, including but not limited to CSA, ASPPPO, and ARB members, has the right to request inspection by the applicable agency of the Town of Hilton Head Island, of Beaufort County, or of the State of South Carolina of any Property for possible violation of law, including, but not limited to, environmental, building, abandoned vehicles, health and/or safety codes. Such a violation may result in penalties as defined by law.

4. Responsible Parties. The Owner is responsible to ensure the Property remains in compliance with the LU Rules and Regulations at all times, including such Owner's invitees, Tenants, guests, and contractors. Tenants, as well as Owners, are responsible to ensure the Property remains in compliance with the LU Rules and Regulations, including, but not limited to, those pertaining to overall appearance, trash and debris, and vehicles.

PART II. LAND USE MANAGEMENT

A. LAND USE RULES AND REGULATIONS

1. Development

1.1. Development of a Property may not commence without prior receipt of all necessary and appropriate approvals from the ARB and applicable governing authorities. Such permits shall be displayed on the Property as required by the ARB Guidelines located at <https://www.seapinesliving.com/property-owners/service/architectural-review-board/> and applicable governing authorities. Development commenced and/or completed without having received the necessary and appropriate permits from ARB and the applicable governing authorities, properly displayed, may be subject to a stop-work order, fine and/or removal.

1.2. All Development shall be completed within the delineated deadline(s) specified in the permit(s), or within the applicable ARB approved deadline extension(s).

1.3. Newly completed Development shall comply with the ARB Guidelines.

2. Development Maintenance. Completed and ARB approved Development shall continue to meet the ARB-approved specifications, the ARB Guidelines as well as government requirements and remain as originally approved. Specific requirements include the following:

2.1. Exterior building materials (e.g., siding, bricks, decks, porches, railings, windows, fascia/trim boards, roofs), property barriers (e.g., fencing, privacy walls), and hardscapes (e.g., walkways, driveways) shall be kept in good repair. Cleaning is required to remove notable visible buildup of surface contaminants (e.g., dirt, mold, mildew, moss, rust). Replacement or repair is required when damage or deterioration occurs.

Repainting/restaining is required of painted/stained surfaces when notable discoloration, fading or peeling occurs. Repair or maintenance work shall be done in a manner that ensures consistency and conformity of the repaired/maintained materials with remaining existing materials of the same type (e.g., re-roofing a section of a roof may be permitted if the new roofing matches the current older roof, otherwise, the entire roof may require replacement).

2.2. Boat docks, piers, seawalls, and bulkheads shall be kept in good condition and repair. Replacement or removal is required when damaged or deteriorated beyond repair.

2.3. Pools (e.g., swimming pools, whirlpools, spas, hot tubs, wading pools) shall be kept in good condition and repair. Pools shall be kept clean of debris and be properly treated to prevent mosquito breeding, vegetative and/or bacterial growth. The perimeter of the pool, including walkways, shall be kept in good condition and repair. Replacement or repair is required when deterioration of pool surfaces, perimeters, decking, and/or walkways occurs. Pool covers shall be in good condition and repair, and when in use must be well secured so as to fully cover the pool.

3. Landscaping

3.1. Owners shall comply with ARB guidelines in obtaining the proper approvals prior to initiating tree removal, landscaping removal, and/or landscaping plantings for the Property. Before work commences all permits required by the ARB and applicable governing authorities shall be displayed and visible from the road.

Unapproved disruption of government protected critical environments may be subject to penalties as defined by law. [Refer to Part II Section A.6.1 for rules pertaining to tree removal and pruning. Refer to Part II Section A.6.2 for rules pertaining to landscaping and grounds located on CSA open space, ocean front public trust property, and/or a government-protected critical environment either abutting or on a Property.]

Landscaping work commenced and/or completed without having received the necessary and appropriate permits from ARB and the applicable governing authorities, properly displayed, may be subject to a stop-work order, fine and/or removal of said modification.

3.2. All landscaping work shall be completed within the delineated deadline(s) specified in the permit(s), or within the applicable ARB approved deadline extension(s).

3.3. Newly completed landscaping on Developed Property shall meet ARB-approved landscaping specifications and ARB Guidelines, as well as applicable requirements of CSA and government authorities.

4. Landscaping Maintenance, Developed Property. Completed and ARB approved landscaping on Developed Property shall be maintained in such a manner that it continues to conform to the ARB-approved specifications and the ARB Guidelines. Landscaping shall be maintained in a manner that conforms to and does not detract from the aesthetics of the neighborhood. As landscaping ages, supplemental or replacement plantings may be needed to maintain appearance. Specific requirements include the following:

4.1. Lawns shall be routinely cut and maintained to ensure grass height of 6 inches or less. Bushes shall be trimmed to maintain a neat appearance. Trees and palms shall be maintained in a manner to maintain a neat appearance. Bedded areas shall be kept clear of overgrowth. Vines shall be removed that threaten to encroach onto abutting properties, including CSA open space.

4.2. Roofs, gutters, driveways, and other hard surfaces shall be cleared of pine straw and other vegetative debris with reasonable frequency so that there is no accumulated buildup. Fallen leaves are permitted as landscaping ground cover, but shall be maintained to a neat, clean appearance. Limbs, sticks, fronds, fallen leaves (not used as ground cover of bedded areas) and other such vegetative debris shall be removed from the Property.

4.3. Ground cover (e.g., mulch, pine straw) shall be applied periodically to maintain a neat, clean appearance. Ground (e.g., dirt) shall not be left exposed without landscaping or ground cover. Ground cover materials not fully distributed within three (3) weeks of delivery to the Property may be considered vegetative debris.

5. Landscaping Maintenance, Undeveloped Property. Undeveloped Property grounds and landscaping shall be maintained in a manner to conform to the following:

5.1. No structure, vehicle, boat, or storage unit of any kind, temporary or permanent, is permitted on the Property. ARB approved structures, vehicles, or storage units necessary for ongoing construction projects or emergencies are exempt subject to prior written approval from the ARB.

5.2. Vegetative undergrowth is permitted in natural areas, but shall be cut in a manner and with sufficient frequency to ensure the Property conforms to and does not detract from the aesthetics of the neighborhood. Vines shall be removed that threaten to encroach onto abutting properties, including CSA open space.

6. Landscaping Maintenance, General

6.1. Downed trees shall be removed from the Property. A downed tree is one in which all or part of the trunk is lying on the ground or on a structure (e.g., house, car, another tree), and/or is uprooted.

Removal of any standing tree having a trunk diameter of 6 inches or greater measured 4 feet above grade (living or dead), located on Developed or Undeveloped Property, requires approval by the ARB and any applicable governing authority prior to removal. Tree removal performed without applicable permit(s) is prohibited.

Pruning or removal of a protected species (regardless of size) may be regulated by applicable governing authorities. Owners should contact the ARB for further information prior to pruning or removal.

Tree stumps left on Developed Property must be removed to below ground level.

6.2. Special consideration shall be given to vegetation and the land itself bordering waterways, lagoons, the oceanfront, and any other government protected critical environment. If such land is not the Property of the Owner, modification of it and/or its vegetation requires pre-approval from its legal owner and/or administrator. CSA owns most of the common property in Sea Pines which includes lagoon banks. The ground, water and vegetation (living or dead) located in such areas may serve a vital role in bird, animal and plant preservation and in shoreline stabilization. Disruption of such areas are subject to penalties for trespassing and for violations as defined by law.

Before altering any CSA property, an encroachment agreement is required. In addition, ARB and other governmental authority pre-approvals are required. It is the Owner's responsibility to be aware of the requirements before proceeding. Even if the Owner has title to and possession of waterfront land, laws regarding protected critical environment areas apply.

Work commenced and/or completed without having received the necessary and appropriate permits from CSA, ARB, and the applicable governing authorities, properly displayed, will be subject to a stop-work order, possible fines, removal of said modification, and/or restoration of the said environment.

7. Overall Property Appearance

7.1. Mailboxes and mailbox posts shall be properly labeled and maintained in good repair as per CSA standards. A CSA approved street number sign shall be posted at each Property easily visible from the road, and shall be properly maintained in good repair. Contact CSA Maintenance for mailbox/post repair, maintenance, or label change, as well as for street number sign repair or replacement.

7.2. For security and aesthetic reasons, garage doors shall normally be kept closed.

7.3. As specified in the ARB Guidelines, Owners are responsible for the landscaping and maintenance of landscaping in right-of-ways from their Property lines to the roadway and public beach walkways. However, the temporary or permanent installation or use of materials or items in any right-of-way that may block right-of-way access, that may limit vehicular traffic visibility, and/or that pose a hazard to vehicular, bicycle or pedestrian traffic is strictly forbidden. Items or materials prohibited from installation or use in right-of-ways include, but are not limited to, signage, larger vegetation, woody vegetation, reflective devices, rods, spikes, posts, pilings, boards, walls, fences, ropes, boulders, and rocks/bricks/pavers that protrude more than 2 inches above ground level. Owners may apply for a variance to this rule by applying for an easement agreement with CSA and by applying for approval with the ARB for either existing or new installation of materials or items that do not conform to this rule.

CSA has the right but not the obligation to remove any item or material on CSA right-of-way at their sole discretion; CSA bears no responsibility for such material and/or item damage or replacement.

7.4. Laundry items (e.g., towels, bathing suits, clothing) may not be hung on railings/balconies or any other location where visible from adjoining properties, a golf course, the beach or the street. Clotheslines are prohibited. Household items (e.g., coolers, bicycles, skateboards), yard maintenance equipment (e.g., mowers, trimmers, gas cans), and sports equipment (e.g., field sports equipment, basketballs, kayaks, canoes) must be stored out of public view when not actively in use. Temporary storage of bicycles in public view during the months of April through September may be permitted, if such bicycles are stored neatly, as far from the road as possible, and in a location that does not block walkways or create a safety hazard.

7.5. Structurally permanent yard toys (e.g., trampolines, swing sets, basketball backboards, playhouses, hammocks) are allowed [no more than one (1) of each type], consistent with neighborhood aesthetic suitability and positioned so as to minimize visibility from nearby streets, homes and golf courses. All items shall be maintained in good repair.

Tents or other temporary accommodations such as might be used for overnight camping are prohibited. Small play tents for daytime use by children, are permitted. Other tents used for events will be considered on a case by case basis.

Tree houses, stairs, platforms or other such recreational structures in or on a tree are prohibited.

7.6. Outdoor furniture shall be kept clean and maintained in good repair.

Lawn accoutrements (e.g., statuary elements, windmills, flags/banners) must conform to ARB Guidelines in type, size, quantity, and Property location; they shall not detract from the aesthetics of the neighborhood.

Flags/banners shall not be larger than 3' x 5'. Flags/banners permitted are limited to those for decorative/holiday purposes, those displaying an educational institution or sports affiliation logo, any current national or state flag, or military branch logo.

Other permitted signage on or near Property include items approved by the ARB (e.g., house number signs, contractor signs, ARB notices, building permits), and items approved by CSA (e.g., traffic directives, special event notices, safety precautions). A temporary sign displayed on Property to warn of children playing is permitted, only during times of active play. All other messages or advertisements of any kind displayed in any format on or near Property are prohibited.

7.7. Bright exterior lighting (ARB approval required) may not be left on for extended periods, and/or after 10PM. In no case shall they shine into a neighbor's residence or Property.

Outdoor decorations that may include exterior lighting for which ARB approval is not required, used solely for decorative, holiday or celebratory purposes, are permitted. Such lighting may include lights directed onto doorways, or strings of lights on trees, boat docks, or other structures. Such lighting cannot be so bright so as to shine onto a neighbor's residence or Property. Such decorations and lighting should only be employed for special

occasions and/or holidays and for a limited duration; they are not for daily use; lighting may not be left on after 10 PM. Celebratory or holiday music, noises or other sounds are not permitted as components of such decorations.

[NOTE: No lights of any kind or intensity may shine onto or on the beach during loggerhead turtle nesting season during evening hours from May-October as defined by law. Violations may be subject to penalty as defined by law.]

8. Trash and Debris

8.1. All Properties shall be free of trash, garbage, and any type of non-vegetative debris. All trash, garbage, and non-vegetative debris shall be properly contained and routinely removed from the Property. [Note: Construction debris shall be contained and properly disposed of as required by ARB Guidelines.]

8.2. Trash cans and recycling bins shall be kept in service yards at all times. Curbside trash pickup is not provided in Sea Pines. Exceptions are outsized items such as broken-down packing cartons, which should be placed curbside just prior to expected pickup.

8.3. CSA landscape debris pickup at CSA designated neighborhood locations is a service provided for use by Owners or Tenants only (not for use by commercial contractors), for debris that Owners or Tenants collect from their Property. Deposit of landscape debris at locations not designated by CSA is prohibited. Permitted items in the debris drop off sites include palm fronds, leaves, sticks, small trees, branches and other vegetative debris. (Tree trunks or branches must be under 6 inches in diameter). Debris left at pickup locations shall not be bagged. The dumping of trash or garbage of any kind, such as paper, plastic, metal, concrete, building materials, food waste, or pet waste is strictly prohibited. Inappropriate disposal is a violation of law regarding littering, garbage, and trash, and/or health and sanitation and subject the Owner to fines.

8.4. Pet waste shall be picked up and properly disposed of in trash receptacles. No pet waste or pet waste bags may be disposed at CSA landscape debris pickup locations.

9. Vehicles

9.1. Current CSA parking standards are adopted and to be amended in the near future.

9.2. Junked, wrecked or abandoned motor vehicles are not allowed to be parked, stored, or kept on any Property visible from any public or private street, right-of-way, or adjacent Property. This includes vehicles not being used for their original purpose or which are incapable of being used, as well as those that have been destroyed, badly damaged, or which are in a state of disrepair. Any such vehicle present on a Property shall be stored in a closed garage or in a carport so as not to be visible from the street, right of way, or neighboring properties. Violation of this rule may also be a violation of law regarding junked, wrecked or abandoned vehicles.

9.3. Only neutral earth-tone colored (one color; no pattern) car covers are permitted for protecting operative motor vehicles. Such covers shall be secured to the vehicle and maintained in good condition. No more than one (1) covered vehicle is allowed per Property. Concealment of junked, wrecked or abandoned vehicles with a car cover is prohibited.

9.4. Motorcycles, mopeds, and any motorized or battery-assist scooters or cycles of any kind shall be stored out of sight in an enclosed garage. NOTE: Contact Sea Pines Security Department for a listing of vehicles approved for operation within Sea Pines.

B. LAND USE ENFORCEMENT

1. Property Inspections

1.1. The Land Use Monitor routinely travels through Sea Pines to identify Properties that fail to comply with the LU Rules and Regulations. Additionally, any Owner, Tenant, or CSA staff member may report an alleged violation of the same to the LUM by phone at 843-671-7820 or by email at LUM@csaseapines.com. The LUM shall investigate all such reported Properties. The LUM may request Property inspections by the applicable government agency, including but not limited to agencies referenced in the LU Rules and Regulations, for possible violation of law.

1.2. A condition that fails to conform to the LU Rules and Regulations is deemed a LU Violation. A Property judged to be in violation by the LUM is an "Identified Property".

2. Land Use Violation Notices

2.1. Land Use Violation Initial Notice. If an LU Violation is found, the LUM shall notify the Owner of an Identified Property in writing, describing the LU Violation(s), specifying a deadline for LU Violation resolution, and stating the applicable monetary fine and enforcement actions (the "Initial Notice"). The Initial Notice also informs the Owner of their right to contest the validity of the LU Violation by appeal (refer to Part II Section B.4) or to request an extension of the remediation timeline (refer to Part II Section B.5).

2.2. Land Use Violation Second Notice. A LU Violation Second Notice (the "Second Notice") shall be issued to the Owner by the LUM if the LU Violation remains unresolved after the remediation deadline stated in the Initial Notice, or as per an approved timeline extension. The Second Notice specifies a deadline for full remediation, and states the applicable fine and enforcement actions. The Second Notice also informs the Owner of their right to request an extension of the remediation timeline (refer to Part II Section B.5).

2.3. Land Use Violation Third and Subsequent Notices. An LU Violation Third Notice (the "Third Notice"), and all subsequent notices, shall be issued to the Owner by the LUM if the LU Violation remains unresolved after the previously issued Notice deadline, or as per an approved timeline extension. Such Notices again specify a deadline for full remediation, cite the applicable fine and enforcement actions, and inform the Owner of their right to request an extension of the stated remediation timeline (refer to Part II Section B. 5).

3. Land Use Violation Resolution. The LUM shall perform a final inspection of the Property once the Owner notifies the LUM that the LU Violation(s) have been remediated, or alternatively, after the remediation deadline (or the applicable timeline extension deadline). If the LU Violation remediation is verified, the LU Violation shall be documented as RESOLVED. The official LU Violation resolution date shall be the date of the final inspection. Upon request to the LUM by the Owner, the LUM shall provide a written Land Use Violation Resolution Notice (a "Violation Resolution Notice") to the Owner, documenting the full remediation of the Violation as verified by LUM inspection.

4. Land Use Violation Appeal

4.1. Appeal Submission. An Owner in dispute of the validity of an LU Violation in an Initial Notice may appeal to the CSA President. The LU Appeal is to be submitted in writing to the CSA President at 175 Greenwood Drive or by email to LUMappeals@csaseapines.com. LU Appeals are to be postmarked or emailed no later than ten (10) calendar days from the date of the Initial Notice, excluding federal holidays. A delay may waive the Owner's right to appeal.

4.2. Appellate Process

4.2.1. If so desired, the Owner, and/or their representative (as designated in writing to the CSA President by the Owner), may appear before the CSA President in person if they so request when requesting a review of the LU Violation.

4.2.2. At the appellate meeting, the CSA President shall consider Property photos, statements by the LUM, any relevant documentation, as well as the Owner's written appeal. If present, the Owner (and/or their representative) shall be provided the opportunity to state their concerns. Once the CSA President has reached a decision regarding the appeal, the Owner will be informed of the decision in writing.

4.2.3. If the CSA President denies the appeal, the Initial Notice LU Violation will stand. The timeline for remediation stated in the Notice will apply, with day (1) of the remediation timeline falling on the next business day after the appeal decision. If the Owner continues to dispute the validity of the confirmed LU Violation, the Owner may submit their request for further appeal in writing to the CSA Board.

4.2.4. If the CSA President or CSA Board upholds the appeal, the record of the LU Violation Initial Notice will be marked resolved by appeal.

5. Land Use Violation Timeline Extension Request

5.1. Request Submission. The Owner may request a timeline extension for LU Violation remediation. The written Timeline Extension Request shall include a proposed timeline with detailed target dates for remediation completion, and justification for the requested timeline extension. The Timeline Extension Request shall be

submitted in writing to the LUM at 175 Greenwood Drive or at LUMappeals@csaseapines.com. Time Extension Requests are to be postmarked or emailed no later than ten (10) calendar days from the date of the most recent LU Violation Notice, excluding federal holidays.

5.2. Land Use Violation Timeline Extension Review Process. The LUM is authorized to review and approve Timeline Extension Requests. If the LUM approves such a request, the proposed timeline extension will apply. The LUM may deny such a request for any reason. The LUM shall provide a written response of this decision to the Owner.

6. Owner Notification Process. Written communications referred to in Part II Section B, including LU Violation Notices, LU Violation Resolution Notices, and LU Appeal decisions, shall be sent to the Owner’s address as listed in Beaufort County tax records and/or CSA files; in addition, a copy shall be sent by email to the address on file with CSA, if any. Written Timeline Extension Request decisions shall be sent to the Owner's address and/or to their email address, if any, on file.

7. Land Use Violation Fines. A Schedule of Fines for Land Use Rules and Regulations Violations are delineated in Exhibit A.

PART III. RENTAL PROPERTY BUSINESS REGISTRATION

1. **Registration.** Effective January 1, 2023 any Member of CSA that rents or leases any Residential Property must first register such rental property (herein a “Rental Property”) with the CSA Director of Finance and pay an annual registration fee (“Rental Property Business Registration Fee”), the amount of which shall be determined and published prior to the first day of each year by the CSA Board of Directors. These fees will be used to increase and enhance the security, maintenance, and land use management services, the need for which is in large measure due to the continued growth in the number of Residential Properties being held for renting or leasing. The Rental Property Business Registration Fee may change not more than annually and by not more than ten percent (10%) per such annual change.

2. **Registration Fee.** For calendar year 2023, the Rental Property Business Registration Fee shall be based on the number of bedrooms advertised as available for rent in the Rental Property, as follows:

- a. For 1 or 2 bedroom properties: \$300
- b. For 3 or 4 bedroom properties: \$700
- c. For properties with 5 or more bedrooms \$1000

3. **Enforcement of Fee Obligations.** Failure by a Member engaging in rental of a Rental Property to pay the Rental Property Business Registration Fee may result in the Member’s loss of certain privileges, the imposition of fines, and the filing of liens against the applicable Residential Property, in each case as more particularly determined from time to time by the Board of Directors and published in these Land Use Rules and Regulations.

EXHIBIT A

FINES SCHEDULE FOR VIOLATIONS OF THE LAND USE RULES AND REGULATIONS

SCOPE. This schedule of monetary fines (the "Fines Schedule") applies to LU Violations of the LU Rules and Regulations detailed in Part II Section A of the SEA PINES LAND USE RULES AND REGULATIONS FOR RESIDENTIAL PROPERTY OWNERS, AND LONG TERM AND SHORT TERM TENANTS (the "LU Rules and Regulations").

VIOLATION CATEGORY. The Fines Schedule is subdivided into four (4) Violation Categories ("Categories"). These Categories are specific for those referenced LU Rules and Regulations within the Scope. The referenced LU Rules and Regulations listed within each Category are described using keywords and phrases; the reader is advised to refer to the actual LU Rules and Regulations for complete wording.

REMEDICATION DEADLINE. For each Category, a standard remediation deadline of ten (10) calendar days from the date of the LU Violation Notice shall apply. The LUM reserves the right to issue an immediate "Cease and Desist" order, and/or to adjust this deadline for situations requiring more urgent action. The applicable deadline for a given LU Violation is that stated in the most recent LU Violation Notice, or in a written response to an approved LU Violation Timeline Extension Request. Deadline timelines exclude federal holidays.

VIOLATION FINES. Monetary fines shall be assessed for LU Violations as indicated below. As shown, the Initial Notice for a few Categories shall include an immediate fine, others shall result in an Initial Notice with no fine (a warning notice). For all LU Violations, fines shall be assessed for LU Violations not fully resolved after the deadline specified in the most recent LU Violation Notice, or in a written response to an approved LU Violation Timeline Extension Request. Delays in LU Violation remediation beyond the applicable deadline shall result in cumulative (additional) fines, according to the Fines Schedule. Fines are not assessed on federal holidays.

RESOLVED VIOLATIONS. Fines shall continue to accrue until the LU Violation is deemed RESOLVED by the LUM. The Owner is advised to contact the LUM by phone at 843-671-7820 or by email at LUM@csaseapines.com when the Owner has fully remediated an LU Violation, so a final inspection by the LUM can be performed to verify such resolution. All fines accrued prior to the official Violation Resolution Date shall remain due in full. No cancellation or reduction of fines shall apply for full or partial remediation.

RECURRENT VIOLATION FINES. For previously resolved LU Violations that reoccur three (3) or more times in a twelve month period, more aggressive fines may apply, in which the LU Violation Initial Notice fine is as per that of a Second Notice; Third Notice fines, and all subsequent fines, are doubled.

FINE PAYMENT. Payment in full is due CSA within thirty (30) days of the LU Violation Notice fine statement. A delay in payment may result in an interest fee. Payment instructions are provided in the LU Violation Notice.

LAND USE VIOLATION CATEGORIES AND FINES

CATEGORY	FINES AND APPLICABLE LAND USE RULES AND REGULATIONS (Reference Part II, Section A)
<p align="center">1</p>	<p>Initial Notice: \$0 (warning notice) Second Notice: \$75 Third Notice: \$150 Subsequent Fines: \$30/day (M-F)</p> <p>Applicable LU Rules and Regs 7.1 Overall Appearance: Mailboxes, street number signs 7.2 Overall Appearance: Garage doors 8.2 Overall Appearance: Trash cans</p>
<p align="center">2</p>	<p>Initial Notice: \$0 (warning notice) Second Notice: \$100 Third Notice: \$200 Subsequent Fines: \$40/day (M-F)</p> <p>Applicable LU Rules and Regs 1.2 Development: Failure to meet ARB deadlines 2.1 Development Maintenance: Buildings, Fencing, Hardscape 2.2 Development Maintenance: Boat docks, piers, seawalls, bulkheads 2.3 Development Maintenance: Pools 3.2 Landscaping: Failure to meet ARB deadlines 4.1 Landscaping Maintenance, Developed Property: Lawns, bushes, bedded areas 4.2 Landscaping Maintenance, Developed Property: Vegetative debris 4.3 Landscaping Maintenance, Developed Property: Ground cover 5.2 Landscaping Maintenance, Undeveloped Property: Vegetation 6.1 Landscaping Maintenance, General: Trees 7.4 Overall Appearance: Laundry, household items, sports equipment 7.5 Overall Appearance: Structurally permanent yard toys, tents, items in or on trees 7.6 Overall Appearance: Outdoor furniture, lawn accoutrements, flags/banners, signage 7.7 Overall Appearance: Exterior lighting (ARB approved); Holiday/celebratory decorations and lighting 8.1 Trash and Debris: Trash containment and disposal 8.3 Trash and Debris: Disposal at CSA debris pickup locations 8.4 Trash and Debris: Pet waste 9.1 Vehicles: Parking off hardscape 9.2 Vehicles: Junked, wrecked, abandoned vehicles 9.3 Vehicles: Car covers 9.4 Vehicles: Storage of other motorized vehicles</p>
<p align="center">3</p>	<p>Initial Notice: \$0 (warning notice) Second Notice: \$500 Third Notice: \$1,000 Subsequent Fines: \$200/day (M-F)</p> <p>Applicable LU Rules and Regs 1.1 Development: Failure to obtain proper permits 1.3 Development: Completed work fails to meet ARB specs 3.1 Landscaping: Failure to obtain proper permits 3.3 Landscaping: Completed work fails to meet ARB specs 5.1 Landscaping Maintenance, Undeveloped Property: Unapproved structures on site</p>

	7.3 Overall Appearance: CSA right-of-way
4	Initial Notice: \$0 (warning notice) Second Notice: \$ 1,000 Third Notice: \$1,500 Subsequent Fines: \$300/day (M-F) Applicable LU Rules and Regs, Part II, Section A 6.2 Landscaping Maintenance, General: Damage to critical environments

