

**STONELEDGE AT LAKE KEOWEE OWNERS' ASSOCIATION, INC.  
APPLICATION FOR DESIGNATED BOAT SLIP**

THIS APPLICATION FOR DESIGNATED BOAT SLIP ("Agreement") is made as of the 18<sup>th</sup> day of July, 2005, to STONELEDGE AT LAKE KEOWEE OWNERS' ASSOCIATION, INC. ("SLKOA") hereinafter referred to as "Licensor":

Applicant(s) \_\_\_\_\_

Stoneledge Address: \_\_\_\_\_

Lot Owned or to be Purchased by Applicant: \_\_\_\_\_

New Licensee Applied For \_\_\_\_\_ Transfer of Existing License \_\_\_\_\_

Designated Boat Slip # Applied For/To Be Transferred: \_\_\_\_\_

License Transfer Fee Based On Last Purchase Price: \_\_\_\_\_

Applicant understands that Licensor operates and maintains boat dock facilities for use by eligible SLKOA members desiring to obtain a license for use of a Designated Boat Slip for the storage and mooring of a personal water craft. Boat slips at Stoneledge at Lake Keowee are intended for the sole use and enjoyment of property owners and their guest. **By submitting this application for a license for the use of a Designated Boat Slip, all applicants hereby agree that they have read and understand the Rules and Regulations governing the use of a Designated Boat Slip within Stoneledge at Lake Keowee and by signing below agree to be bound by the terms and provisions thereof, as amended from time to time by the Board of Directors. A copy of the Rules and Regulations governing the use of Designated Boat Slips adopted July 18, 2005 by the Board of Directors for SLKOA are attached hereto as Exhibit A, and incorporated herein by reference as is fully set forth herein (the "Rules and Regulations").**

Applicant also understands and agrees SLKOA has no obligation to issue a license for the use of a Designated Boat Slip to the Applicant and that licenses for the use of a Designated Boat Slip are issued on a first come first serve basis.

Applicant has been advised that Licensor does not maintain an insurance policy which would protect or cover Applicant's personal property, including water craft, from loss by casualty or theft. Applicant must maintain such insurance coverage during the term of a license.

Applicant agrees to pay all license fees and annual dues associated with the grant of a license to use a Designated Boat Slip for so long a valid license exists for the use of the Designated Boat Slip. Applicant has been advised that the license fee paid herewith is to be used by the SLKOA to help pay for the cost of construction, installation and/or repair of boat docks for Stoneledge at Lake Keowee.

Applicant understands and agrees that any breach or failure on the part of Applicant to honor the terms, conditions and provisions of the Rules and Regulations which have not be cured by Applicant within ten (10) days after written notice from Licensor shall give Licensor the privilege of suspending or canceling the license to use a Designated Boat Slip.

**Signed:**

**Applicant or Resident Owner** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Stoneledge HOA Representative:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## Stoneledge HOA Dock Rules

Stoneledge at Lake Keowee is an upscale town home community situated on the banks of Lake Keowee in Oconee County, South Carolina. Permission to construct boat docks at Stoneledge at Lake Keowee were granted by the Federal Energy Regulatory Commission (FERC) which is the governmental agency charged with overseeing the development of Lake Keowee. The number of boat slips that Stoneledge at Lake Keowee Owners' Association, Inc. (the "HOA"), can make available to real property owners (the "Owners") in the Stoneledge at Lake Keowee community was limited to fifty-six (56) by FERC. Pursuant to Article XI, Section 4 of the Amended and Restated Declaration of Covenants, Conditions, and Restrictions applicable to Stoneledge at Lake Keowee (the Declaration"), the Board of Directors for the HOA has adopted the following Rules and Regulations governing the use and designation of boat slips for use by the Owners.

1. The HOA shall be responsible for assigning Designated Boat Slips to Owners within the Stoneledge at Lake Keowee Community on a first come first serve basis. Designated Boat Slips shall mean boat slips which have been designated by the HOA for the exclusive use of an Owner subject to these Rules and Regulations as amended from time to time.
2. Charter Licenses shall be available to the first fifty-six (56) property Owners in the Stoneledge at Lake Keowee community who apply for and are accepted for Designated Boat Slip Licenses. A Boat Slip License entitles that Owner and his/her family to unlimited use of a Designated Boat Slip. A Licensee of a Designated Boat Slip shall pay a License Fee as set by the Board of Directors for the HOA from time to time and shall pay additional dues or assessments associated with the use and occupancy of the Designated Boat Slip as set by the Board of Directors for the HOA from time to time. A Charter Licensee who sells his/her property in the Stoneledge at Lake Keowee community and purchases another property in the Stoneledge at Lake Keowee community within thirty (30) days of the closing of such sale may retain his/her Charter License. A Charter Licensee has the right to resign and transfer his/her license to a purchaser of his/her property in the event of a resale as provided in Section 3 hereof. In this event, the Charter License shall be repurchased by the Homeowners Association (the "HOA") pursuant to Section 3 hereof, and reissued as a Class A License to the Purchaser of his/her property, provided the transfer transaction takes place within thirty (30) days of the closing of the resale of such property. Transfer of the Charter License to the purchaser of a Class A License is the only provision provided for the new purchaser in a resale transaction to obtain a Class A License. If a Charter Licensee sells his/her property within the community and elects not to transfer the Charter License to the buyer, he/she shall **not** retain the License without remaining a property owner within the community. In the event the current Charter Licensee does not elect to transfer the Charter License to a purchaser of his/her property, the Charter Licensee shall resign the Charter License to the HOA as provided in Section 4 hereof.
3. A Licensee may transfer his License only through the HOA. A Licensee shall not otherwise, sell, pledge, hypothecate, assign, transfer or encumber his/her license except in accordance with these Rules and Regulations. The transfer of a license is prohibited, except Charter Licensees and Class A Licensees in accordance with the following provisions:
  - A. Charter Licensees and Class A Licensees retain the right to transfer their license to a subsequent purchaser of their real property within the Stoneledge at Lake Keowee community coinciding with the transfer of real property ownership (the "Real Estate Closing"). The transfer

must take place at the Real Estate Closing. The transfer must be approved in advance by the HOA.

B. At the time of the transfer of the license, the current Charter or Class A Licensee resigns the license to use a Designated Boat Slip. The license is then repurchased by the HOA, and it is reissued to the subsequent buyer of the real property, who becomes a new Class A Licensee.

C. At the time of transfer of the license to a subsequent purchaser of his/her real property, the Charter of Class A Licensee who is resigning shall be entitled to receive a refund. The refund shall be the greater of:

(i) the original amount of License Fee paid by such Licensee at the time he/she obtained a license; or,

(ii) eighty percent (80%) of the membership fees being charged by the HOA to the new Licensee at the time of transfer.

D. Charter or Class A Licensees who do not transfer their license to a subsequent purchaser of their property shall tender their resignation to the HOA and be eligible for a refund as provided for in Section 4 hereof.

E. A formal written letter of resignation and/or a membership addendum which outlines the transfer of a license must be processed before the transfer and re-issuance of a license is finalized.

F. The new Licensee must submit a completed application form with the appropriate fees before a new license is processed.

G. All account balances owed by the Charter or Class A Licensee transferring a license must be paid in full before the HOA will acknowledge or finalize the transfer of membership.

H. Resigning Licensees must return any license cards before the license transfer is considered finalized.

I. Upon return of the resigning Licensees' card, and upon complete satisfaction of any outstanding account balances, the resigning Licensee(s) shall be issued any refund due associated with the license.

J. A Charter or Class A license may not be transferred to another property owner within the Stoneledge at Lake Keowee community, unless the transaction involves the exchange of real property between the two property owners as outlined herein. A Charter or Class A license may not be transferred to any individual who is not a property owner within the Stoneledge at Lake Keowee community.

K. A Charter or Class A Licensee who has tendered his/her resignation of the license to use a Boat Slip, and is awaiting a refund, cannot reactivate the license and offer it for transfer to a buyer in a resale situation.

4. A Licensee may voluntarily resign his/her license to use a Designated Boat Slip by delivering written notice of his/her resignation to the HOA. Verbal notice does not constitute formal resignation, and until written notice is received, the Licensee is obligated to pay all dues. Dues for the month in which the effective date of the resignation occurs shall be payable by the Licensee. Upon resignation, the Licensee surrenders all rights to use and occupancy of a Designated Boat Slip within the community. A Licensee who resigns is due the refund equal to an amount that is eighty percent (80%) of total License Fee paid by the Licensee at the time the Licensee obtained a license. The refund is due within thirty (30) days of a new licensee obtaining a license for use of the Designated Boat Slip being vacated by the resigning Licensee. A Licensee who resigns is due no refund for dues associated with the use of the Designated Boat Slip that have been paid during his/her license tenure. Resigning Licensees must return any license cards before the license transfer is considered finalized. Upon return of the resigning Licensees' card, and upon complete satisfaction of any outstanding account balances, the resigning Licensee(s) shall be issued any refund due associated with the license.

5. The HOA shall have the right to suspend the right of an Owner to use a Designated Boat Slip in the event that an Owner becomes delinquent in the payment of any assessments or dues authorized by the Declaration which are associated with the use and occupancy of a Designated

Boat Slip by an Owner. In the event that an Owner becomes more than sixty (60) days late in the payment of any assessment or dues authorized by the Declaration which are associated with the use and occupancy of a Designated Boat Slip by an Owner, the HOA shall have the right to revoke the license granted to such Owner in which case the Owner will be treated as voluntarily resigning the license to use and occupy a Designated Boat Slip under Section 4 hereof.

6. No part of the boat docks or boat slips shall be used for other than the mooring of water craft for which the boat docks and boat slips were designed.

7. There shall be nothing done or kept on any boat dock or in any boat slip which will increase the rate of insurance of any of the boat docks or contents thereof. No Licensee shall permit anything to be done or kept on his/her Designated Boat Slip, or on the boat docks, which will result in the cancellation of insurance, or which would be in violation of any law.

8. No noxious or offensive activity shall be carried on any boat docks or in any boat slips, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Licensees. No Licensee shall make or permit any disturbing noises on the boat docks by himself, his family, servants, employees, agents, visitors and invitees, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of the other Licensees. No Licensees shall play upon, or suffer to be played upon, any musical instrument or operate or suffer to be operated a phonograph, television set or radio on the boat docks or in a boat slip between the hours of nine o'clock P.M. and following eight o'clock A.M. if the same is of such noise level as to disturb or annoy the other Licensees.

9. Nothing shall be done on any boat dock or in any boat slip which will impair the structural integrity of any boat dock or which would structurally change any of the boat docks without the prior written approval of the Board of Directors.

10. No clothes, towels, sheets, blankets, laundry of any kind, or other articles shall be hung on any boat docks or in any boat slip. The boat docks and boat slips shall be kept free and clear of rubbish, debris and other unsightly materials.

11. There shall be no storage of benches, chairs, tables, wake boards, skis, knee boards or other water sports apparatus on any part of the boat docks or in a boat slip.

12. Each Licensee shall keep his/her Designated Boat Slip in a good state of preservation and cleanliness.

13. The agents of the Board of Directors and any contractor or workman authorized by the Board of Directors may enter any boat dock or boat slip at any reasonable hour of the day for purpose of inspecting such boat dock or boat slip for the presence of any rot, rust, corrosion, damage, vermin, insects or other pests and for the purpose of taking such measures as may be necessary to repair any rot, rust, corrosion, or damage or to control or exterminate any vermin, insects or other pests.

14. Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board of Directors.

15. No water craft of any kind shall be stored or moored in a boat slip unless the water craft is in a good state of repair and appearance. No reconstruction of a water craft or major water craft repair shall be performed in a boat slip by any Licensee. No water craft shall be stored or moored on in a boat slip unless they have a current registration sticker affixed thereto.

16. With the prior written approval of the Board of Directors, a Licensee shall, at it soles cost, expense and risk, be allowed to install a mechanical boat lift in a Designated Boat Slip. The mechanical boat lift shall be of a design and type as designated and approved by the Board of Directors from time to time. The Board of Directors shall, from time to time, designated approved vendors who shall be the exclusive vendors for the installation, maintenance and removal of the mechanical boat lifts. Upon transfer of a License, the Licensee shall notify the Board of Directors in writing whether the mechanical boat lift will be transferred to the new Licensee. If the Licensee resigns his/her Designated Boat Slip or will not be transferring the mechanical boat lift to a new Licensee, such Licensee shall have a period of thirty (30) days to remove a mechanical

boat lift using an approved vendor which removal shall be at the Licensee' sole cost, expense and risk. Failure to so remove a mechanical boat slip within the designated time period shall be deemed an abandonment of the mechanical boat slip by the Licensee. Thereafter, the Board of Directors shall have the right to cause the mechanical boat slip to be removed and seek reimbursement, at law or in equity, for the costs and expense of removing the same (including reasonable attorney's fee) from the Licensee or transfer ownership of the mechanical boat slip to a new Licensee of the Designated Boat Slip.

17. By accepting a License for a designated Boat Slip, all Licensees hereby agree that the Board of Directors while acting in such official capacity, shall be liable in damages to anyone by reason of mistake in judgment, negligence, misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any application for the transfer of a License or installation of a mechanical boat lift or the exercise of any other power or right of the Declarant or Board of Directors provided for in these Rules and Regulations. Every person who submits an application for the transfer of a License or a request to install a mechanical boat lift to the Board of Directors for approval agrees, by submission of such application or request, that he/she will not bring any action or suit against Declarant, the HOA or the Board of Directors members or officers to recover any damages and hereby releases, remises, quitclaims, and covenants not to sue for all claims, demands, and causes of action arising out of or in connection with any law which provides that a general release does not extend to claims, demands, and causes of action not known at the time the release is given.

18. These Rules and Regulations are meant to supplement the Covenants, Conditions and Restrictions contained in the Declaration. These Rules and Regulations can be amended at any time by appropriate resolution of the Board of Directors.

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