



BP0771811

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON)

SHIP WATCH VILLAS
HORIZONTAL PROPERTY REGIME
RULES, REGULATIONS AND POLICIES

WHEREAS, by its Master Deed dated July 19, 1977 and recorded in Book Z-112, Page 392 in the Charleston County RMC Office (the "Master Deed"), the Ship Watch Villas Horizontal Property Regime (the "Regime") was established; and

WHEREAS, Article II, Section C of the Master Deed called for creation of the Ship Watch Villa Council of Co-Owners (the "Council") to administer the Regime; and

WHEREFORE, the following terms, policies, rules and regulations have been adopted by the Council and recorded as follows:

Exhibit 1 - Ship Watch Villas HPR Construction Regulations (As amended effective January 1, 2019);

Exhibit 2 – Ship Watch Villas HPR Construction Permit and Indemnity Agreement;

Exhibit 3 – Ship Watch Villas Council of Co-Owners, Inc. Fine Policy for Violating Prohibited Work Provisions of the Ship Watch Villas HPR Master Deed and Associated Regulations ("Fine Policy");


Exhibit 4 – Ship Watch Villas Administrative Policy Resolution Water Heater Replacement Policy;

Exhibit 5 – Shipwatch Villa's Dog Policy;

Exhibit 6 – Ship Watch Villas Council of Co—Owners, Inc.'s Collection and Foreclosure Policy;

IN WITNESS HEREOF, the undersigned have set their hands and seals this 10th day of January, 2019.

Ship Watch Villas Council of Co-Owners, Inc.

By: 
Shawn Lawson, President

Ship Watch Villas Horizontal Property Regime
Rules, Regulations and Policies

Cheryl Hart
Witness 1

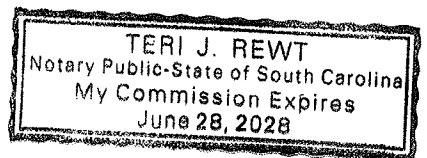
Teri Rewt
Witness 2

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

The foregoing instrument was acknowledged before me this 10th day of January, 2019
by Ship Watch Villas Council of Co-owners, Inc. by Shawn Lawson, its
President.

SWORN TO and subscribed before me,
this 10th day of January, 2019
Teri J. Rewt
Notary Public for the State of South Carolina
My Commission Expires: June 28, 2028

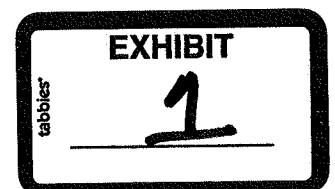
(SEAL)



Ship Watch Villas HPR Construction Regulations
(As amended effective January 1, 2019)

The following Regulations, which govern Owners' renovation/remodeling/"home improvement" projects in their Villas, have been adopted by the Board of Directors (the "Board") of Ship Watch Villas Council of Co-Owners, Inc. (the "Council") pursuant to Article IV, Section F (the "Prohibited Work Provisions") of the Master Deed of Ship Watch Villas Horizontal Property Regime (the "Regime") and to Article X, Sections B and C of the Regime's Bylaws. Under no circumstances may any such project commence or continue unless the Owner and the Owner's contractor are in full compliance with these requirements, and the Owner is in good standing with the Council.

1. An Owner planning any addition, improvement, alteration and renovation to his or her Villa must submit a written summary of the work to be conducted to the Regime Manager, including the name of and contact information for the contractor and each subcontractor.
2. The Owner must supply drawings and a detailed scope of work to Regime Manager for Board approval.
3. No work may begin until approved by the Board.
4. An Owner who begins work without Ship Watch approval will be fined \$5,000.
5. The Owner also must submit a copy of any contractor's Kiawah Island business license and South Carolina's contractor's license to the Regime Manager.
6. Contractors must also provide the Regime Manager with evidence of the following insurance coverage, which shall name the Ship Watch Villas Council of Co-Owners, Inc. as an additional insured:
 - (a) General Liability per occurrence \$1,000,000
 - (b) Annual Aggregate \$2,000,000
 - (c) Products and Completed Operations \$1,000,000
 - (d) Personal and Advertising Injury \$1,000,000
 - (e) Medical Payment per person \$5,000
 - (f) Workers Compensation \$500,000The general contractor also shall submit a copy of each subcontractor's insurance certificates.
7. Any required Town of Kiawah Island building permit must be posted on the front door of the Villa and a copy provided to the Regime Manager.
8. All contractors must park in the service parking lot bordering the east side of the Ship Watch property line.



9. All materials and supplies must be stored in the Villa or off site unless another mutually agreeable location has been determined in advance with the Regime Manager.
10. Hallway carpets and elevator floors and walls should be covered when materials are moved to and from the job site. Any fallen debris must be cleaned up immediately, and the trafficked areas should be vacuumed at day's end.
11. Contractors are responsible for removing debris daily. Under no circumstances will a contractor be allowed to use the Ship Watch dumpster or recycling station. If the contractor deems that a dumpster is required, permission must be obtained through the Regime Manager prior to its delivery and placement. The same applies to Port-a-Lets. Any dumpster must be covered at night. Dumpsters and Port-a-Lets should be removed promptly when no longer needed.
12. If used by the contractor or subcontractors, the stairwells also must be cleaned at the end of each work day. AT NO TIME should material and debris be left in a stairwell, as the stairwell needs to be clear for emergencies; remnant debris could prove hazardous, and the contractor will be held liable should an accident occur.
13. If, due to any violation of the provisions of Paragraphs 9 – 12 above, it becomes necessary for Regime personnel to clean debris, dirt or stains from the Ship Watch common elements, the Owner will be charged for that work at the rate of \$50.00 per hour or any portion of an hour. Furthermore, if any damage to the Ship Watch common elements occurs during the project due to any act or omission by the Owner, Owner's contractor or subcontractors and/or material suppliers, the Owner will reimburse the Regime promptly and in full for the cost to repair such damages. At the discretion of the Board, any such charges imposed or damages incurred shall be either subtracted from the Owner's security deposit or individually assessed to the Owner. Further, if an Owner does not remain in good standing with the Council, the Council may apply some or all of the security deposit to clear the Owner's balance with the Association.
14. By his/her signature below, the Owner acknowledges (a) that construction may not begin before October 1 and must be entirely complete by March 31, (b) that work may only be performed between the hours of 8:00 a.m. and 5:00 p.m. on Mondays through Saturdays and no work may be performed on Sundays, (c) that no work at all may be performed during the week prior to Easter Sunday or the week following Easter Sunday if Easter Sunday falls on a day in March or on one of the first 7 days in April, (d) that a violation of these requirements will result in fines being levied against the Owner in accordance with the Ship Watch Fine Policy, a copy of which is attached to these Regulations and made a part hereof, and (e) that he/she has read the Prohibited Work Provisions and these Regulations, including the Fine Policy, and agrees to comply with both their letter and spirit.

15. For purposes of Paragraph 14 above, the Owner also acknowledges and agrees that (a) the receipt of a Certificate of Occupancy will not be determinative in deciding whether a project is entirely complete and (b) the work undertaken will not be deemed complete until the Owner has so notified the Regime Manager, provided the Regime Manager with access to the Villa, the inspection has taken place, and a Certificate of Completion has been signed by both parties.
16. The purpose of the Certificate of Completion is to mark the date when the Owner and the Regime Manager, on behalf of the Regime, agree that the renovation project is complete. In signing the Certificate of Completion, neither the Regime nor the Regime Manager is certifying or warranting the workmanship of the contractors involved in the project or guaranteeing compliance with any local, state, or federal laws regarding construction.
17. By his/her signature below, the contractor acknowledges receipt of these Regulations, including the Fine Policy, and agrees, on his/her behalf and on behalf of all subcontractors, to comply with them.
18. By his/her signature below, the owner acknowledges receipt of these Regulations, including the Fine Policy, and agrees to comply with them.
- 19.

Owner Signature: _____ Date: _____
Villa Number: _____

Contractor Signature: _____ Date: _____

**SHIP WATCH VILLAS HPR CONSTRUCTION PERMIT
AND INDEMNITY AGREEMENT**

This Construction Permit and Indemnity Agreement is entered into this ____ day of _____, 20__ by and between _____ ("Owner") and _____ ("Contractor") [if applicable], on the one hand, and Ship Watch Villas Council of Co-Owners, Inc. (the "Council"), on the other, in connection with the construction work identified below (the "Project") to be performed in Owner's Villa # _____ in the Ship Watch Villas Horizontal Property Regime (the "Regime").

In consideration of the grant of this Permit, Owner and Contractor agree as follows:

1. Owner and Contractor acknowledge receipt of and agree to abide by the terms, conditions and obligations imposed by Article IV, Section F of the Master Deed of the Regime and by the Ship Watch Villas HPR Construction Regulations (the "Construction Regulations"), copies of which are attached hereto as Exhibits A and B and are incorporated herein by reference, setting forth the manner in which Villas in the Regime may be renovated or improved.
2. Contractor represents, warrants and affirms that he is duly licensed by the State of South Carolina as a General Contractor or Residential Builder ("State License"), that he has a Town of Kiawah Island business license ("Business License"), and that the necessary building permit issued by the Town of Kiawah Island ("Town Permit") has been obtained. Copies of the State License, Business License and Town Permit are attached hereto as Exhibit C and incorporated herein by reference.
3. Owner and Contractor represent, warrant and affirm that the Construction Plans and Specifications submitted for Regime approval and attached hereto and incorporated herein by reference as Exhibit D are a complete and accurate copy of the Construction Plans and Specifications. Owner and Contractor represent, warrant and affirm that true and correct cost of the Project is approximately \$ _____. Accordingly, Owner has deposited the sum of \$ _____ as the security deposit mandated by Article IV, Section F of the Master Deed.
4. Owner and Contractor represent and affirm that the following subcontractors are the only subcontractors that may be called to work on the project (the "Project Contractors"): _____
_____.
5. The required Certificates of Insurance are attached hereto and incorporated herein by reference as Exhibit E.
6. The start date for this project is _____.
7. The completion date for this project is _____.
8. Contractor hereby acknowledges and understands that failure to comply with the Construction Regulations, and with applicable provisions of the Ship Watch



Master Deed and Bylaws, could subject Owner to fines pursuant to the Ship Watch Fine Policy contained in Exhibit B and incorporated herein by reference.

9. Owner acknowledges, understands and agrees that Owner is ultimately responsible for any contractors, subcontractors or other personnel involved in the Project and for timely completion of the Project in accordance with applicable provisions of the Master Deed and the Construction Regulations. The conducting of work during any prohibited period will subject Owner to fines under the Fine Policy.

10. Owner and Contractor, jointly and severally, agree to indemnify and hold harmless the Council, the Regime and Regime management from any and all fines, claims, injuries to persons or property, demands, liabilities or damages arising out of any acts, conduct or omissions of Owner, Contractor, any subcontractor, any material supplier, and all persons or firms employed or engaged by any of them in connection with the Project. This indemnity includes, but is not limited to, (a) the costs to correct or repair any damages to the common elements of the Regime or clean any debris, dirt or stains from the common elements and (b) all damages, costs and expenses incurred by the Council and Regime management, including reasonable attorney's fees, arising from claims brought by persons aggrieved by the acts, conduct or omissions of any of the foregoing relating to the Project.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

SHIP WATCH VILLAS COUNCIL

OF CO-OWNERS, INC.:

OWNER:

Signature: _____

Name: _____

Title (if applicable): _____

Signature: _____

Name: _____

Title: _____

CONTRACTOR:

Signature: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail: _____

Effective October 1, 2016

SHIP WATCH VILLAS COUNCIL OF CO-OWNERS, INC.
Fine Policy for Violating Prohibited Work Provisions of the Ship Watch Villas HPR
Master Deed and Associated Regulations (“Fine Policy”)

This Fine Policy is adopted pursuant to Article IV, Section F, as amended (the “Prohibited Work Provisions”), of the Master Deed of Ship Watch Villas Horizontal Property Regime (the “Regime”), to Article X, Sections B and C of the Regime’s Bylaws and to the Ship Watch Villas HPR Construction Regulations.

Any owner of a Ship Watch villa who (a) begins a major renovation project in that villa prior to October 1 or who continues work on the renovation project after March 31 or (b) engages in construction work during the week prior to Easter Sunday or the week following Easter Sunday, even if prior to March 31, or (c) engages in construction work other than between the hours of 8:00 a.m. and 5:00 p.m. on Mondays through Saturdays will be subject to fines in accordance with the Schedule of Fines set forth below.

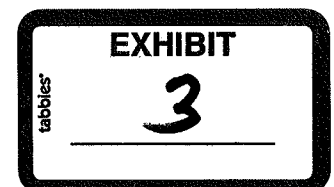
Any work requiring a Town of Kiawah Island building permit shall be deemed a “major renovation.” In addition, the Board in its sole discretion may determine that other projects, due to their potential or actual disruptive effect on surrounding villas, are “major renovations.”

Under the Master Deed, the entire renovation project must be completed by March 31 (or, if not complete, suspended until October 1). This means the entire project. Teasing out, from the overall project, individual items that might not by themselves require a permit defeats the purpose and spirit of the Prohibited Work Provisions and will be considered a violation if work occurs on prohibited dates.

The receipt of a Certificate of Occupancy for a project will not be determinative in deciding whether the project is entirely complete. The project only will be deemed complete when the owner has received a Certificate of Completion in accordance with the Ship Watch Villas HPR Construction Regulations (the “Construction Regulations”). Although not a complete list, the Regime Manager will expect the following in determining whether to issue a Certificate of Completion:

All structural items, trim, appliances and fixtures must be in place. This includes interior and exterior doors, cabinetry and countertops, built-ins, light fixtures, curtain rods, plumbing fixtures, electronics (TVs and other systems requiring drilling to hook up) and the like. Painting must be completed. Essentially all furniture must be in place.

The purpose of the Certificate of Completion is to mark the date when the Owner and the Regime Manager agree that the renovation project is complete. In signing the Certificate of Completion, the Regime Manager is not certifying or warranting the workmanship of the contractors involved in the project or guaranteeing compliance with any local, state, or federal laws regarding construction.



The Prohibited Work Provisions and the Construction Regulations are in place as a means of allowing owners to effect desired property improvements during the rental off-season. In addition to the noise created by construction, the work, and associated workmen and construction and other delivery vehicles, can result in dirt in the hallways, elevators and stairs as well as traffic issues in the parking areas. All of these diminish the vacation experience of guests and owners. It is unfair to guests (and to owners who depend on rental income) to have work continue after the March 31 deadline. It is the prerogative of inconvenienced guests to request to be moved, which results in lost income to the owner. Also, of course, guests who have been disturbed leave with a poor impression of Ship Watch and are less likely to come again.

Schedule of Fines for Violating Dates on Which Work Is Permitted

Fines are assessed on a calendar week basis, with Sunday being the first day of the week. One day of work in any given week constitutes a finable offense.

- (1) \$1,800 for week 1 (the first week in which a violation occurs)
- (2) \$1,800 for week 2
- (3) \$5,000 for week 3
- (4) \$7,500 for week 4
- (5) \$10,000 for week 5 and each week thereafter

Schedule of Fines for Violating Hours During Which Work Is Permitted

Fines are assessed on a daily basis, regardless of the length of time of the violation.

- (1) First violation – A warning will be given.
- (2) Second violation – \$100
- (3) Third violation – \$300
- (4) Fourth and subsequent violations – \$500 each

Effective October 1, 2016

Ship Watch Villas
Administrative Policy Resolution
Water Heater Replacement Policy

WHEREAS Ship Watch Villas Horizontal Property Regime (the “Association”) Master Deed and Bylaws provide that the Board of Directors will be entitled to promulgate reasonable Rules and Regulations from time to time, which will be binding on the Association and all Owners and lessees of Owners, their families, invitees and guests, regarding the use and enjoyment of Units and Common Area; and

WHEREAS the Association Master Deed provides that the Association will have the irrevocable right, to be exercised by the Board of Directors or its agent, to have reasonable access to each Unit from time to time as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Area accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to other Units; and

WHEREAS the Association Master Deed states that each Unit will include the heating, hot water and air conditioning system exclusively servicing the Unit;

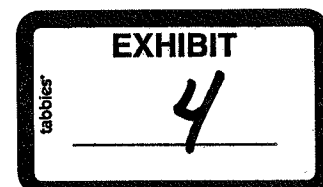
WHEREAS the board has determined that the Association and individual unit owners have experienced, and continue to experience substantial damage due to the failure of water heaters;

WHEREAS individual unit owners are responsible for maintaining and repairing the water heaters servicing the unit; and

WHEREAS the Association’s Board had determined it is desirable, necessary and in the best interest of the Association that Unit Owners follow certain requirements to ensure adequate maintenance of their water heaters;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. On or before March 30, 2019, each unit owner shall provide the Association with a certification that indicates the installation date of the unit’s water heater and a copy of the water heater manufacturer’s warranty. The Association may require that its agent verify water heater model and serial numbers on the water heater’s Rating Plate.
2. Upon receiving written notice from the Association that any water heater is to be removed or replaced due to any defect discovered by the Association during inspection or due to the expiration of the water heater’s useful life, (at a minimum water heaters must be replaced every 10 years) the Unit Owner shall repair or replace the water heater pursuant to the Association’s direction and shall provide the Association with documentation satisfactory to the Association verifying compliance with the Association’s directive within thirty (30) days of receiving such written notice from the



Association. In the event of any loss, claim, damage, or expense is caused or contributed to by water, which escapes from any water heater located within the boundaries of a Unit, there shall be a rebuttable presumption that the water heater failed because it was not replaced prior to the expiration of its anticipated useful life. The Unit Owner may rebut the aforesaid presumption by providing proof to the Association satisfactory to the Association that the water heater in question had not exceeded its anticipated useful life. Regardless of the age of the water heater, owners are responsible for ensuring the water heater remains in good working condition, and they will be liable to other owners and the Association for any damages caused by the water heater.

3. The replacement water heater must be: installed by a qualified person and guaranteed against failure for a period of not less than ten (10) years.
4. Pursuant to the Association's Master Deed and Bylaws, failure to comply with the terms of this Resolution shall be grounds to recover sums due, for damages or injunctive relief, or all three, maintainable by the Board of Directors on behalf of the Association or any aggrieved Owner. Further, this specifically includes, but is not limited to, the Association's right to disconnect the water heater and/or purchase a replacement and assess the Owner for the costs.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all homeowners at their last known addresses.

This resolution was adopted by the Board of Directors on September 21, 2018.

Distribution. The Association's Managing Agent is authorized and directed to circulate a copy of this Resolution to all Members.

SHIPWATCH VILLA'S DOG POLICY

Only dogs of Shipwatch Villa owners are allowed in Shipwatch. The Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with the keeping of dogs while in residence at SHIPWATCH. As such, the Board adopts the following Rules and Requirements with regard to the keeping of dogs on the Property, including all units and Common Areas.

RULES AND REQUIREMENTS

1. All Dog Owners must register their dog(s) with the property manager using the attached form.
2. Once the property manager receives the registration form, a brightly colored "SW" tag will be issued to the owner, one for each dog. This tag is to be placed on the dogs' collar for easy identification.
3. All dogs must be kept on a leash while outside their unit and must be under control by their owners.
4. Collars on the dog must have SHIPWATCH authorized tags and valid inoculation tags.
5. Owners are required to clean up after their dog(s). Place all defecations in the dumpsters located on the left side of the parking lot.
6. Dogs deemed to be obnoxious or dangerous by any party will not be allowed on the premises.
7. No excessive dogs noises, inside or outside, will be tolerated, day or night.
8. No dogs may be leashed to any stationary object on the property.
9. An Owner shall be financially responsible for any personal injury or personal property damage caused to any Owners, Tenant, Renter, Guest, employees of the Association, or to any member of the public as a result of Owner's maintenance of a pet.
10. Please prevent dogs from relieving themselves on the walkways, stairwells, or in the elevators.
11. If a Non-Owner is identified as having a dog within SHIPWATCH, they will have 24 hours to board the dog. If not resolved in 24 hours, the enforcement procedure below will go into effect.

ENFORCEMENT

1. First Violation: Verbal or written warning to the Owner to resolve the matter in 24 hours.
2. Second and Additional Violation: A special assessment of \$250.00 per violation of these rules can be levied to the Owner at the discretion of the Board of Directors. Owners will be held responsible for violations committed by a tenant (renter) or guest of their respective unit.

Rental Companies will be notified that the Board intends to enforce this Dog Policy beginning May 1, 2018. **HOWEVER, IT REMAINS THE OWNERS' RESPONSIBILITY TO ENSURE THAT THE RENTAL COMPANIES ARE NOTIFYING GUESTS OF THE NO DOG POLICY FOR NON-OWNERS.**



SHIPWATCH VILLA's DOG REGISTRATION FORM

Date: _____

Name of (Owner) Applicants(s): _____

SHIPWATCH Unit Owned: _____

Address for mailing of dog tags: _____

Dog #1

Description (and breed), name, age and approximate weight:

Has this dog ever bitten or threatened to attack a person or pet? _____

If yes, Explain:

Dog #2

Description (and breed), age and approximate weight:

Has this dog ever bitten or threatened to attack a person or pet? _____

If yes, Explain:

Dog #3

Description (and breed), age and approximate weight:

Has this dog ever bitten or threatened to attack a person or pet? _____

If yes, Explain:

Ship Watch Villas Council of Co-Owners, Inc.'s Collection and Foreclosure Policy

The Board of Directors (the "Board") of Ship Watch Villas Council of Co-Owners, Inc. (the "Council") hereby adopts the following policy regarding collection of unpaid assessments and foreclosure under the Ship Watch governing documents. The Board intends to follow the timeline specified in this policy as closely as possible. If, however, the Council has been forced to file a Notice of Lien on a unit (with the same owner) within the prior three (3) years, and that unit again carries an overdue balance, the Board may accelerate the timeline to protect the Council's interests.

1. When an assessment has been unpaid for thirty (30) days since the notice of assessment was given, management will send a reminder to the owner of the outstanding delinquent balance.
2. After sixty (60) days of carrying a balance, management will send a letter to the owner describing the process going forward and advising the owner that the debt will be turned over to the Council's lawyer in thirty (30) days.
3. At ninety (90) days of carrying a balance, management will turn over the debt to the Council's lawyer to file a lien on the owner's property, to notify credit agencies of the debt, and to prepare a demand letter to the owner. At this time, the owner will begin to incur fees and costs associated with use of legal services, pursuant to the Council's governing documents.



4. If the debt remains unpaid after one hundred twenty (120) days, the Council will begin to pursue legal action to collect the debt, which may include an action at law against the owner personally.
5. A post-dated check will be deemed not received until its date, which may result in additional penalties and interest or the debt being turned over to the Council's lawyer.
6. Any bank fee incurred by the Council because an owner's check does not clear will be charged to the owner.

If you have any questions or concerns about this policy, please do not hesitate to contact the Ship Watch Board.

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Filed By:

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SHIP WATCH VILLAS ETC

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