

G. To enforce by legal means the provisions of the Declaration and Petition for Incorporation and restrictions.

3. South Carolina Nonprofit Corporation Act

§33-31-302(18) General Powers

To do all things necessary or convenient, not inconsistent with law, to further the activities and affairs of the corporation.

Under the Declarations of Covents, by-laws and the South Carolina Non-Profit Corporation Act, the Board derives the power to make and amend rules and regulations and, enforce these rules and regulations by levying a fdine against the owner who iolations the duly adopted rules and regulations. Pleas ebe advised, in general , voluntary associations have the aturhnoity to fine their members under both the South Carolina Non-Profit Corporation act and common law.

Furthermore, in *Brown v. Spring Valley Homeowners Assocation Inc.* (S.C. Ct. 2016 Unpublished Opinion), the court stated the following:

Section 33-31-206 (S.C. Nonprofit Act) requires nonprofit corporations to adopt bylaws and provides that the bylaws "may contain any provision for regulating and managing the affairs of the corporation that is not inconsistent with law or the articles of incorporation." Currently, there are no South Carolina statutes or appellate opinions prohibiting nonprofit corporations from fining their members.

The Court affirmed the Circuit Court's conclusion that as a matter of law, the Association has the authority to impose fines on its members for violations covents.

Please keep in mind an Unpublished Opinion has no precedential legal value, however, it should be noted because it can provide guidance on how a Court will most likely rule if the violation and fine policy should be challenged.

Without language to the contract in the governing documents, we believe the Board of Directors derives the power to levy fines for violations of the Rules and Regulations from the above provisions.

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