EXHIBIT C: RULES AND REGULATIONS

RICE FIELDS AT BULLS BAY RULES AND REGULATIONS

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EXHIBIT C: RULES AND REGULATIONS

In addition to any other covenants, conditions, restrictions, easements, rules and regulations, policies, procedures or standards that applicable to the Property under the Declaration of the Rice Fields at Bulls Bay Homeowners Association, Inc. (the "Association"), applicable deeds, or by law, the following rules and regulations (the "Rules and Regulations") are imposed on the Property pursuant to Sections 5.4 of the Declaration.

I. Dwelling Size.

The enclosed heated area of each Dwelling (measured from exterior wall to exterior wall) shall be at least 3500 square feet.

2. Setbacks.

In addition to any setbacks set forth in the Declaration (see Section 8.5.4 relating to setbacks from Club property), any building or structure (other than subordinate structures that are normally placed between the front of a Dwelling and a street, such as entry lighting standards, utility junction boxes and transformers, mailboxes, etc.) shall normally be set back at least thirty (30) feet from any public or private street right-of-way on which it fronts; provided, however, that (a) exceptions may be granted by the ARB as to corner Lots and Lots on cul-de-sacs and (b) in order to preserve trees, improve storm drainage, achieve aesthetic goals, improve vistas, or similar purposes, the ARB may require a greater setback or propose a lesser setback. If a lesser setback is proposed that would require a variance from any political subdivision or regulatory body having jurisdiction over the Lot, the ARB may require an Owner to seek such a variance. In such event, the Owner shall pay any fee charged by such political subdivision or regulatory body for processing such variance application. For the purpose of determining compliance with setback requirements, normal roof eaves and steps that extend from the first living level of the outside wall of a structure to the finished grade of the Lot shall not be considered a part of the structure. The ARB, in its sole discretion, may permit other exceptions, such as on-grade terraces, stoops or similar ancillary exterior extensions of the structure. Any such exception shall be in writing.

3. Accessory and Temporary Structures.

No accessory building or structure other than a garage of similar design features and materials as the main Dwelling shall be permitted unless expressly approved in writing by the ARB. No shed, tent or temporary structure shall be erected, placed or maintained on a Lot except as may reasonably be required, in the opinion of the ARB, for purposes incidental to the construction, maintenance or repair of improvements on the Lot or approved nearby Property, and such structures are promptly removed upon completion of the construction, maintenance or repair. Unless

approved in writing by the Board of Directors or ARB, no trailer, camper, shack, tent, garage, barn or other structure of a similar nature shall be used as a Dwelling, either temporarily or permanently. All approved temporary structures shall be neatly maintained during the permitted period of use.

4. Exterior Maintenance.

Each Owner shall maintain the exterior of the Dwelling and other structures on the Lot in a neat, orderly, safe and aesthetically attractive condition. The areas to be so maintained include, but are not limited to, paint or stain, roofs, gutters, clownspouts, chimneys, vents, heating and air conditioning systems, fences, walls, shutters, mailboxes, driveways, walks, lighting, exterior building surfaces, lawns, trees and landscaping. The owner of a Lot shall keep the Lot free of all tall grass and weeds, undergrowth, dangerous or dead trees and tree limbs, trash and rubbish, and stored materials.

5. Subdivision of Lots.

No Lot shall be subdivided unless approved by the Board of Directors of the Master Association. Two or more Lots (or one Lot and part of another Lot) may be combined to form a fewer number of Lots so long as any resulting Lot(s) meet(s) all subdivision and zoning requirements and such combination is approved by the Board of Directors of the Association. After combination, any easements along side Lot lines between the combined Lots shall be deemed automatically abandoned unless, at the time of combination of the Lots (a) a utility line or similar use is located within the easement area, or (b) it is likely that a utility line or similar use shall subsequently be required through such easement area, or (c) the Owner of the combined Lot containing such easement records a document in the RMC Office for Charleston County confirming that the easement is not abandoned. The Owner of any combined Lot shall be responsible for all costs and expenses of removing or relocating any utility located along or adjacent to any side Lot line being abandoned. After combination of the Lots, the structural setback, utility easements and similar building line requirements shall apply as though the combined Lots are a single Lot. The combination of Lots shall not reduce the Assessments allocable to the combined Lots. After combination of the Lots, the Owners combining lots shall apportion their respective shares of the Assessments attributable to the Lot(s) being combined in the same percentage as that portion of the combined Lot(s) bears to the total Lots combined. For example, if two Lot owners each buy one half of a Lot to combine with their original Lots, each Owner shall pay one half of the Assessments allocable to the divided Lot, plus the normal Assessments for the original Lot.

6. Buffers, Lagoons, Drainage Areas, Wetlands, etc.

Unless designated as an Area of Common Responsibility of the Association, all buffer areas shown on any recorded plat as part of a Lot shall be maintained by the Owner thereof as a planted and landscaped area unless otherwise indicated on the

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recorded plat. No building or structure that is not indicated on the recorded plat shall be constructed in the buffer area and no parking, storage area or other use that is not indicated on the recorded plat may be maintained therein unless approved in writing by the ARB. No buffer area maintained by the Association shall be disturbed in any way by an Owner without the express written permission of the Association. The Owner of any Lot bordering any lake, lagoon, canal, or drainage easement shall neatly maintain, prune, and, if appropriate, mow, the area between the edge of any lake, lagoon, canal or drainage easement and the Lot unless the Association notifies the Owner, in writing, that it will maintain such area as an Area of Common Responsibility. No waste, garbage or wastewater shall be discharged, dumped or otherwise placed in any lake, lagoon, canal or drainage easement except as may be expressly approved in writing by the Board of Directors of the Association and in accordance with any applicable law. Lots adjacent to Wetland Buffers shall comply with the Wetlands covenants referenced in Section 3.1 of the Declaration.

7. Parking, Driveways and Permitted Vehicles.

The Owner of each Lot shall provide usable parking spaces on the Lot for the greater of (a) at least two (2) vehicles, or (b) the number of vehicles normally parked on the Lot by occupants of the Dwelling on the Lot. All driveways, parking spaces and entrances to garages shall be of concrete or such other substance of a uniform quality that is approved in writing by the ARB. The number of vehicles parked on a Lot shall not exceed the number of parking spaces on such Lot that are available for parking. All parking shall be within areas specifically designed for parking. No overnight parking shall be permitted on streets and no parking shall be permitted on streets at other times unless expressly approved in writing by the Board of Directors of the Association. No unlicensed vehicle; house trailer; mobile home; boat; locat or other trailer; camper; habitable motor vehicle; bus; truck or commercial vehicle over one (1) ton capacity; or any inoperable vehicle shall be stored or parked overnight on a Lot except within an enclosed garage, or when otherwise screened from view from adjacent Lots or streets in a manner approved in writing by the ARE or Board of Directors of the Association.

8. Garages.

Garage doors shall be closed except when vehicles are entering or exiting, or when a permitted activity within the garage requires that the garage door be temporarily open for ventilation, light or access. Garages shall be used only for parking permitted vehicles, boats, boat trailers and other activities permitted by the Declaration and law that do not interfere with the primary purpose of parking vehicles.

9. Changing Lot Elevation.

No Owner shall excavate or extract earth from a Lot for any business or commercial purpose. This restriction shall not apply to any excavation that may occur

by the Declarant or a builder of a permitted structure or related facilities on a Lot for the purpose of providing required storm water retention capacity for the Lot or for removing materials that are unsuitable for construction purposes; provided that the responsible entity shall regrade and/or fill the excavated area as may reasonably be required so that the result is aesthetically acceptable, as determined by the ARB. No elevation changes shall be permitted that materially affect the surface grade of an adjacent Lot or Property or cause additional storm water to be discharged over such adjacent Lot or Property, unless approved in writing by the ARB.

10. View Obstructions at Street Intersections.

No structure, tree branches, or other vegetation shall be permitted to obstruct the view of an operator of a motor vehicle, pedestrian, or bicyclist at a street intersection. As a general rule, such obstructions shall be prohibited within that area that lies within the approximately triangular space created by the intersection of the outside of the travel surfaces of any two streets, and extending twenty (20) feet along the edge of each street (i.e. a right triangle that is twenty (20) feet in length from the point of intersection). The ARB may require a greater view angle at key intersections. The Owner of a Lot shall be responsible for pruning all vegetation within the Lot that would create an unauthorized obstruction and the Association also shall have an easement to remove any unauthorized obstruction.

11. Delivery Receptacles and Lot Identification Markers.

The ARB shall have the right to issue specifications for and/or approve as to location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similar delivered materials; property identification markers; and name signs.

12. ARB Procedures.

In addition to such other architectural and/or landscape design standards, procedures, rules and policies for review of Development Activity as may be set forth by the Board of Directors from time to time pursuant to Section 5.5.2 of the Declaration, each Owner of the Lot for which the Development Activity is proposed shall cause to be submitted to the ARB (unless expressly waived by the ARB) the following: (a) a current as-built survey of the Lot, showing key grade elevations of the Lot and adjacent property, and adjacent roads, walks, utility lines and facilities, and the location and type of trees having a trunk diameter greater than six (6) inches at five (5) feet above surrounding grade; (b) dimensioned conceptual site and building plans of the proposed Development Activity, including, without limitation, exterior elevations, and enclosed heated square footage of any proposed Dwelling, (c) graphic information showing resulting modifications in grade, resulting storm water connections and flow, and trees listed in (a) that would be removed as a result of the proposed development, and (d) color and material samples for all exterior elements of the proposed Development Activity.

13. Utilities.

Water and sanitary sewer systems shall be provided by the Commissioners of Public Works for the Town of Mt. Pleasant, South Carolina; provided that the ARB may approve wells for watering of Lots or as required for heating and air conditioning systems if such wells are permitted by applicable law and do not lower the level of, or negatively affect the quality of, any water body on or adjacent to the Property. No Owner may pump water from any lake or lagoon on the Property. Declarant reserves the right to approve the construction, installation and maintenance of utility facilities, including but not limited to water, telephone and sewerage systems, which may be in variance with these restrictions.

14. Completion of Construction.

The Board of Directors of the Association shall have the right, but not the obligation, to take appropriate Court action, whether at law or in equity, to compel the immediate completion of any Dwelling or structure not completed within one (1) year from the date of commencement of construction.

15. Änimals and Pets.

No animals, livestock, reptiles, fowl or poultry shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes and are housed within the Dwelling or any accessory structure that has been expressly approved by the ARB in writing. Such household pets must not constitute a nuisance or cause unsanitary conditions. Frequent and prolonged barking or howling of a dog or other animal that is clearly audible on another Lot shall be a nuisance. Such household pets shall be maintained within the Lot of the Owner and it shall be considered a nuisance if such pet is allowed to go upon another Owner's Lot or to be upon the streets or Area of Common Responsibility of the Association unless under leash or carried by the Owner. No pet shall be permitted to leave its excrement on any portion of the Area of Common Responsibility or the Lot of another Owner, and any Owner of such pet shall immediately remove the same. The Board of Directors shall have the right to determine, in its sole discretion, whether a particular pet meets the criteria set forth above, and, if not, it may require the owner of the pet to remove such pet from the Property.

16. Offensive Activities.

Noxious, offensive or illegal activities shall not be carried out on any Lot, nor shall anything be done thereon that is or may become an annoyance or muisance to the Owners of other Lots within the Property. Without limiting the generality of this

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provision, no exterior speakers, horns, whistles, bells or other sound devices that emit sounds that are audible on other Lots shall be located within the Property, except security and fire alarm devices or other devices expressly approved in writing by the Board of Directors of the Association.

17. Signs.

No signs are permitted except those that (a) are professionally designed and constructed; (b) are either street signs or signs identifying the Property as a whole, a separate subdivision within the Property, or a particular Dwelling or Lot; (c) are required to comply with any law regarding zoning hearings, judicial sales or similar mandatory procedures; or (d) advertise the availability of a Lot or Dwelling thereon during the development and construction period. All signs during the construction and development period shall be subject to approval by the ARB. No flashing, movable, or neon signage shall be permitted on the Property. No billboards or signs advertising "for sale" or "for rent", or similar wording shall be placed on any Lot or displayed on any Dwelling.

18. Screening and Clotheslines.

Unless otherwise expressly approved in writing by the ARB, trash containers, pool equipment, solar heating panels, heating and air conditioning systems, and similar equipment shall be screened to conceal them from view of the naked eye of a person standing at existing grade on any neighboring Lot, street, or easement or buffer area containing pedestrian or bicycle paths. All fuel tanks and utility service lines connecting to the Dwelling or other structures on the Lot shall be underground. Exterior clotheslines are prohibited.

19. Antennas and Satellite Dishes.

Unless otherwise required by law, no telecommunications, radio or television transmission or reception towers or satellite dishes or antennas shall be erected on any Lot unless it is (a) not more than two feet in height or diameter, (b) screened from view of the naked eye of a person standing at existing grade on any street fronting on the Lot, and (c) in a location approved in writing by the ARB.

20. Garbage and Refuse Disposal.

Trash, garbage or other waste shall be kept in closed, sanitary containers and, except during pickup periods, shall be kept inside the Dwelling or within an enclosed or fenced service or storage area. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All service and storage areas shall be enclosed or fenced in such a manner that the materials within shall be screened from view of the naked eye of a person standing at existing grade on any neighboring Lot, street, or easement or buffer area containing pedestrian or bicycle

paths. Garbage cans, trash containers, boxes, bags, and other trash or debris shall not be placed on the street until after 6:00 P.M. on the day before the date of pickup and all empty containers shall be removed by 6:00 P.M. on the date of pick-up.

21. Model Homes.

Declarant, as well as any builder of homes on the Property, shall have the right to construct and maintain model homes on any of the Lots.

22. Waivers of Rules and Regulations.

The Board of Directors or ARB may, for good cause, as determined in its sole discretion, waive violations of these Rules and Regulations that are not violations of the Declaration. Such waiver shall be in writing and either maintained for a reasonable period in the offices of the Association or recorded in the Charleston County RMC Office. Nothing herein shall be deemed to allow the Board of Directors or ARB to waive violations that can only be waived by an appropriate governmental authority.

23. Enforcement of Rules and Regulations.

If an Owner fails to comply with these Rules and Regulations, the Association shall take such action as the Board of Directors determines is appropriate to enforce the Rules and Regulations or to remedy the problem caused by the Owner's failure to comply, in accordance with the Declaration. The Board of Directors shall give the non-complying Owner written notice of the nature of the violation and, if desired, the action that is required in order to cure the violation. Except in cases in which the Board of Directors determines that the violation constitutes a safety hazard, violation of law or an emergency situation, the Owner shall have seven (7) calendar days from the date of receipt of notice, or such additional time as may be authorized by the Board of Directors in writing, to cure the violation or to provide to the Board of Directors reasonable evidence that no violation exists. The Board of Directors of the Association shall also have the right to enforce these Rules and Regulations pursuant to the procedure set forth above.

24. Other Rules and Regulations.

The Board of Directors may issue other Rules and Regulations or amend these Rules and Regulations from time to time.