

SUPPLEMENT TO

Certification of Inspector Ballot Votes For Five Bylaw Amendments Presented at the 2022 Annual Meeting

AND

Amended and Restated Certification of Proxy Count

Palmetto Dunes Property Owners Association, Inc.

This Supplement to the Certification of Ballot Votes and Amended and Restated Certification of Proxy Count is made as of November 11, 2022.

I, the undersigned, acting in my capacity of Inspector of Ballot Votes for the five (5) bylaw amendments (collectively the “Amendments”) of the Bylaws of the Palmetto Dunes Property Owners Association, Inc. (the “Association”), provided to the Association my certification of the vote count regarding the Amendments on October 19, 2022. Acting in that capacity, I additionally audited the Association’s Proxies and Proxy List for the 2022 Annual Meeting of the Association and provided to the Association my Certification of Proxy Count on October 14, 2022, and my amendment and restatement thereto on October 24, 2022.

Since that time, the Association has advised that one or more of the members have raised questions regarding (i) the discrepancy between the Association’s use of calendar days rather than business days in computing the deadline for submission of proxies by the members, and (ii) the confirmation that proxies were signed by the granting member and that, where members changed their proxy holder, the last proxy submitted by date was used to identify the proxy holder in the Proxy List for voting purposes. Based on these questions and issues, I provide this Supplement.

I. Business Days versus Calendar Days in Computing the Proxy Submission Deadline.

The Association’s Bylaws, at Article II, Section 9, provide that “All proxies must be received by the Secretary of the Association at the address of the Association at least fifteen (15) business days before the date of the annual meeting.” Notwithstanding that provision, the Association notified the membership that proxies must be returned to the Association fifteen (15) days prior to the annual meeting, thus using a calendar day requirement. The mailed proxy cards state in bold “Proxy card must be returned to the PDPOA Office 15 days prior to the Annual Meeting.” My understanding is that the electronically submitted proxies were treated in the same manner. Accordingly, the Bylaws state a deadline computed as fifteen (15) business days prior to the annual meeting, however, the membership was advised they would be permitted to submit proxies up to fifteen (15) calendar days prior to the annual meeting.

The Annual Meeting occurred on October 15, 2022. Computing a deadline which would give fifteen (15) business days before the Annual Meeting would result in a deadline for proxy submission through Friday, September 23, 2022.

The Proxy List provides the date each proxy was received by the Association and the dates for any changes to the proxy submitted by a member. "Change" meaning a proxy amendment or submission of a secondary proxy for the purpose of making a change. Assuming a proxy submission deadline of September 23, 2022 (using the business day calculation set forth in the Bylaws), this would result in a total of 338 proxies initially submitted or changed after the deadline (hereinafter the "Late Proxies"). The Late Proxies represent a total of 578 votes, because three (3) proxies grant voting power of more than one vote.

I have performed a re-count of the vote on the five (5) Bylaw Amendments to determine the effect of the discrepancy of the proxy deadline date. In performing the re-count, I have removed ballot votes which resulted from the use of a Late Proxy. A number of members who had submitted a Late Proxy appeared at the Annual Meeting and voted their ballot directly. These votes were not removed from the re-count, since these members actually appeared and voted. Sixty (60) members submitted revised proxies (changing their proxy holder) within the period after September 23rd. With regard to these revised proxies, I have removed the resulting ballot vote, unless the member voted directly. This treatment of changed proxies outside the deadline is based on the fact that a member may revoke a proxy at any time prior to the Annual Meeting, but cannot submit a proxy (appoint a proxy holder) after the proxy submission deadline.

After removing the ballots voted based on the Late Proxies, there were a total of nine hundred ninety-two (992) member votes in person or by proxy. The result of the vote re-count is as follows:

As to Amendment Number 1:

Require Owners/Members to Vote and Approve Spending Over \$500,000

294 Members voted Yes and 696 Members voted No. The Amendment Failed.

As to Amendment Number 2:

Require Owners/Members to Vote and Approve Changes to Residential, Commercial and Other Covenants.

344 Members voted Yes and 647 Members voted No. The Amendment Failed.

As to Amendment Number 3:

Limit the Role of the Executive Committee to Emergency Situations.

330 Members voted Yes and 662 Members voted No. The Amendment Failed.

As to Amendment Number 4:

Remove Greenwood's Residential Votes Based Upon their Annual Commercial Assessment.

316 Members voted Yes and 675 Members voted No. The Amendment Failed.

As to Amendment Number 5:

Enable Owners/Members to Remotely Attend and Vote within the Annual Meeting and Special Meetings.

342 Members voted Yes and 650 Members voted No. The Amendment Failed.

The Inspector Notes remain the same for the re-count: (i) there were two (2) ballots on which the

members did not vote yes or no on the matter of Amendment Number 1, and one (1) ballot on which the member did not vote yes or no on the matter of Amendment 4; and (ii) One (1) ballot contained a mark for both yes and no on the matter of Amendment Number 2, and this vote was disqualified and was not counted.

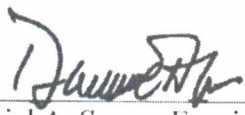
Based on my re-count of the ballot votes, after removing all ballots casts by proxy holders under a Late Proxy, the outcome of the vote on the five (5) Bylaw Amendments does not change.

II. Signatures of Proxies.

I can confirm that, in my review of the proxies provided to me by the Association and used in my audit of the proxies, the proxies contain a signature purporting to be the signature of the member granting the proxy. I did not contact or attempt to contact each member to verify the signature or the proxy, nor does South Carolina law or the Association's Bylaws require that be done.

III. Date of Proxy Changes.

I can confirm that, in my review of the proxies provided to me by the Association and the Proxy List, both used in my audit of the proxies, where a proxy was amended, modified or changed (or a new proxy submitted to make a change) after initial submission, I attributed the proxy to the proxy holder based on the last received proxy provided to the Association by the member. For the purposes of my re-count of votes as described above, proxies which were amended, modified or changed, or a new proxy submitted after September 23rd were treated as revoked.



Daniel A. Saxon, Esquire
Inspector of Ballot Votes

SWORN to before me this 15
day of November, 2022.



Notary Public for South Carolina

My Commission Expires: 3/7/2027

