

**Draft Bylaw Amendment:
Article II, Sections 10 (New) and 11 (Revised)**

Purpose: Of the 2,172 property owners (Members) within Palmetto Dunes, more than 80% are remote owners. With more than 1,700 remote Palmetto Dunes Property Owners, the purpose of this bylaw amendment is to increase Member engagement and participation. The existing Article III, Section 10 Bylaw language purported to allow Annual or Special Member Meetings to be held by electronic means during a Board declared Period of Emergency. This language was adopted based on a South Carolina Attorney General’s Opinion during the COVID epidemic but was never authorized by State Law. Consistent with recent changes to the South Carolina Nonprofit Corporations Code (effective May 19, 2023), Members of a South Carolina Nonprofit Corporation are now allowed to participate in Annual or Special Meetings by means of remote communication, be deemed present in person, and permitted to vote at such meetings whether held at a designated place or solely virtually. The proposed amendment tracks the new State law. Remote participation would be subject to guidelines and procedures adopted by the Board and allowed if the Board authorizes remote participation and implements reasonable measures to verify each person deemed present and permitted to vote is a member of the Association or proxy holder. The participation and voting guidelines/procedures would be adopted by the Board taking into consideration the actual capabilities and/or limitations of software providers or third party voting services rather than being included in the Bylaws.

**Current Bylaw:
Article II**

10. Membership Meeting During a Period of Emergency

Upon the occurrence of, or anticipated occurrence of, acts war; riot; terrorism; civil commotion; military disturbances; nuclear or natural catastrophe; significant storm, earthquake, flood or fire; pandemic, epidemic, or outbreak; or other acts of God; which, in the determination of the Board of Directors, acting on two-thirds vote, with the presence of a quorum, might likely negatively impact the health, safety, and /or welfare of Members attending an Annual Meeting or Special Meeting of the Membership (hereinafter an “Emergency”), then in that event, the Board may, but shall not be obligated to postpone such an Annual or Special Meeting until such time as the Board determines the Emergency has passed or sufficiently subsided to allow the meeting to occur. In such event, the Board use its best efforts to give written notice of the postponement to the Membership at its earliest opportunity using either mail or electronic means.

A. Hold the Annual or Special Meeting by electronic means as provided in this subsection. Meeting held under this subsection may be conducted through use of Internet meeting services or other electronic means designated by the Board that support (i) determination of membership attendance to confirm the existence of a quorum; (ii) confidential voting and support visible displays identifying those participating, identifying those seeking recognition to speak; (iii) showing (or permitting the retrieval of) the text of pending motions, and (iv) showing the results of votes. These electronic meetings of shall be subject to all rules adopted by the Board, to govern them, which may include any reasonable limitations on, and

requirements for, Members' participation. Any such rules adopted by the Board shall supersede any conflicting rules in the parliamentary authority. A confidential vote conducted through the designated Internet meeting service shall be deemed a ballot vote, fulfilling any requirement in the bylaws or rules that a vote be conducted by ballot.

- B. The postponement of a meeting pursuant to subsection A above shall not prevent the Board from calling a subsequent meeting by electronic means in the event of an extended Emergency. Likewise, the calling of a meeting by electronic means shall not prevent the postponement of that meeting in the event of a worsening of the Emergency or failure of infrastructure or utility service to conduct the meeting.
- C. During a period of Emergency as determined under this Article II, Section 10, all notices to Members of Annual or Special Meetings, or postponements or adjournments or reconvening thereof, together with any materials to be provided to Members in connection with such meetings, may be sent provided for in these Bylaws, except as otherwise expressly provided, shall be deemed sufficient if sent either (i) via US Mail postage prepaid, to the address shown on the register of Members; or (ii) via electronic mail to last address provided to the Association by the Member.

11. NONE

Proposed Bylaw Amendments: Article II, Sections 10 and 11

New language is underlined and deleted language is marked with strike-through.

10. Annual or Special Meetings, Remote Communication

If authorized by the Board, and subject to guidelines and procedures adopted by the Board, members not physically present at an Annual or Special meeting may, by means of remote communication:

(a) participate in an Annual or Special membership meeting;

(b) be deemed present in person and vote at an Annual or Special membership meeting, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that the Board implements reasonable measures to verify that each person deemed present and permitted to vote at the Annual or Special membership meeting is a member of the Association or proxy holder.

11. Membership Meeting During a Period of Emergency

Upon the occurrence of, or anticipated occurrence of, acts war; riot; terrorism; civil commotion; military disturbances; nuclear or natural catastrophe; significant storm, earthquake, flood or fire; pandemic, epidemic, or outbreak; or other acts of God; which, in the determination of the Board of Directors, acting on two-thirds vote, with the presence

of a quorum, might likely negatively impact the health, safety, and /or welfare of Members attending an Annual Meeting or Special Meeting of the Membership (hereinafter an "Emergency"), then in that event, the Board may, but shall not be obligated to postpone such an Annual or Special Meeting until such time as the Board determines the Emergency has passed or sufficiently subsided to allow the meeting to occur. In such event, the Board use its best efforts to give written notice of the postponement to the Membership at its earliest opportunity using either mail or electronic means.

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