

PROPOSED BYLAW AMENDMENT #1

Draft Bylaw Amendment: Article II, Section 7

Purpose: To expand the methods of Notice to Members to include email to Members who have elected to receive correspondence from the Association by electronic means.

Current Bylaw:

Article II

7. Notices

All notices provided for in these Bylaws, except as otherwise expressly provided, shall be sent by mail, postage prepaid, to the address shown on the register of Members.

Proposed Bylaw Amendment: Article II, Section 7

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

7. Notices

All notices provided for in these Bylaws, except as otherwise expressly provided, shall be mailed to the Members by United States Mail~~sent by mail~~, postage prepaid, to the address shown on the register of Members or by email to any Member who has elected in writing to receive correspondence from the Association by electronic means.

PROPOSED BYLAW AMENDMENT #2

Draft Bylaw Amendment: Article II, Section 8

Purpose: To make the electronic proxy references consistent to confirm that Members submitting electronic proxies in accordance with Article II, Section 9 are included for Article II, Section 8 quorum purposes.

Current Bylaw:

Article II, Section 8

8. Quorum

The presence in person or by written proxy at a meeting of fifteen percent (15%) of the Members shall constitute a Quorum, but a lesser number may continue a meeting previously constituted.

Proposed Bylaw Amendment: Article II, Section 8

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

8. Quorum

The presence in person or by written or electronic proxy at a meeting of fifteen percent (15%) of the Members shall constitute a Quorum, but a lesser number may continue a meeting previously constituted.

PROPOSED BYLAW AMENDMENT #3

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 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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~~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.~~

PROPOSED BYLAW AMENDMENT #4

Draft Bylaw Amendment: Article III, Section 2

Purpose: No commencement date for a Director's term is currently set out in the Bylaws. The purpose of this amendment is to clarify Director's terms commence at the conclusion of the Annual Meeting following his/her election.

Current Bylaw:

Article III, Section 2

2. Election and Term

Any Member seeking election to the Board of Directors must first be nominated pursuant to Article VI of these Bylaws. Directors shall be elected by ballot voting of the Membership held prior to the Annual Meeting each year, by either mail or electronic means as determined in advance by the Board of Directors. The Board of Directors shall establish the commencement date of the election each year, which date shall be not more than sixty (60) days, nor less than thirty (30) days prior to the Annual Meeting. Voting shall remain open for thirty (30) days after the commencement date. No vote received by the Association after voting closes shall be counted.

The Board of Directors shall cause notice of the election to be mailed to the Members by United States Mail, or by email to any Member who has elected to receive correspondence from the Association by electronic means ("Notice of Election"). Inclusion of such notice within the Association's newsletter shall satisfy this notice requirement. If the election is conducted by mail, the notice shall include a Ballot for voting. If the election is conducted through electronic means, the notice shall contain instructions for accessing an electronic ballot.

Ballots (whether provided by mail or electronic means) shall list the names the nominated candidates and indicate how each candidate was nominated. Voting shall remain open for a period of thirty (30) days commencement date established by the Board of Directors.

The Board of Directors shall establish, from time to time, such administrative and procedural rules necessary to ensure the election of Directors under this Section. Voting shall comply with such rules established by the Board of Directors.

Once cast, a Members vote may not be changed or withdrawn. Members shall not cast more than one (1) vote for each Board vacancy to be filled. Cumulative voting shall not be permitted. The candidates receiving the largest number of votes cast shall be elected to fill the positions. In the event of a tie, a run-off will be conducted at the Annual Meeting by a ballot vote of the Members present in person or by proxy.

Directors shall serve for three years, or such lesser term for which they may have been elected, and, in any case, until their successors shall have been elected and taken office. At least three Directors shall be elected each year in order to provide for staggered terms.

During any election at which more than three (3) candidates are seeking election, the Board of Directors shall retain the services of a third-party to review the election process to ensure compliance with these Bylaws and the election rules established, and the votes cast by the members, and to certify the election results to the Association.

A tabular breakdown for the election of Directors shall be made available on request to any Member eligible to vote, which shall include: (a) the total number of votes cast, (b) the total number of candidates, (c) the winning candidates and the votes each received, and (d) the number of disqualified ballots received. Upon request, any candidate shall be informed of the number of votes he or she received.

Proposed Bylaw Amendment: Article III, Section 2

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

2. Election and Term

Any Member seeking election to the Board of Directors must first be nominated pursuant to Article VI of these Bylaws. Directors shall be elected by ballot voting of the Membership held prior to the Annual Meeting each year, by either mail or electronic means as determined in advance by the Board of Directors and shall take office at the conclusion of such Annual Meeting. The Board of Directors shall establish the commencement date of the election each year, which date shall be not more than sixty (60) days, nor less than thirty (30) days prior to the Annual Meeting. Voting shall remain open for thirty (30) days after the commencement date. No vote received by the Association after voting closes shall be counted.

The Board of Directors shall cause notice of the election to be mailed to the Members by United States Mail, or by email to any Member who has elected to receive correspondence from the Association by electronic means (“Notice of Election”). Inclusion of such notice within the Association’s newsletter shall satisfy this notice requirement. If the election is conducted by mail, the notice shall include a Ballot for voting. If the election is conducted through electronic means, the notice shall contain instructions for accessing an electronic ballot.

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Directors shall serve for three years, or such lesser term for which they may have been elected, and, in any case, until their successors shall have been elected and taken office. At least three Directors shall be elected each year in order to provide for staggered terms.

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PROPOSED BYLAW AMENDMENT #5

Draft Bylaw Amendment: Article V, Section 1

Purpose: To limit the role and responsibility of the Executive Committee for non-emergency issues to only those two specific instances as provided by a contract of employment or ethical or conflict of interest charges levied against Board Directors or Committee Members.

Current Bylaw:

Article V, Section 1

1. The Board shall provide for the following standing committees:

a. Executive Committee

Shall be composed of the Chairperson, Vice Chairperson and one (1) Director appointed by the Chairperson, with the concurrence of the Board. It shall deal with such matters that arise between the Board meetings as the Chairperson deems necessary, and shall be the liaison between the Board and the Chief Executive Officer.

Proposed Bylaw Amendment: Article V, Section 1

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

1. The Board shall provide for the following standing committees:

a. Executive Committee

Shall be composed of the Chairperson, Vice Chairperson and one (1) Director appointed by the Chairperson, with the concurrence of the Board. ~~It shall deal with such matters that arise between the Board meetings as the Chairperson deems necessary, and shall be the liaison between the Board and the Chief Executive Officer.~~ Except for (i) receiving, reviewing and investigating ethical or conflict of interest charges levied against a Board Director or Committee Member and presenting its findings to the full Board in Executive Session and (ii) setting a portion of the Chief Executive Officer's compensation pursuant to his/her contract of employment, if applicable, which are the responsibility of the Executive Committee, the Executive Committee shall convene or function only during emergencies when a quorum, by in-person and/or electronic means, of the full Board cannot be obtained in a timely manner – followed by a Board meeting or detailed communication within 48 hours to discuss the reasons for, and results of, the Executive Committee meeting. All non-emergency issues, other than (i) and (ii) above shall be addressed by a quorum of the full Board.

PROPOSED BYLAW AMENDMENT #6

Draft Bylaw Amendment: Article XI, Section 2

Purpose: The current language allows the Board to present Bylaws amendments to the Members at a regular or special meeting and Member proposed amendments to be presented at an Annual meeting which is at least ninety (90) days after receipt of the proposal. The proposed language allows the Board to present Bylaws amendments for Member consideration (consistent with applicable South Carolina law) by written or electronic ballot without a meeting, pursuant to procedures adopted by the Board including, but not limited to, such amendment votes being presented in conjunction with Director elections to simplify, consolidate and streamline whenever possible the voting process for Members.

Current Bylaw:

Article XI, Section 2

2. The Bylaws may be amended by one of the following procedures:

- a. The Board of Directors may propose an amendment by approval of a majority of the Directors present at a regular or special meeting where notice was given that the amendment would be considered. The proposed amendment shall then be presented to the Membership at a regular or special meeting.
- b. The Members may propose an amendment to the bylaws by a written proposal signed by one hundred (100) or more Members, which proposal shall set forth in full the Bylaw provision to be changed, the proposed amendment and the reason for such amendment. Such proposal shall be filed with the Secretary. The amendment shall then be presented to the Membership at the next regular Annual Meeting which is at least ninety (90) days after receipt of the proposal.
- c. Under either procedure, the notice of meeting to the Membership shall set forth the Bylaw proposed to be amended, the proposed amendment and the reason for the proposed amendment. The amendment will become effective upon a majority vote of Members present in person or by proxy at such meeting.

Proposed Bylaw Amendment: Article XI, Section 2

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

2. The Bylaws may be amended by one of the following procedures:

- a. The Board of Directors may propose an amendment by approval of a majority of the Directors present at a regular or special meeting where notice was given that the amendment would be considered. The proposed amendment shall then be presented to the Membership for approval by written or electronic ballot without a meeting or at a regular or special meeting.

- b. The Members may propose an amendment to the bylaws by a written proposal signed by one hundred (100) or more Members, which proposal shall set forth in full the Bylaw provision to be changed, the proposed amendment and the reason for such amendment. Such proposal shall be filed with the Secretary. The amendment shall then be presented to the Membership at the next regular Annual Meeting which is at least ninety (90) days after receipt of the proposal.

- c. Under either procedure, the notice of the Membership meeting or the proposal for approval by written or electronic ballot without a meeting sent to the Membership shall set forth the Bylaw proposed to be amended, the proposed amendment and the reason for the proposed amendment. The amendment will become effective on the date set forth in the proposed amendment upon a majority vote of Members present in person or by proxy at such meeting or participating in a written or electronic ballot initiative without a meeting provided a quorum is present at the meeting or casts votes in the ballot initiative.