

**BYLAWS
Of
CLUB COURSE PROPERTY OWNERS ASSOCIATION, INC.**

Revised November, 2021

ARTICLE 1. NAME. The name of this organization is as chartered by the Secretary of the State of South Carolina, "Club Course Property Owners Association, Inc."

ARTICLE 2. PURPOSES. The purposes of this organization, (as defined in the Charter granted by the Secretary of State of South Carolina), are:

a. To combat community deterioration, preserve the natural beauty, and protect the environmental and ecologic balance of the Club Course area of Sea Pines; to provide a forum for discussion and to take appropriate action to assure the continuing development of the area of architectural design appropriate to and harmonious with the character of the areas and with due concern for the environmental and ecologic balance.

b. Said Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

c. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

d. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under sections 501 (c) (3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

e. Upon the dissolution of this corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, education, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under sections 501 (c) (3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law), as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas

of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

f. This corporation shall be incorporated as a non-profit organization under the Chapter 13, Title 33, Code of Laws of South Carolina 1976, and Acts amendatory thereto, and shall conduct its activities in such manner as to qualify for exemption from taxation under Section 12-7-330 (3) South Carolina Code of Laws, 1976 as amended, and Section 501 (c) (3) of the United States Internal Revenue Code.

ARTICLE 3. BOARD OF DIRECTORS.

Section 1. The Board of Directors shall have general charge, management and control of the affairs, funds and property of the Association.

Section 2. The Board of Directors shall consist of seven (7) members. Each Director will serve for a three-year term. Board member terms shall be staggered with two directors elected one year, t vacancies on the Board shall be filled by appointment from the membership to serve the unexpired term of the Director they are replacing. Such appointment shall be made by a majority vote of the Board of Directors.

Section 3. The Board of Directors shall hold meetings at the call of the President or Secretary. Special meetings shall be called by the Secretary on request of the President or any three members of the Board of Directors. The Secretary shall give notice to each Board member at least twenty-four hours before the time for each meeting, by mail or otherwise. Four members of the Board shall constitute a quorum. The outcome of matters presented to Board of Directors for approval shall be determined by a simple majority of the Board members present.

ARTICLE 4. OFFICERS.

Section 1. Election: The Officers of this Association shall be a President, one or more Vice-Presidents, a Secretary and a Treasurer. They shall be elected by a majority vote of the Board of Directors. Elections shall be held immediately after each annual meeting. A vacancy shall be filled by a majority vote of the Board of Directors.

Section 2. Powers and Duties:

(a) President. The President shall preside at all meetings of the Association and of the Board of Directors. He shall present at each annual meeting of the Association a full report on all matters relating to the affairs of the Association including a summary of all actions taken during the year by the Board of Directors. He shall designate committees as may be required to conduct the business of the Association. He shall also appoint chairmen of the committees and designate their responsibilities. He may sign contracts or other instruments which the Board of Directors authorizes to be executed except in cases where the signing and execution thereof shall be expressly delegated by at least a majority of the Board of Directors to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed. He may delegate

in writing his signing authority to another member of the Board of Directors. In general, the president shall perform all duties incident to the office and such other duties as may be prescribed by the Board of Directors from time to time.

(b) Vice President. During the absence or inability of the President, a Vice President shall perform the duties of the President.

(c) Secretary. The Secretary shall keep the records of all the meetings of the Association and of the Board of Directors, shall have charge of all the correspondence and papers of the Association except as pertain to the Office of the Treasurer, and shall perform the duties incident to his office.

(d) Treasurer. The Treasurer shall keep full and accurate accounts of all monies received and deposit the same in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall have authority to receive and to give receipt for all monies due and payable to the Association from any source whatever, and to endorse on behalf of the Association all checks, drafts, notes, warrants, and orders, and to give full discharge for same. He shall present at each annual meeting of the Association a written report on the money affairs of the Association and he shall make a like report whenever requested by the Board of Directors. His annual report to the Association shall be audited by the Board of Directors. In general, he shall perform the duties incident to his office.

ARTICLE 5. MEMBERSHIP.

All individual owners of real property in the Club Course area of Sea Pines Plantation, Hilton Head Island, Beaufort County, South Carolina, whose interests are compatible with the stated purpose of the Association shall be eligible for regular membership, which shall be automatic upon the payment of dues.

ARTICLE 6. ANNUAL DUES.

The annual dues for membership shall be an amount as may be determined by the Board of Directors.

ARTICLE 7. DISBURSEMENT OF FUNDS.

The Treasurer, or in his absence, any other officer, shall have the power to sign checks, drafts, and other orders for the payment of money, however, any such instrument calling for the payment of more than two hundred fifty dollars (\$250.00) shall require the approval of two (2) officers of the Association. Payments in excess of \$250.00 which are made pursuant to a contract or other agreement which has been duly approved by the Board of Directors do not require such approval.

ARTICLE 8. MEETINGS.

Section 1. Annual Meeting. There shall be an Annual Meeting of the Association at a place and time set by the Board of Directors to occur in person, by mail, or electronically. At the Annual Meeting there may be transacted any business properly brought before the meeting.

Section 2. Other Meetings. The Secretary shall call other meetings of the Association whenever requested to do so by not less than three members of the Board of Directors, or by not less than ten (10) of the voting members of the Association. Each such request shall state in detail the subject for consideration of which the meeting is desired, and such subject shall at least in substance be stated in the Secretary's call. No subject not so stated and notified shall be considered.

Section 3. Notice of Meetings. At least five days written notice shall be given of meetings of the membership.

Section 4. Voting. Each property owner, or in the case of multiple owners, each group of owners, is entitled to one vote. Owners of more than one property are entitled to one vote for all of their properties.

Section 5. Quorum. A quorum of the Association at any meeting shall be thirty (30) voting members, and for purposes of determining a quorum, those present and proxies shall be considered.

ARTICLE 9. PROCEDURE AT ANNUAL MEETINGS.

At each annual meeting of the Association the procedure shall be as follows:

- (a) Reading the Minutes of the preceding meeting
- (b) Report of the President
- (c) Report of the Treasurer
- (d) Report of the Secretary
- (e) Election of Directors
- (f) Other Business

ARTICLE 10. COMMITTEES.

In addition to the Nominating Committee there shall be such other committees as the Board of Directors may request to assist it in the carrying out of its functions.

The President shall, with the consent of the Board of Directors, appoint such committees as may be considered necessary and the number of members, and functions and duration of operation shall be at the discretion of the Board of Directors.

ARTICLE 11. NOMINATING COMMITTEE.

The President shall, from time to time, with the approval of the Board of Directors, appoint a Nominating Committee of the Association for the nomination of members to be elected to the Board of Directors at the annual meeting, as provided in Article III, Section 2.

ARTICLE 12. FISCAL YEAR.

The fiscal year of the Association shall begin October first.

ARTICLE 13. AMENDMENTS.

These articles may be amended at any meeting of the Association by a vote of two thirds (2/3) majority of those present in person, by proxy, electronically, or by written ballot provided notice of the proposed change or changes shall have been submitted to the membership in the notice of such meeting.

ARTICLE 14. INDEMNIFICATION AND INSURANCE.

Every person who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that said person was acting within the scope of his employment or appointment with the Association, whether in his capacity on the Board of Directors, an employee of the Association, or in any other official capacity, shall be indemnified and held harmless by the Association, to the fullest extent legally permissible under and pursuant to the laws of the State of South Carolina against all expenses, liabilities and losses (including without limitation attorney's fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith. Such right of indemnification shall be a contract right that may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right with such person. Such right of indemnification shall not be exclusive of any other right with such directors, officers or representatives may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any agreement, vote of shareholders, any provisions of law or otherwise, as well as their rights under this Paragraph.