



2023 Annual Report

Communication, Advocacy and Protection of BHI Property Values

Annual Review *Back in Business!*

The COVID-related lockdowns of 2020 and 2021 aren't even visible in the rearview of 2023. The whirl of activity experienced by the Island's organizations and rental homes makes it evident that the Island is back in business.

At Bald Head Association, the increase of new construction projects and member activities brought many new faces to the Island during the year. In 2023, 172 properties changed ownership, with 5 additional closings pending before year's end. Assuming those sales close, that means 53% of BHA's member properties changed hands in the last five years.

The organization started the year with the election of Christine Osborne and Paul Carey to the Board of Directors. We sincerely thank Jennifer Lucas and Tiffany Williams for their years of service. The new Board held its annual retreat and determined several priorities on which BHA would focus during 2023, including transparency, continued collaboration with

Island entities, supporting the staff and improving the architectural review (ARC) process. Members have received an update on each of these at every Board meeting.

One priority in particular — improving the ARC process — was a major focus not just of the Board but also of the staff who launched online applications to help facilitate and streamline the process for our members. The length of the Design Guidelines, which outlines the specifics of building and remodeling, was reduced from 182 pages to just under 80 pages. More information about some of the work to improve the ARC process is included in the January *Island Report*.

We enjoy a positive partnership with the BHI Club, the Village of BHI and BHI Limited. This year we collaborated on areas such as the relocation of BHA's Boat Park, enhancements to the Island's Dog Park, the potential conveyance of BHA's lagoons and the

Continued on page 6

Focus your smartphone's camera on this QR code to go to the voting website

Vote online:

<https://baldhead.ivotehoa.com/register>

December 27, 2023, 8:00am EST – January 24, 2024, 4:00pm EST



Full candidate platform/questionnaire answers are online at www.BaldHeadAssociation.com.

Michael Bumarch



Profession and education: Business Owner – HCO Innovations. Note – Retired 5 years ago but maintained ownership. Education – N/A.

Spouse name and background: Danielle Bumarch, CEO – Honor Bridge.

What is your history with Bald Head Island that has brought you to ownership and now a candidate for BHA? I visited our island in the winter of 2018. As soon as I stepped off the ferry, I immediately felt a spiritual connection to Bald Head. Shortly after, I purchased a condo at Royal James, for weekends only. I quickly realized BHI is where I want to live full time, so I acquired a house on Edward Teach Wynd.

I was approached by numerous people asking me to run for office. I listened to some of their concerns but really couldn't comment on any thoughts without understanding the full spectrum of each situation. After much consideration, and hearing from countless full and part time residents, I made my decision.

What professional skills and life experiences do you feel would be most valued as a member of the BHA Board? I started HCO in 2008 with a vision to provide efficiency solutions to some of the largest companies in our country. HCO grew by having a stellar reputation for honoring our commitment to our client's success. Currently we are a \$15M organization with less than \$400K in debt. HCO's commonsense approach will be the same commitment I make to BHA.

As a BHI property owner, what aspect of Island life is most important to you as a key to BHI's future and, if elected, how would you help craft that future? Enhancement of Peace and Serenity, whatever that may be individually, for owners, workers, and visitors. BHI offers something for everyone, and my goal is to deliver that "something". This will happen by listening, working with all governing bodies, and delivering common ground solutions. Enabling us responsible for BHI's wellbeing, to unify and secure Peace and Serenity for all.

Bob Keiger



Profession and education: Property Casualty Insurance. University of Delaware, BS Math.

Spouse name and background: Bonnie Keiger, Bucknell University, BA Economics.

What is your history with Bald Head Island that has brought you to ownership and now a candidate for BHA? Came to BHI 23 years ago on a Passport weekend and bought property. The island was a great refuge for slowing down, relaxing and enjoying the beach in a place that also respected the natural beauty and environment of its location.

What professional skills and life experiences do you feel would be most valued as a member of the BHA Board? In my business and personal life, there are 3 tenets that keep me focused and balanced on issues, challenges and goals. 1) It is always better to do the right thing than to do things right, 2) Delay is anathema to excellence and 3) Don't fail to act on the truth. While I have been part of other homeowner associations, industry panels and committees, I believe the most important

attribute for anyone wishing to serve on the BHA Board is to be focused on and dedicated to the original concept of the island being in balance with its natural environment.

As a BHI property owner, what aspect of Island life is most important to you as a key to BHI's future and, if elected, how would you help craft that future? I see the most important aspect of BHI's future being focused on the Village, the Clubs and the BHA working much more closely together to balance the continued growth of commercial and residential development to be more in sync with the infrastructure to support that development. Right now, transportation, public safety, public utilities and public service do not appear to be keeping pace with current demands. With BHI Limited transitioning out of any island involvement, it is incumbent on the Village, the BHA and the Clubs to jointly collaborate regarding the island's future.

Full candidate platform/questionnaire answers are online at www.BaldHeadAssociation.com.

Chris Parrish



Profession and education: Owner of Parrish Manor, Inc., a 280-site manufactured housing community in Raleigh, and Homes by Parrish, a custom home builder on BHI. Graduated UNC-Chapel Hill in Political Science and MBA from Appalachian State University.

Spouse name and background: Married to Colleen since 2006 and have four children. Colleen is a graduate of UVA and Duke University. Formerly a neonatal intensive care nurse and pediatric nurse practitioner.

What is your history with Bald Head Island that has brought you to ownership and now a candidate for BHA? We started visiting the island in 2010 when our oldest daughter, now 15, was just a year old. We visited multiple times each year and became homeowners in 2015. We love the island for its beautiful scenery and laid-back atmosphere and as a place that our kids can explore and enjoy.

What professional skills and life experiences do you feel would be most valued as a member of the BHA Board? The experiences I have gained by operating a manufactured housing community are much like being the mayor of a small town. Our community is over 1,000 residents, with almost half being 18 or younger. I have experience developing and enforcing guidelines and rules, which I will be able to apply to the BHI Board. My experience as a homebuilder on the island gives me a unique insight into the workings of the Board and ARC and how they impact builders and future homeowners.

As a BHI property owner, what aspect of Island life is most important to you as a key to BHI's future and, if elected, how would you help craft that future? I think harmony is the aspect of Island life that is key. Not only harmony with our surroundings, but with each stakeholder living and working on the island. By building consensus and using common sense, I hope to bring all the parties together.

Elizabeth (Betty) Robinson



Profession and education: Information Technology Executive, BS Mathematics – Duke, MBA – Fairleigh Dickinson.

What is your history with Bald Head Island that has brought you to ownership and now a candidate for BHA? I discovered Bald Head Island in my retirement, frequently visiting the island during my 14 years living on board my vessel, LiLi. Looking to transition back to land, the simplicity and natural beauty of Bald Head seemed like the perfect fit. I bought my home in 2014 and enjoyed the summer months on the island. In 2020, I took up permanent residence.

What professional skills and life experiences do you feel would be most valued as a member of the BHA Board? During the 70's explosion of information technology in the business world, I worked for a variety of companies on the East Coast, primarily responsible for large-scale business automation. I retired from Johnson & Johnson after a 30-year tenure and four company positions as CIO and member of the Management Board. My work involved program management spanning multiple companies and staff working globally. Coordination, collaboration and accountability for results were my key responsibilities. I also have experience as board president of a non-profit agency, working with minimal resources trying to make a difference in the world ... a very different set of challenges.

As a BHI property owner, what aspect of Island Life is most important to you as a key to BHI's future and, if elected, how would you help craft that future? For me, the most important aspect of Bald Head Island life is COMMUNITY... the sense of belonging to a special group of folks who treasure the unique, natural beauty of where we live. Advocating for the interests of homeowners, full-time or part-time, to maintain our special style of island living is at the core of my interest in serving on the BHA Board.

Candidate bio continues next page

Full candidate platform/questionnaire answers are online at www.BaldHeadAssociation.com.

Steve Smalley



Profession and education: Attorney at Law for the past 28 years. Shareholder, Ogletree, Deakins, Raleigh, NC, 2000 - Present. J.D, Cumberland School of Law, Samford University; B.A. Rhodes College.

What is your history with Bald Head Island that has brought you to ownership and now a candidate for BHA? I have owned a home on BHI since 2010. It required extensive renovation from the start. Later, when Hurricane Florence heavily damaged my home, I made additional changes. Through my interactions with BHA/ARC both times, I gained perspective on the role of the BHA. I have served as a member of the BHI Club Golf Committee and Nominating Committee.

What professional skills and life experiences do you feel would be most valued as a member of the BHA Board? As an attorney, I will bring a strong track record of analyzing and resolving complex issues. I've found that the best way to resolve a problem is to listen, without judgment, and communicate clearly and without delay. In addition to my responsibility for client relationships and client budgets, I also built and manage a team. I've learned the hard challenge of achieving business growth while navigating bureaucratic regulation.

As a BHI property owner, what aspect of Island life is most important to you as a key to BHI's future and, if elected, how would you help craft that future? The island that we all love continues to grow. BHA's mission involves protecting the island's limited resources — and includes supporting responsible growth without stifling that growth.

Top priorities of the BHA must include: (1) Communication to island property owners on topics that fall within the scope of BHA's oversight; (2) Prompt and reasonable action on property improvement requests. I am committed to working with all property owners to ensure those priorities are best served for the betterment of our shared island.

**BHA's 2022 audited financials
will be available
at the Annual Meeting
and on the website thereafter.**

BHA'S 2024 Annual Meeting, Voting and Smith Island Social

The 2024 Annual Meeting will be held on Saturday, January 27, 2024, at 9:00am. Below are specific instructions for voting online and participating in the 2024 Annual Meeting. Contact BHA with any questions at 910-457-4676, ext. 21.

Annual Meeting

BHA's 2024 Annual Meeting will be held in-person and online on Saturday, January 27, 2024, at 9:00am. The location is TBD (watch for updates in *BHA's Compass* email bulletin). The meeting will be recorded and posted online within 24 hours after the event for viewing on your own schedule. Information about joining the live meeting will be available on BHA's website in mid-January. Visit www.BaldHeadAssociation.com.

Voting

BHA is utilizing the software Vote HOA Now for online voting for the 2024 Annual Meeting. A paper proxy is also included in this Annual Packet, should you prefer. If you own multiple properties, please see the special instructions for voting on BHA's website (www.BaldHeadAssociation.com). Members who cannot or prefer not to vote online should contact BHA (Diane@BaldHeadAssociation.com) to request a paper proxy be mailed or emailed, if needed.

To vote online, visit the secure web address listed in the box (or via the QR code) found on the front cover. You'll be taken to a secure site specific to BHA's election. **Enter your unique registration code found on the label on the front cover.** Online voting will begin at 8:00am EST on Wednesday, December 27, 2023, and end at 4:00pm EST on Wednesday, January 24, 2024. All paper proxies must also be received by 4:00pm EST on January 24, 2024, in order to be counted. Voting on the day of the Annual Meeting will be via ballot using the same website and unique registration code. No motions will be taken from the floor.

Again, note that special instructions will be available for owners of multiple properties on the website. For any questions, contact Carrie Moffett, BHA Executive Director, at 910-457-4676, ext. 26 or Carrie@BaldHeadAssociation.com.

BHA's Smith Island Social

BHA's Smith Island Social, a long-running annual tradition held at the BHI Club the evening after BHA's Annual Meeting, will be held on Saturday, January 27, 2024, from 6:00-10:00pm. There will be seating in The Grille and The Palms, with a live band. There will be a DJ on the Ocean Terrace for dancing after dinner. New this year will be a silent auction benefiting the Pollinator Garden. The cost is \$65 per person. RSVP by January 18 via the Club app, by calling 910-477-5010 or emailing diningres@bhiclub.net. More details will be forthcoming. Mark your calendars now to attend!



••• Annual Review, continued from page 1

conveyance of walkways. We will continue working together on these and other projects in the coming year.

BHA is responsible for managing several areas throughout the Island, including the neighborhoods of Keeper's Landing, Surfman's Walk and Sumner's Crescent. Staff continue to provide more intensive service to those areas, such as yearly evaluations of the homes, landscaping and maintenance of their limited common areas and finances. Those services are paid for through supplemental dues in addition to the basic dues paid by all members.

The Middle Island Property Owner Association (MIPOA) and Harbour Association (HARB) contract with BHA to facilitate their respective architectural review processes utilizing current BHA staff. In 2023, BHA managed 31 construction and remodeling applications (4 new construction projects) for the MIPOA and 21 applications (including 3 new construction projects) for the HARB. In exchange for BHA's expertise and facilitation, BHA retains all application fees by the property owners.

BHA's own architectural review process was overly stressed again this year with an overwhelming 406 submittals received. There were 22 new construction applications approved this year — each of these homes are typically reviewed at least three times each. While the number and type of submittals was challenging to manage on a two-week meeting schedule, it was particularly difficult to manage the increased number of incomplete and late submittals, many of them missing pertinent requirements for a thorough review by the volunteer committee. BHA's architectural review staff members are all top-notch professionals who spent untold extra hours this year chasing down missing items from those incomplete and late applications in an attempt to help BHA members traverse the review process as easily and quickly as possible. We are grateful for their dedication to BHA and its members and their willingness to manage the sheer volume of increased submittals this year.

At the end of the review process, BHA made an additional effort this year to complete final construction inspections to confirm that homes were built in compliance with approved plans. Staff conducted 33 final inspections this year, with \$164,000 in construction deposits returned to property owners this year alone.

BHA, with significant support from the Village of BHI,

completed the relocation of our Boat Park within the Timbercreek Mulch Site. The Wildlife Overlook saw a few additional improvements to prevent erosion and to enhance the safety of visitors.

BHA's financial position remains strong, with approximately \$1,000,000 in reserves for all of the assets the organization manages. The final audit of the 2022 financials will be available for members at the 2024 Annual Meeting and will be available on BHA's website just after the meeting.

As always, a major contributor to BHA's accomplishments each year is the work done by our tireless and dedicated volunteers. BHA currently has 57 volunteers. Some work with staff in reviewing architectural review submissions monthly (monthly meetings that oftentimes last up to 5 hours each!). Others organize and carry out multiple activities and events like litter sweeps, potluck dinners, CPR trainings, Easter egg hunts, Pirate's Weekend, trick-or-treating, holiday sing-a-longs, Christmas cookie exchanges and shag dancing lessons. They work to identify new Board members to run for next year's Board. They plan for the future and help review the organization's finances. All of these wonderful volunteers make the organization whole, and they give of themselves to make this community — your community — better. We thank them all.

Many of the committees are in need of additional volunteers for 2024. Please visit BHA's website at www.BaldHeadAssociation.com and take a look at the committee descriptions. If you're so inclined, please fill out an online application to join them to volunteer!

All of BHA's staff members remain dedicated to serving the membership by providing the highest quality customer service possible. That's always our goal. If you have any questions, comments or concerns, please reach out to us so we can try to figure out a resolution to the issue. We love this extraordinary Island just as much as you do, and we hope to be able to work together to keep it just as incredible as it is now for many generations to come.

We wish you happiness and good health throughout this holiday season.

Respectfully,

Carrie Moffett, Mary Anne Arata, Kim Bandera, Leigh Ann Fink, Pam Henson, Chris Howard, Diane Mesaris, Fran Pagliaro, Pam Rainey and Dora Richey



BHA Committee Descriptions

Thank you for your interest in your Association!



Apply online with this QR code
or at www.BaldHeadAssociation.com/committees.

Consider sharing your knowledge, skills and time by serving on an Association committee. The committees' general goals are defined below to help you identify areas of interest. Please be a part of these efforts. This is your Association and your Island! Additional information and the online application is at www.BaldHeadAssociation.com/committees.

Architectural Review Committee (ARC)

The ARC has the crucial charge of reviewing home plans and administering the Design Guidelines, with typically hundreds of reviews handled each year for home plans, landscaping and renovation-related submittals. Comprising two sections — Section A and Section B. Nine volunteers serve on each ARC section.

Community Wide Standards (CWS) Committee

This committee evaluates BHI properties to help ensure homes are compliant with the Community Wide Standards.

Education and Recreation (ER) Committee

This committee discusses, devises, recommends and/or implements educational and recreational programs for property owners, renters and visitors.

Finance Committee

This committee assists with developing the annual budget and helps the Board monitor the Association's financial status. It also oversees the annual audit process and makes recommendations on financial policy to the Board.

Long-Range Planning (LRP) Committee

This committee reviews and evaluates past long-range plans and summarizes progress toward stated goals. They recommend actions that help fulfill Association purposes and responsibilities.

Nominating Committee

This committee has the crucial job of identifying qualified candidates to run for future BHA Board positions and continue the tradition of strong leadership for the BHA.

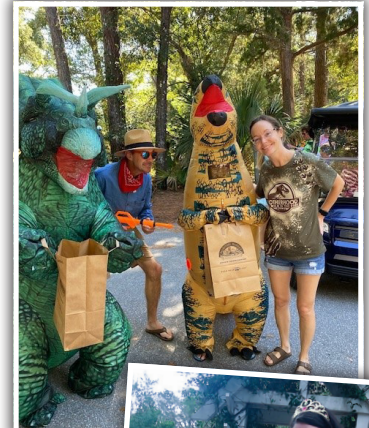
Resource Conservation and Beautification (RCB) Committee

This committee makes recommendations for the maintenance and development of Common Areas, spearheads "Operation Re-Forest — We Forest" annually and coordinates Litter Sweeps each year.



BHI COMMUNITY =
Activities
Events
Neighbors
Volunteers

Join in!





APPOINTMENT OF PROXY

I, _____, hereby appoint Robert Drumheller, Secretary of the 2023 BHA Board of Directors (the "Board Secretary"), proxy with full power of substitution to act and vote on my behalf at the Annual Meeting of members of the BHA to be held in-person and electronically on January 27, 2024, at 9am, and at any adjournment or adjournments thereof, as fully as the undersigned member would be entitled to act and vote if personally present. The undersigned directs the Board Secretary to vote as follows:

SELECT EITHER OPTION A OR OPTION B. *If you do not indicate option A or B but have signed your name on the reverse, BHA will presume this proxy to direct the BHA Board to vote as it deems appropriate.*

(Members are entitled to one vote per lot. Cumulative voting is permitted. Whole numbers only, please. Any proxy previously made by the undersigned for such meeting is hereby revoked. This proxy shall be effective only for the meeting and may be revoked at any time upon written notice to the Secretary or agent authorized to tabulate votes from the undersigned member.)

_____ A. I direct the Board Secretary to cast all of my votes as directed by a majority of the 2023 BHA Board.

_____ B. I direct the Board Secretary to cast my votes as follows:

I. FOR THE ELECTION OF DIRECTORS:

_____ Michael Bumarch

_____ Elizabeth (Betty) Robinson

_____ Bob Keiger

_____ Steve Smalley

_____ Chris Parrish

Note: There are two vacancies on the BHA Board for 2024.

II. FOR AMENDMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS: USE GUIDELINES AND RESTRICTIONS; ARTICLE 10.5(a)

CURRENT LANGUAGE

10.5 Use Guidelines and Restrictions. The following Use Guidelines and Restrictions apply to all the Properties except for that real property owned by the Bald Head Island Club or the golf course at the time of the recordation of this Declaration, and except to the extent Subsection (a)(i) exempts particular lots from the single-family utilization restriction, subject to the conditions specified therein.

(a) Single Family Utilization. This Declaration will restrict all Units to use only for single family residential purposes unless an amendment to this Declaration is adopted in accordance with Section 14.2. No home or other structure constructed within the described area will be utilized for commercial purposes, except that home offices will be permitted as long as such offices do not induce traffic, require signage, require outdoor storage of equipment, inventory, vehicles, or include retail space. If otherwise approved in accordance with the procedures and standards set out within this Declaration, nothing contained herein will prohibit or restrict the construction of any appurtenant structure to any residence, including, but not limited to, decks, walkways, crofter's cottages or cart storage facilities.

No dwelling, including any ancillary structure or annex to a Unit, will be utilized at any time for occupancy by more than one family or one family with guests. The Owner of a Unit is specifically prohibited from occupying an ancillary structure or annex located on his Unit while renting the primary residential dwelling, or from occupying the primary residential dwelling while renting the ancillary structure or annex, or from renting to two or more rental parties, the primary residence and the ancillary structure or annex.

(i) Notwithstanding the foregoing, each of these Lots shall be exempt from the single-family utilization restriction (but shall otherwise be subject to this Declaration), during the Village of Bald Head Island's ownership of such Lots, provided that the uses shall be subject to such regulations as the Board may adopt pursuant to this Section 10.5 and conditioned upon the Village constructing, utilizing, and maintaining the Lot in accordance with the final conceptual drawings, plans, and specifications approved by the Board. Any further changes to the final plans shall require written approval by the Board. This exemption is personal to the Village only and shall not be transferable or assignable to any other party.

(a) The Lot adjacent to the canoe and kayak storage and launch (described more particularly as Gazebo Tract 3 as shown on a plat of survey prepared by William W. Delaney, II, R.L.S., duly recorded in the Brunswick County Register of Deeds for Brunswick County, North Carolina, in Map Cabinet Z, Instrument Number 196), to be used for purposes of boat and kayak storage and parking;

(b) The unbuildable lot situated near the intersection of South Bald Head Wynd and Black Skimmer Trail (described more particularly as Lot 1319, Stage 1 of Bald Head Island, according to a map thereof duly recorded in Map Book 12 at Pages 1-9 of the Brunswick County Registry), to be used for purposes of a special needs beach access.

PROPOSED LANGUAGE

10.5 Use Guidelines and Restrictions. The following Use Guidelines and Restrictions apply to all the Properties except for that real property owned by the Bald Head Island Club or the golf

course at the time of the recordation of this Declaration, and except to the extent Subsection (a)(i) exempts particular lots from the single-family utilization restriction, subject to the conditions specified therein.

(a) Single Family Utilization. This Declaration will restrict all Units to use only for single family residential purposes unless an amendment to this Declaration is adopted in accordance with Section 14.2. No home or other structure constructed within the described area will be utilized for commercial purposes, except that home offices will be permitted as long as such offices do not induce traffic, require signage, require outdoor storage of equipment, inventory, vehicles, or include retail space. If otherwise approved in accordance with the procedures and standards set out within this Declaration, nothing contained herein will prohibit or restrict the construction of any appurtenant structure to any residence, including, but not limited to, decks, walkways, crofter's cottages or cart storage facilities.

No dwelling, including any ancillary structure or annex to a Unit, will be utilized at any time for occupancy by more than one family or one family with guests. The Owner of a Unit is specifically prohibited from occupying an ancillary structure or annex located on his Unit while renting the primary residential dwelling, or from occupying the primary residential dwelling while renting the ancillary structure or annex, or from renting to two or more rental parties, the primary residence and the ancillary structure or annex.

(i) Notwithstanding the foregoing, each of these Lots shall be exempt from the single-family utilization restriction (but shall otherwise be subject to this Declaration), during the Village of Bald Head Island's ownership of such Lots, provided that the uses shall be subject to such regulations as the Board may adopt pursuant to this Section 10.5 and conditioned upon the Village constructing, utilizing, and maintaining the Lot in accordance with the final conceptual drawings, plans, and specifications approved by the Board. Any further changes to the final plans shall require written approval by the Board. This exemption is personal to the Village only and shall not be transferable or assignable to any other party.

(a) The Lot adjacent to the canoe and kayak storage and launch (described more particularly as Gazebo Tract 3 as shown on a plat of survey prepared by William W. Delaney, II, R.L.S., duly recorded in the Brunswick County Register of Deeds for Brunswick County, North Carolina, in Map Cabinet Z, Instrument Number 196), to be used for purposes of boat and kayak storage and parking.

RATIONALE

In 2019, the Village of Bald Head Island recognized a need to provide a special needs beach access along South Bald Head Wynd and applied for and received a grant from the NC Department of Coastal Management to construct such a structure on an unbuildable lot located near Black Skimmer Trail. A vote by the BHA membership was required to exempt the lot from the Covenants that require that it be used only for a single-family residence. The BHA membership approved that exemption at its 2020 Annual Meeting. After much community discussion, the Village decided to construct the special needs beach access farther east near the intersection of Muscadine and South Bald Head Wynds. Construction of that access has been completed at that location. In order to protect the members of those properties adjacent to the original location, BHA's Board of Directors recommends that the membership revoke the prior

exemption of the single-family utilization provision for that specific lot (Lot 1319) near Black Skimmer Trail by removing paragraph 10.5(a)(i)(b).

_____ I direct the BHA Board of Directors to cast my vote(s) in favor of this amendment.

_____ I direct the BHA Board of Directors to cast my vote(s) against this amendment.

III. AMENDMENT OF BALD HEAD ASSOCIATION BYLAWS

ARTICLE III – MEETING OF MEMBERS.

CURRENT LANGUAGE

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot. The Entire Board of Directors shall vote undesignated proxies.

PROPOSED

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot. Once cast, proxies may only be revoked in person at the Member Meeting and a ballot shall be substituted to record the member's voting preferences. The Entire Board of Directors shall vote undesignated proxies.

RATIONALE

Bald Head Association's bylaws govern much of BHA's organizational structure, including the process of electing its Board of Directors and changes to its Bylaws and Covenants. The integrity of the voting process should be protected so members can be assured that all elections are fair and the ballots cast are accurate. In recent years, an increasing number of members have called or emailed to change their votes after they've already cast their votes via proxy. BHA's Bylaws are currently silent on whether or not voting preferences can be changed during an open election so BHA has recorded and documented those changes. However, this process is not fail proof nor does it provide members the confidence the election was conducted fairly and accurately. The proposed change to this paragraph would preserve members' ability to change their vote(s) at meetings of the members while also designating a process to change their vote(s).

_____ I direct the BHA Board of Directors to cast my vote(s) in favor of the bylaws change.

_____ I direct the BHA Board of Directors to cast my vote(s) against the bylaws change.

**PLEASE SEE NEXT PAGE TO LIST PROPERTIES OWNED AND SIGN THE PROXY.
ONLY SIGNED PROXIES WILL BE COUNTED.**

List below the BHA properties you own by Lot Number OR Street Address.
Use a separate piece of paper if necessary.

Dated: _____, 20____

Signature: _____ Printed Name: _____

(By signing above, I certify that I am authorized to execute this proxy on behalf of all owners of the above listed property(ies).)

**THIS PROXY MUST BE RECEIVED BY THE BHA OFFICE BY 4PM
ON WEDNESDAY, JANUARY 24, 2024, IN ORDER TO BE COUNTED.**

MAIL TO:

**Bald Head Association
P.O. Box 3030
Bald Head Island, NC 28461**

EMAIL TO:

Diane@BaldHeadAssociation.com

FAX TO:

1-855-308-7663