



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

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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.

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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