

Explanation of the Ballot by Proxy

**** This Ballot by Proxy is effective only to establish a Quorum for the Special Members Meeting and to vote regarding the two proposed Bylaw Amendments. It cannot be used for any other purpose. ****

This Ballot by Proxy allows a Padre Isles Property Owner (you) to assign a proxy in order to achieve a quorum and vote on the two presented propositions. Any property owner who owns property under the jurisdiction of the Padre Isles Property Owners Association is eligible to vote.

To obtain a Ballot by Proxy you can go to www.PadreIslandARCH.com and click on the "Request a Ballot" tab. You can request an e-signable version or download and print a PDF version.

To execute the Ballot by Proxy, just do the following:

- 1) Read the two proposed propositions (pages 1 and 2)
- 2) On the Ballot (page 3):
 - a. Fill in your name or business name that your properties are listed under.
 - b. Fill in your number of votes. You are entitled to one vote per each lot you own. If you are not sure how many votes you have, please contact Executive Director Becky Perrin at the PIPOA Office at 361-949-7025
 - c. Fill in your property address. If you own more than one property, only one is needed. Just make sure to include your actual vote total on the "number of lots" line.
 - d. You can vote both, one or none of the propositions. If you choose not to vote for the propositions, your ballot will be used to count toward a quorum only. And you still have the option to vote at the actual meeting.
 - e. Fill in your contact information. Please make sure to include your mailing address, email and phone so that you can be notified once the meeting date is announced.
 - f. Most importantly, sign and date the form. If the property is owned by a married couple, only one signature is required, though we encourage both to sign. If the property has multiple non-married owners, all owners should sign.
- 3) Return the Ballot by Proxy in one of several ways
 - a. E-sign and submit if using the electronically signable PDF.
 - b. Mail it to: Padre Island ARCH Group
15037 S. Padre Island Dr. #189
Corpus Christi, TX 78418
 - c. Fax it to: 361-336-0242
 - d. Scan and email to PadreIslandARCH@gmail.com
 - e. Hand it to an ARCH Group Member at one of our upcoming [events](#).
- 4) Once your Ballot by Proxy is received, we will return to you a unique ID number for your proxy. With this ID you will be able to verify that your proxy and vote was applied once the vote has been held. A spreadsheet will be made available that will contain the ID and voting tally for each proxy. Only you will have knowledge of your ID and no personally identifiable information will be included.

If you have submitted a proxy but HAVE NOT received your ID, please contact the ARCH Group at PadreIslandARCH@gmail.com

Padre Isles Property Owners Association, Inc.
NOTICE OF MOTION AND RESOLUTION TO AMEND BYLAWS
And
PROXY BALLOT

**Special Membership Meeting to be held on a date to be determined, but such meeting to occur
no later than September 30, 2018.**

**NOTICE IS HEREBY GIVEN THAT AT THE ABOVE-REFERENCED MEETING, A MOTION AND
RESOLUTION SHALL BE MADE TO APPROVE, ENACT, AND EFFECT THE FOLLOWING
PROPOSITIONS:**

Proposition 1. Providing for the following amendment to said Bylaws Section 7 as follows:

The last sentence of Bylaw Section 7, which now states:

“These bylaws (sic.) additionally may be amended at any regular or special meeting of the Board of Directors, after notice of such meeting has been provided to the membership in the manner provided in these Bylaws,”

is hereby deleted and stricken and the following sentence is added as the last sentence of Section 7:

“The PIPOA Board is hereby forbidden to amend or repeal this Bylaw or to adopt any other PIPOA Bylaw to the same or similar effect. The PIPOA Bylaws may not be amended, repealed, adopted, or otherwise effected by the PIPOA Board, all such power being herewith reserved unto the Voting Members, and only the Voting Members.”

Explanation

Proposition 1, by the deletion of the last sentence will prevent the POPOA Board, on its own, without the Voting Members, from changing the governing rules adopted by the Voting members and thereby thwarting the will of the Voting Members. While this will make amendments more difficult, it will preserve the democratic process and prevent the PIPOA Board from changing the rules against the will of the property owners.

Proposition 2. Providing for the following amendment to said Bylaws Section 2.03 as follows:

The first sentence of Said Bylaws Section 2.03, which now states:

“Any director may be removed with or without cause by the unanimous vote of the remaining members of the Board (excluding the director to be removed).”

is hereby deleted and stricken, and the following is substituted:

“Any director may be removed for cause by the unanimous vote of the remaining members of the Board (excluding the director to be removed), the term “cause” being hereby defined as the conviction of a felony or a misdemeanor involving moral turpitude, or the failure to attend more than four (4) Board meetings, absent illness or force majeure. The PIPOA Board is hereby forbidden to amend or repeal Bylaw or to adopt any other PIPOA Bylaw to the same or similar effect. All power to amend or repeal this Bylaw or to adopt any similar Bylaw is herewith reserved unto the Voting Members, and only the Voting Members.”

Explanation

Proposition 2 will prevent incumbent Board of Directors from removing a duly elected Board member carrying out the will of those who elected him or her. A board member can still be removed “for cause.” While this makes removal of a director more complicated, it also prevents other board members from exerting undue and unfair threats and influence upon other Board members. A Board member can still be removed for cause by a vote of 55% of the Voting Members.

OFFICIAL BALLOT AND PROXY

I _____ (Printed name)

Who own _____ lot(s) (insert number of lots owned)

And owning property located at (include one property only for verification)

hereby designate and appoint Kelly Ann McFadden as my true and lawful attorney in fact and proxy with full powers of substitution for the purposes of establishing a quorum and to represent me and cast my votes on my behalf as follows:

Proposition 1 (above, check ONE or none) ☐ FOR ☐ AGAINST

Proposition 2 (above, check ONE or none) ☐ FOR ☐ AGAINST

If no votes are presented, this proxy will be counted toward quorum only.

Notice of date and place of the meeting to be delivered as follows:

Name _____

Mailing Address _____

Mailing Address _____

City/State/Zip _____

Email _____ Phone _____

This proxy is valid for 11 months from the date hereof; and in the event of any purported amendments, edits, or alteration to the above specified Bylaws done by the PIPOA Board of Directors from this date forward, I specifically authorize my said attorney in fact to cast my vote to so amend such Bylaws in accordance with the above described Propositions, regardless of what the designanted Article or Section number of such Bylaw becomes by reason of any such amendments, edits, or alterations. If it is not marked, or if marked improperly, it will be counted toward a quorum only.

This form must be signed in order to be valid.

Date _____

Signature _____ Printed Name _____

(if applicable) _____ Printed Name _____