

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

RESOLUTION

Whereas, the Crescent Property Owners, Inc. (herein "CPOA") is a duly organized non-profit corporation that has been authorized by its members to accept the duties and responsibilities of the management of the affairs of the association of property owners in the community known as the Crescent located in Bluffton, in the State of South Carolina in accordance with the provisions of the Declaration of Covenants, Conditions and Restrictions (the "Declaration"); and

Whereas, CPOA desires to provide its Board of Directors with a framework for determining when and how to provide important information to Crescent Owners in the instance where expenditures are made for a capital project that includes substantial expenditure and or materially changes the appearance of the Common Property;

BE IT RESOLVED, that the Board of Directors of the Crescent Property Owners Association, Inc., through its duly elected directors and appointed officers;

1. Is authorized to take any and all actions and to sign any documents, contracts, easements and/or instruments required to satisfy and discharge the Board of Directors' fiduciary duties to the Crescent owners in compliance with Crescent Covenants Section 4.04(a), which states that, *"The affairs of the Association shall be managed by a Board of Directors [with] the powers inherent in or expressly granted to the Association may be exercised by the Board, acting through the officers of the Association, without any further consent or action on the part of the Members"*.

2. In taking the actions described in Paragraph 1 above, the Board of Directors shall at all times discharge their duties in compliance with the provisions of the South Carolina Nonprofit Corporations Act, which in Section 33-31-830(a) affirms the general duties and responsibilities of a director stating in relevant part that:

(a) A director shall discharge his duties as a director, including his duties as a member of a committee: (1) in good faith; (2) with the care and ordinarily prudent person in a like position would exercise under similar circumstances; and (3) in a manner the director reasonably believes to be in the best interests of the corporation.

3. Notwithstanding the authority, powers and duties granted to the Board of Directors as set forth in Paragraphs 1 and 2 above, the Board adopts the following procedures:

a. In the event that the Board of Directors proposes approval of a capital project or expenditure which, based upon the Board of Directors' sole determination and sole discretion, materially changes the appearance of or materially adds improvements to or alters the existing use of the Common Property of the Association, then prior to any final vote on the approval of any such project or expenditure, the Board of Directors shall: (1) provide the Owners, either through U.S. mail, email or the CPOA website, or some combination thereof, with a general description of the proposed capital project or expenditure and the anticipated cost to thereof; and (2) the Board of Directors will notice and hold an informal meeting of the Owners and the Board of Directors wherein the Board will present the salient features and information concerning the capital project or expenditure (including financial aspects and design renderings when

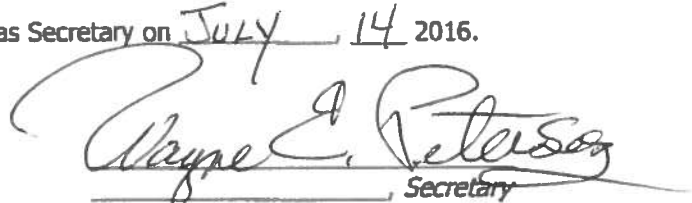
applicable), receive input from the Owners, and answer any questions that the Owners may pose concerning the matters at hand.

b. Although the Board of Directors shall exercise good faith in presenting information, including any request for an informal vote on the project, nothing contained in the Covenants, Bylaws or this Resolution shall discharge the duties of the Directors and Officers of the CPOA to exercise their best business judgment and fiduciary duty in managing the affairs of the Association. Further, in presenting information on the project/expenditure and accepting questions and/or an informal vote of the Owners, *the matters discussed or voted upon informally at an informational meeting of the Owners shall in no way be binding upon the Board of Directors of CPOA in the discharge of their duties.*

4. Notwithstanding the CPOA Board of Directors' adoption of this Resolution, the Board retains the right in the future, and in its sole discretion to amend, modify or terminate the terms, conditions and procedures set forth herein.

This Resolution was duly and regularly passed at a duly and regularly called and held meeting of the Board of Directors on JUNE 16, 2016, at which meeting a quorum and majority of the Board of Directors was present and voted in favor of such Resolution.

In witness whereof, I have set my hand as Secretary on JULY, 14 2016.


_____, Secretary
Crescent Property Owners Association, Inc.