

BYLAWS
OF
THE DAUFUSKIE ISLAND COUNCIL

A South Carolina Not-for-Profit Corporation

ARTICLE I
Name, Location and Offices

- 1.1 **Name.** The name of this corporation shall be the "DAUFUSKIE ISLAND COUNCIL."
- 1.2 **Registered Office and Agent.** The corporation shall maintain a registered office in the State of South Carolina, and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the South Carolina Nonprofit Corporation Act.

ARTICLE II

2.1 **Nonprofit Corporation.** The corporation shall be organized and operated as a nonprofit corporation under the provisions of the South Carolina Nonprofit Corporation Act.

2.2 **Member.** The corporation shall not have members.

2.3 **Mission.** To serve as the liaison between the people of Daufuskie and local, state and federal governments and agencies, as well as other entities interested in working with Daufuskie Island to help address the needs and concerns of Daufuskie Islanders. The organization will also work to ensure that local, state and federal government initiatives that involve Daufuskie are implemented smoothly.

2.4 **Objectives.**

(a) To pool efforts to create efficient, effective solutions to issues affecting Daufuskie Island as a whole, which shall enhance the values and protect the investments of all property owners and residents of Daufuskie Island;

(b) To accommodate responsible growth while maintaining the character and preserving the culture of Daufuskie Island; and

(c) To be a unified voice for Daufuskie Island.

2.5 **Governing Instruments.** The corporation shall be governed by its articles of incorporation and these bylaws.

ARTICLE III
Council

3.1 **Authority and Responsibility of the Council**

(a) The supreme authority of the corporation and the government and management of the affairs of the corporation shall be vested in the Council, and all the powers, duties, and functions of the corporation conferred by the articles of incorporation, these bylaws, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by or under the authority of the Council.

(b) The governing body of the corporation shall be the Council. The Council shall have supervision control and direction of the management, affairs and property of the corporation, shall determine its policies

or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Council may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the corporation as shall be deemed advisable. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws; and the fundamental and basic purposes of the corporation, as expressed in the articles of incorporation and these bylaws, shall not be amended or changed.

(c) The Council shall not permit any part of the net earnings or capital of the corporation to inure to the benefit of any member, officer, or other private person or individual.

(d) The Council may, from time to time, appoint as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the corporation.

(e) The Council is authorized to employ such person or persons, including an executive director or officer, attorneys, directors, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the corporation, and pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

3.2 Eligibility Requirements. Council Members must be at least 18 years of age and meet at least one of the following criteria:

- (a) Daufuskie Island registered voter,
- (b) Property owner as proven by tax bill for Daufuskie Island real estate,
- (c) Holder of Daufuskie Island ID as issued by Palmetto Breeze (County ID)
- (d) Holder of valid South Carolina driver's license with a designated Daufuskie Island address.

3.3 Manner of Election and Term of Office.

(a) Applications to become a candidate may be received from a member of the election committee and may be submitted to the secretary of the organization by the required date;

(b) Elections shall be held annually on the second Saturday in February. For those physically unable to get to the polling station, absentee ballots will be accepted through the mail. These ballots will be available at key locations on the island and electronically via the Front Porch (www.daufuskieislandcouncil.com) a minimum of four weeks prior to election day;

(c) The council will be made up of nine members whose terms will stagger so that each year, three council members shall, except as provided in paragraph (d) below, be elected for a three year term;

(d) In the initial election, the candidates with the 1st, 2nd and 3rd highest number of votes will be elected to the first three year term, the three candidates with the 4th, 5th and 6th highest number of votes will be elected to serve a two year term, and the three candidates with the 7th, 8th and 9th highest number of votes will be elected to serve a one year term;

(e) The remaining candidates who received votes but were not elected to the Council will, at their election, remain on an alternate list in order of highest to lowest number of votes in the event a vacancy occurs on the Council (see Section 3.5).

3.4 Removal. Except as provided in these bylaws, any person elected to the Council may be removed at any regular, special, or annual meeting of the Council, by the affirmative vote of a majority of all the Council Members

then in office if notice of intention to act upon such matter shall have been given in the notice calling such a meeting. Council Members can only be removed for cause, malfeasance or less than 75% attendance. *How long*

3.5 **Vacancies.** Any vacancy in the Council arising at any time and from any cause, including the authorization of an increase in the number of Council Members, may be filled for the unexpired term at any meeting of the Council by asking the highest alternate candidate from the list created in Section 3.3. Each Council Member so elected shall hold office until the next election and the qualification of his or her successor. At that time the Council member so elected may run for election along with any other candidates..

3.6 **Committees of the Council.** By resolution adopted by a majority of Council Members present at a meeting at which a quorum is present, the Council may designate from among its members one or more committees, each consisting of two (2) or more Council Members. Except as prohibited by law, each committee shall have the authority as set forth in the resolution establishing said committee. See also Article VIII (*Committee of Directors").

3.7 **Compensation.** Nothing contained in the governing instruments of the corporation shall be construed to prevent any Council Member from serving the corporation in any capacity and receiving reasonable compensation for services rendered to, and in furtherance of the purposes and functions of, the corporation.

ARTICLE IV

Meetings of the Council

4.1 **Place of Meetings** Meeting of the Council may be held at any place on Dauskuskie Island and, as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the corporation. All meetings will be open to the public.

4.2 **Regular Meetings: Notice** Regular meetings of the Council will be held at least quarterly at such times and at such places as the Council may prescribe. All elected council members will be expected to physically attend every meeting. Any Council Member who does not attend at least 75% of the meetings will be dismissed from the council. Notice of the time and place of each such regular meeting shall be given by the secretary either personally or by telephone or by mail or by e-mail not less than seven (7) nor more than thirty (30) days before such regular meeting.

4.3 **Special Meetings: Notice.** Special meetings of the Council may be called by or at the request of the chair or by any two of the Council Members in office at that time. Notice of the time, place and purpose of any special meeting of the Council shall be given by the secretary either personally or by telephone, or by mail or by e-mail at least twenty-four (24) hours before such meeting.

4.4 **Waiver.** Attendance by a Council Member at a meeting shall constitute waiver of notice of such meeting, except where a Council Member attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article V (*Notice and Waiver").

4.5 **Quorum.** At meetings of the Council, a majority of the Council Members then in office shall be necessary to constitute a quorum for the transaction of business.

4.6 **Vote Required for Action.** Except as otherwise provided in these bylaws or by law, the act of a majority of the Council Members present at a meeting at which a quorum is present at the time shall be the act of the Council. Adoption, amendment and repeal of a bylaw are provided for in Article XII of these bylaws. Vacancies in the Council may be filled as provided in Section 3.5 of these bylaws.

4.7 **Adjournments.** A meeting of the Council, whether or not a quorum is present, may be adjourned by a majority of the Council Members present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

ARTICLE V
Notice and Waiver

5.1 Procedure. Whenever these bylaws require notice to be given, the notice shall be given in accordance with this Section 5.1. Notice under these bylaws shall be in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, telegraph, teletype, or other form of wire or wireless communication, or by mail, e-mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television, or other form of public broadcast communication. Written notice, if in a comprehensible form, is effective at the earliest of the following:

(a) When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence:

(b) Five (5) days after its deposit in the mail, as evidenced by the postmark, if mailed with first class postage prepaid and correctly addressed; or

(c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Oral notice is effective when communicated if communicated in a comprehensible manner.

In calculating time periods for notice, when a period of time measure in days, weeks, months, years, or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted.

5.2 Waiver. Any notice may be waived before or after the date and time stated in the notice. Except as provided herein, the waiver must be in writing, signed by the person entitled to the notice, and delivered to the corporation for inclusions in the minutes or filing with the corporate records. A person's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless such person at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

ARTICLE VI
Officers

6.1 Number and Qualifications The officers of the corporation shall consist of a chair, one or more vice chairs, as determined by the Council, a secretary, and a treasurer. The chair shall always be filled by an elected Council Member. The Council may from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the corporation, but the corporation shall not be required to have at any time any officers other than a chair, a vice chair, a secretary and a treasurer. Any two (2) or more offices may be held by the same person.

6.2 Election and Terms of Office The officers of the corporation shall be elected by the Council and shall serve for terms of one (1) year and until their successors have been elected and qualified, or until their earlier death, resignation, removal, retirement, or disqualification. A member serving as the chair shall not be re-elected for more than three (3) full one year terms without having another Council Member being elected for at least one term.

6.3 Other Agents The Council may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the council, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Council may from time to time determine.

6.4 **Removal.** Any officer or agent elected or appointed by the Council may be removed by the Council whenever in its judgment the best interests of the corporation will be served thereby. However, any such removal shall be without prejudice to the contract rights, if any, of the officer or agent so removed.

6.5 **Vacancies.** A vacancy in any office arising at any time and from any cause may be filled for the unexpired term at any meeting of the Council.

6.6 **Chair.** The chair shall be the principal officer of the corporation and shall preside at all meetings of the Council. The chair shall also serve as a member, with right to vote, of any and all other committees of the Council. He or she shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, and statements and reports required to be filed with government officials or agencies; and he or she shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with the secretary, any instrument or other writing; and he or she shall see that all orders and resolutions of the Council are carried into effect. He or she shall have the right to supervise and direct the management and operation of the corporation and to make all decisions as to policy and other wise which may arise between meetings of the Council, and the other officers and employees of the corporation shall be under his or her supervision and control during such interim. He or she shall perform such other duties and have such other authority and powers as the Council may from time to time prescribe.

6.7 **Vice Chairs.** The vice chairs, in the order of their seniority, unless otherwise determined by the chair or by the Council, shall, in the absence or disability of the chair, perform the duties and have the authority and exercise the powers of the chair. They shall perform such other duties and have such other authority and powers as the Council may from time to time prescribe or as the chair may from time to time delegate.

6.8 **Secretary.**

(a) The secretary shall attend all meetings of the Council and record all votes, actions and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the executive and other committees when required.

(b) The secretary shall give, or cause to be given, notice of all meetings of the Council.

(c) The secretary shall keep in safe custody the seal of the corporation and, when authorized by the Council or the chair, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the treasurer or an assistant secretary.

(d) The secretary shall be under the supervision of the chair. He or she shall perform such other duties and have such other authority and powers as the Council may from time to time prescribe or as the chair may from time to time delegate.

6.9 **Treasurer.**

(a) The treasurer shall have custody of the corporation funds and shall keep full and accurate accounts of receipts and disbursements of the corporation and shall deposit all monies and other valuables in the name and to the credit of the corporation into depositories designated by the Council.

(b) The treasurer shall disburse the funds of the corporation as ordered by the Council, and prepare financial statements each month or at such other intervals as the Council shall direct.

(c) If required by the Council, the treasurer shall give the corporation a bond (in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Council) for the faithful performance of the duties of his or her office and for the restoration to the corporation, in case of his or her death, resignation, retirement, or removal from office of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the corporation.

(d) The treasurer shall perform such other duties and have such other authority and powers as the Council may from time to time prescribe or as the chair may from time to time delegate.

ARTICLE VII Committees of the Council

7.1 **Committees.** Committees, each consisting of two (2) or more Council Members, not having and exercising the authority of the Council in the management of corporation may be designated by a resolution adopted by a majority of Council Members present at a meeting which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be appointed by the chair of the corporation. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

7.2 **Advisory and Other Committees.** The Council may provide for such other committees, including committees, advisory groups, boards of governors, etc., consisting in whole or in part of persons who are not elected Council Members of the corporation, as it deems necessary or desirable, and discontinue any such committee at its pleasure. It shall be the function and purpose of each such committee to advise the Council; and each such committee shall have such powers and perform such specific duties and functions, not inconsistent with the articles of incorporation of the corporation or these bylaws, as may be prescribed for it by the Council. Appointments to and the filling of vacancies on any such other committees shall be made by the chair of the corporation, unless the Council otherwise provides. Any action by each such committee shall be reported to the Council at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Council, provided that no rights of third persons shall be prejudicially affected thereby.

7.3 **Term of Appointment.** Each member of a committee shall continue as such until the next annual meeting of the Council and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.4 **Chair.** One member of each committee shall be appointed chair thereof.

7.5 **Vacancies.** Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of the original appointments.

7.6 **Quorum.** Unless otherwise provided in the resolution of the Council designating a committee, a majority of the whole committee shall constitute a quorum; and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.7 **Rules.** Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Council.

ARTICLES VIII Special Committees

8.1 **Special Committees.** The chair, with the approval of the Council, shall appoint such other committees, sub-committees, or task forces as may be necessary or desirable and which are in conflict with other provisions of these bylaws; and the duties of any such committees shall be prescribed by the Council upon their appointment.

8.2 **Terms of Appointment.** Each member of a committee shall continue as such until the next annual meeting of the Council or until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

8.3 **Chair.** One member of each committee shall be appointed chair thereof.

8.4 **Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

8.5 **Quorum.** Unless the Council directs otherwise, a majority of the whole committee shall constitute a quorum; and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

8.6 **Rules.** Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these by laws or with rules adopted by the Council.

ARTICLE IX

Contracts, Checks, Deposits and Funds

9.1 **Contracts.** The Council may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation. Such authority must be in writing and may be general or confined to specific instances.

9.2 **Checks, Drafts, Notes, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by no less than two Council Members. Such officers or agents of the corporation may from time to time be determined by resolution of the Council. *In the absence of such determination by the Council, such instruments shall be signed by the treasurer and countersigned by the chair or the vice chair of the corporation.*

9.3 **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Council may select.

9.4 **Gifts.** The Council may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE X

Indemnification and Insurance

10.1 **Indemnification.** In the event that any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the corporation against expenses, including attorneys' fees (and in the case of actions other than those by or in the right of the corporation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him or her in connection with such action, suit, or proceeding by reason of the fact that such person is or was a Council Member, officer, employee, director, or agent of the corporation, or is or was serving at the request of the corporation as a Council Member, officer, employee, director, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, then unless such indemnification is ordered by a court, the corporation shall determine, or cause to be determined, in the manner provided under South Carolina law whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in South Carolina law, and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by South Carolina law.

10.2 **Indemnification Not Exclusive of Other Rights.** The indemnification provided in Section 10.1 above shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles of incorporation or bylaws, or any agreement, vote of members or disinterested Council Members, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Council Member, officer, employee, director or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

10.3 **Insurance.** To the extent permitted by South Carolina law, the corporation may purchase and maintain insurance on behalf of any person who is or was a Council Member, officer, employee, director, or agent of the corporation, or is or was serving at the request of the corporation as a Council Member, officer, employee, director or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise.

ARTICLE XI Miscellaneous

11.1 **Books and Records.** The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Council and committees having any of the authority of the Council. The corporation shall keep at its registered or principal office a record giving the names and addresses of the Council Members and any other information required under South Carolina law.

11.2 **Corporate Seal.** The corporate seal (of which there may be one or more exemplars) shall be in such form as the Council may from time to time determine.

11.3 **Fiscal Year.** The Council is authorized to fix the fiscal year of the corporation and to change the same from time to time as it deems appropriate.

11.4 **Internal Revenue Code.** All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.

11.5 **Construction.** Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:

- (a) The remainder of these bylaws shall be considered valid and operative; and
- (b) Effect shall be given to the intent manifested by the portion held invalid or in operative.

11.6 **Table of Contents: Headings.** The table of contents and headings are for organization, convenience and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.

11.7 **Relation to Articles of Incorporation.** These bylaws are subject to, and governed by, the articles of incorporation.

11.8 **Voting Requirements.** Unless otherwise specified in these bylaws and when the number of Council Members present is an even number, a successful vote shall be one half of such members, plus one member voting in favor of such resolution. Unless otherwise specified in these bylaws and when a vote in excess of a majority (super-majority) is required by either the law of the State of South Carolina or by these bylaws, a successful vote shall be the number of such members equal to the percentage required for a successful vote or the next whole member, if that percentage shall have otherwise resulted in a partial vote.

ARTICLE XII Amendments

12.1 **Power to Amend Bylaws.** The Council shall have the power to alter, amend, or repeal these bylaws or adopt new bylaws in accordance with this article.

12.2 **Conditions.** Action by the Council with respect to bylaws shall be taken by the affirmative vote of a seventy-five (75%) percent affirmative of all Council Members then holding office. Provided, however, that the terms of the Initial Council Members may not be terminated or eliminated by any change in these bylaws.

Adoption of Bylaws
ARTICLE XIII

THE DAUFUSKIE ISLAND COUNCIL, was organized under the laws of the State of South Carolina on March 8th, 2010. These bylaws were adopted by the Incorporator of the corporation, and became effective as of _____ 2010.

INCORPORATOR