

**BY-LAWS**  
**OF**  
**LAGUNA RIVIERA MASTER ASSOCIATION, INC.**

A CORPORATION NOT FOR PROFIT UNDER  
**THE LAWS OF THE STATE OF FLORIDA**

**ARTICLE I**

**DEFINITIONS**

1.01 **"Master Association"** shall mean and refer to LAGUNA RIVIERA MASTER ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of Florida.

1.02 **"The Properties"** shall mean and refer to The Properties as defined in the Declaration of Master Association Covenants and Restrictions for Laguna at Riviera Dunes (the "Master Declaration") described in the Articles of Incorporation of the Master Association.

1.03. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Unit situated upon The Properties.

1.04 **"Member"** shall mean and refer to each Owner of a Lot or Unit who holds title to property which is subject to the terms and provisions of the Master Declaration.

1.05 **"Articles of Incorporation"** shall mean and refer to the Articles of Incorporation of the Master Association as filed with the Secretary of State of Florida, as amended from time to time.

1.06 **Other Definitions.** Unless the context otherwise requires, all terms used in these By-Laws shall have the same meaning as are attributed to them in the Master Declaration and the Articles.

**ARTICLE II**

**GENERAL**

2.01 **Identity.** These are the By-Laws of the Master Association, organized for the purposes stated in the Articles of Incorporation, and shall have all of the powers provided in these By-Laws, the Articles of Incorporation, the Master Declaration, and any other statute or law of the State of Florida, or any other power incident to any of the above powers.

2.02 **Principal Office.** The principal office of the Master Association shall be at such place as the Board may determine from time to time.

2.03 **Fiscal Year.** The fiscal year of the Master Association shall be the calendar year.

2.04 **Seal.** The seal of the Master Association shall have inscribed upon it the name of the Master Association, the year of its incorporation and the words "Corporation Not-for-Profit." Said seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the Master Association.

2.05 **Inspection of Books and Records.** The records of the Master Association shall be open to inspection by the Members, the Owner of any Lot or Unit, and all holders, insurers, or guarantors of any first mortgage encumbering any Lot or Unit, upon request, during normal business hours or under other reasonable circumstances. Such records of the Master Association shall include current copies of the Master Declaration, Articles, these By-Laws, any Rules and Regulations of the Master Association, and any amendments thereto, any contracts entered into by the Master Association, and the books, records and financial statements of the Master Association. The Master Association shall be required to make available to prospective purchasers of any current copies of the Master Declaration, Articles and By-Laws, and the most recent annual financial

statement of the Master Association.

### ARTICLE III

#### MEMBERSHIP IN GENERAL

3.01 Membership. The members of the Master Association shall be comprised of the Owners. Notwithstanding the foregoing, any such person or entity who holds title to any Lot or Unit merely as security for the performance of an obligation shall not be a Member. Each Owner shall be entitled to the benefit of, and be subject to the provisions of this Master Declaration, as it may be amended from time to time.

3.02 Rights of Membership. The rights of membership are subject to the payment of annual and special assessments levied by the Master Association, the obligation of which assessments is imposed against each Member, and becomes a lien upon, that portion of The Properties against which such assessments are made as provided in the Master Declaration.

3.03 Member Register. The secretary of the Master Association shall maintain a register in the office of the Master Association showing the names and addresses of the Members of the Master Association. Each Member shall at all times advise the secretary of any change of address of the Member, and of any change of ownership of the Member's Lot or Unit. The Master Association shall not be responsible for reflecting any changes, until notified of such changes in writing. Any mortgagee of any Lot or Unit may register by notifying the Master Association in writing of its mortgage.

### ARTICLE IV

#### MEMBERSHIP VOTING

4.01 Voting Rights. Voting Rights of Members shall be as provided in the Master Declaration and these By-Laws. The Master Association shall have two (2) classes of Voting Members, each to be selected and to cast the numbers of votes set forth below:

Class A. The Class A Voting Members shall be all Owners. Each Class A Voting Member shall be entitled to one (1) vote for each Lot or Unit owned.

Class B. The Class B Voting Member shall be Developer. The Class B Voting Member shall be entitled to one (1) vote, plus two (2) votes for each vote which the Class A Members are entitled to cast from time to time, provided that the Class B Membership shall cease and terminate one (1) year after the last Lot or Unit within Laguna at Riviera Dunes has been sold and conveyed and all other portions of Laguna at Riviera Dunes have been conveyed by Developer, or at any time prior to that date at the election of the Developer.

4.02 General Matters. When reference is made in these By-Laws or other relevant documents to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes which each Voting Member is entitled to cast at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists). To the extent lawful, the foregoing shall apply to, without limitation, the establishment of a quorum at any applicable meeting.

4.03 Quorum Requirements and Majority Vote. A quorum for the transaction of business at any regular or special meeting of the Members shall exist if 30% of the total number of Members in good standing shall be present, in person or by proxy, at the meeting. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding upon all Members, and Owners who are subject to the terms and provisions of the Master Declaration, for all purposes, except where otherwise provided by law, in the Master Declaration, the Articles or in these By-Laws.

4.04 Voting Member. If a Lot or Unit is owned by one person, the right to vote shall be established by the roster of members. If a Lot or Unit is owned by more than one person, those

persons (including husbands and wives) shall decide among themselves as to who shall cast the vote of the Lot or Unit. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Lot or Unit shall be presumed to have the authority to do so unless the President of the Board of Directors of the Master Association is otherwise notified. If a Lot or Unit is owned by a corporation, the person entitled to cast the vote for the Lot or Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Master Association. Such person need not be an Owner of the Lot or Unit. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Lot or Unit concerned. A certificate designating the person entitled to cast the vote for a Lot or Unit may be revoked by any record owner of an undivided interest in the Lot or Unit. If a certificate designating the person entitled to cast the vote for a Lot or Unit for which such certificate is required is not on file or has been revoked, the vote attributable to such Lot or Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Master Association shall be reduced accordingly until such certificate is filed.

4.05 Proxies. For purposes of this Section, the principals or partners of any entity (other than a corporation) shall be deemed co-Owners, and the directors and officers of a corporation shall be deemed co-Owners. Every Member entitled to vote at a meeting of the Membership, or to express consent or dissent without a meeting, may authorize another person to act on the Member's behalf by a proxy signed by such Member or their respective attorney-in-fact. General proxies and limited proxies may be used to establish a quorum and general proxies may be utilized for those issues which do not require the use of a limited proxy by law. Any such proxy shall be delivered to the Secretary of the Master Association, or the person acting as secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. To be valid, a proxy must be dated, must state the date, time and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. Proxies shall be valid only for the particular meeting designated therein and any lawful adjournments thereof. A proxy is not valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Member executing it.

## ARTICLE V

### MEMBERSHIP MEETINGS

5.01 Who May Attend. As to an Owner Member, any person entitled to cast the votes of said Member, and in the event any Lot or Unit is owned by more than one person, all co-owners of the Lot or Unit, may attend any meeting of the Members. For purposes of this Section, the principals or partners of any entity (other than a corporation) shall be deemed co-Owners, and the directors and officers of a corporation shall be deemed co-Owners. However, the votes of any Member shall be cast in accordance with the provisions of Article IV above. For so long as the Developer is a Member, the Developer shall have the right to attend all meetings of the Members. Any person not expressly authorized to attend a meeting of the Members, as set forth above, may be excluded from any meeting of the Members by the presiding officer of the meeting.

5.02 Place. All meetings of the Members shall be held at the principal office of the Master Association or at such other place and at such time as shall be designated by the Board and stated in the notice of meeting.

5.03 Notices. Written notice stating the place, day and hour of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each Member not less than 10 nor more than 30 days before the date of the meeting, by or at the direction of the President, the Secretary or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Member at the Member's address as it appears on the records of the Master Association, unless such Member shall have filed a written request with the Secretary of the Master Association stating that notices to him be mailed to some other address. For the purpose of determining Members entitled to notice of, or to vote at, any meeting of the Members of the Master Association, or in order to make a determination of the Members for any other purpose, the Board shall be entitled to rely upon the Member register as same exists ten days prior to the giving of the notice of any meeting, and the Board shall not be required to take into account any changes in membership occurring after that date but may, in their sole and absolute discretion, do so. Notwithstanding the

foregoing, if the Lot or Unit of an Owner Member is owned by more than one person or by an entity, only one notice shall be required to be sent with respect to the Member, which shall be made to the person designated by the co-Owners to receive notice in a certificate of voting representative delivered to the Master Association, and in the absence of such certificate, may be made to any one co-Owner, as defined in Section 5.01 of these By-Laws.

5.04 Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Articles or these By-Laws, or as otherwise provided by law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

5.05 Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business shall be held at such time, on such date, in such month as shall be selected by the Board and as is contained in the notice of such meeting; provided, however, that such day shall not be a legal holiday. If the Board fails to call such meeting by the end of March of any year, then within thirty (30) days after the written request of any Member, officer or Director of the Master Association, the Secretary shall call an annual meeting. During the period when the Developer appoints a majority of the Board, no annual meetings will be required.

5.06 Special Meetings. Special meetings of the Members may be requested at any time by written notice to the Secretary by any Director, the President, or any Member(s) having not less than 25% of the votes of the entire membership, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notice of any special meeting must include a description of the purpose or purposes for which the meeting is called and shall be given by the Secretary, or other officer of the Master Association, to all of the Members within thirty (30) days after same is duly requested, and the meeting shall be held within forty-five (45) days after same is duly requested.

5.07 Adjournments. Any meeting may be adjourned or continued by a majority of the votes present and entitled to be cast at the meeting in person or by proxy, regardless of a quorum, or if no Member entitled to vote is present at a meeting, then any officer of the Master Association, may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to Members not present at the original meeting, without giving notice to the Members which were present at such meeting.

5.08 Organization. At each meeting of the Members, the President, the Vice President, or any person chosen by a majority of the Members present, in that order, shall act as chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting shall act as Secretary of the meeting.

5.09 Order of Business. The order of business at the annual meetings of the Members shall be:

- 5.09.1 Determination of chairman of the meeting;
- 5.09.2 Calling of the roll and certifying of proxies;
- 5.09.3 Proof of notice of meeting or waiver of notice;
- 5.09.4 Reading and disposal of any unapproved minutes;
- 5.09.5 Election of inspectors of election;

- 5.09.6 Determination of number of Directors;
- 5.09.7 Nomination and election of Directors;
- 5.09.8 Reports of Directors, officers or committees;
- 5.09.9 Unfinished business;
- 5.09.10 New business; and
- 5.09.11 Adjournment.

5.10 Minutes. The minutes of all meetings of the Members shall be maintained in written form or in another form that can be converted into written form within a reasonable time, and available for inspection by the Members or their authorized representatives, all Owners who are subject to the jurisdiction of the Master Association, and the members of the Board, at any reasonable time. The Master Association shall retain these minutes for a period of not less than seven (7) years.

5.11 Official Records. The Master Association shall maintain each of the following items, when applicable, which shall constitute the official records of the Master Association:

5.11.1 Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Common Areas or other property that the Master Association is obligated to maintain, repair or replace.

5.11.2 A copy of the By-Laws of the Master Association and of each amendment to the By-Laws.

5.11.3 A copy of the Articles of Incorporation of the Master Association, and of each amendment thereto.

5.11.4 A copy of the current rules of the Master Association.

5.11.5 A book or books that contain the minutes of all meetings of the Master Association, of the Board of Directors, and of Members, which minutes shall be retained for a period of not less than seven (7) years.

5.11.6 A current roster of all Members and their mailing addresses, Lot or Unit identifications, if applicable, and, if known, telephone numbers.

5.11.7 All current insurance policies of the Master Association or a copy thereof, which policies must be retained for a period of not less than seven (7) years.

5.11.8 A current copy of all contracts to which the Master Association is a party, including without limitation, any management agreement, lease, or other contract under which the Master Association has any obligation or responsibility. Bids received by the Master Association for work to be performed must also be considered official records and must be kept for a period of not less than one (1) year.

5.11.9 All financial and accounting records of the Master Association, kept according to good accounting practices. All financial and accounting records shall be maintained for a period of not less than 7 years. The financial and accounting records must include:

A. Accurate, itemized, and detailed records of all receipts and expenditures.

B. A current account and a periodic statement of the account for each Member of the Master Association, designating the name and current address of each Member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.

C. All tax returns, financial statements and financial reports of the Master Association.

D. Any other records that identify, measure, record or communicate financial information.

The official records shall be maintained within this state and must be open to inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. This may be accomplished by having a copy of the official records available for inspection or copying in the community.

The Master Association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Master Association shall maintain an adequate number of copies of the recorded governing documents to ensure their availability to Members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them, or such other amount as allowable by law.

5.12 Actions without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the Members of the Master Association, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If the Lot(s) or Unit(s) for which membership is established in the Master Association is owned by more than one person or by an entity, the consent for such Lot(s) or Unit(s) need only be signed by one person who would be entitled to cast the vote(s) for the Lot(s) or Unit(s) as a co-Owner, as set forth in Paragraph 5.01 of these By-Laws.

**ARTICLE VI**

**BOARD**

**6.01 Number of Directors.**

6.01.1 The affairs of the Master Association shall be managed by a Board of Directors comprised of not less than three (3) persons, but as many persons as the Board of Directors shall from time to time determine, but which shall always be an odd number. So long as the Developer is entitled to appoint any Director pursuant to these By-Laws, the number of Directors will be determined, and may be changed from time to time, by the Developer by written notice to the Board. In the absence of such notification, there shall be three (3) directors.

6.01.2 After the Developer is no longer entitled to appoint any Directors, the number of Directors on the Board shall, in the absence of a determination to the contrary by the Members, be three (3). Thereafter, the number of Directors on the Board may be changed at any meeting where the Members are to elect any Directors.

6.02 Appointment of Directors by Developer. Developer shall have the right to appoint all of the Directors until at least ninety (90%) percent of the Lots and/or Units within The Properties that will ultimately be within the jurisdiction of the Master Association have been conveyed to Owners.

6.02.1 Thereafter, Members other than Developer shall have the right to elect at least a majority of the Board of Directors of the Master Association three (3) months after ninety (90%) percent of the Lots and/or Units in Laguna at Riviera Dunes that will ultimately be within the jurisdiction of the Master Association have been conveyed to

Owners. The Developer shall have the right to elect at least one (1) Director, so long as Developer holds for sale in the ordinary course of business at least five (5%) percent of the Lots and/or Units in Laguna at Riviera Dunes.

6.02.2 Notwithstanding the foregoing, in no event shall there be less than three (3) Directors, and the number of Directors shall always be an odd number, and in any event the Members shall not have the right to change the number of Directors so long as the Developer has the right to determine the number of Directors as set forth above.

6.03 Election of Directors by Members. Election of Directors to be elected by the Members of the Master Association shall be conducted in the following manner:

6.03.1 At any time after the Developer no longer has the right to appoint one or more Directors or upon the earlier voluntary relinquishment by the Developer of its right to appoint any or all Director(s), a special meeting of the Members may be called to elect new Directors. In the absence of such a meeting, the Directors appointed by the Developer may continue to serve until the next annual meeting of the Members. In the event such a special meeting is called and held, and Directors are elected by the Members, at such special meeting the Members may elect to not hold the next annual meeting of the Members if such next annual meeting is less than six (6) months after the date of the special meeting. Upon such election, the next annual meeting shall not be held.

6.03.2 Except as provided above, the Members shall elect Directors at the annual Members' meetings, unless a special meeting of the Members is called in order to fill a vacancy on the Board as provided in Paragraphs 6.17.2 and 6.18 below.

6.03.3 Prior to any special or annual meeting at which Directors are to be elected by the Members, the existing Board may nominate a committee, which committee shall nominate one person for each Director to be elected by the Members, on the basis that the number of Directors to serve on the Board will not be altered at the Members' meeting. Nominations for additional directorships created at the meeting may be made from the floor, and any other nominations may be made from the floor.

6.03.4 The election of Directors by the Members shall be by ballot and by a plurality of the votes cast, each Member voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

6.04 Staggering of Directors and Term of Office. All Directors elected by the Members shall be assigned a number, starting with the number one (1) and continuing consecutively for each Director elected by the Members. Directors assigned an odd number shall be elected at the annual meeting occurring during an odd numbered year, and Directors assigned an even number shall be elected at the annual meeting occurring during an even numbered year. Directors elected by the Members shall hold office until their successors are duly elected, or until such Director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the Articles.

6.05 Organizational Meeting. The newly elected Board shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

6.06 Regular Meeting. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors.

6.07 Special Meetings. Special meetings of the Board may be called by any Director, or by the President, at any time.

6.08 Notice of Meetings. Notice of each meeting of the Board shall be given by the Secretary, or by any other officer or Director, which notice shall state the day, place and hour of the meeting. Notice of such meeting shall be delivered to each Director either personally or by telephone or telegraph, at least 24 hours before the time at which such meeting is to be held, or by

first class mail, postage prepaid, at least three days before the day on which such meeting is to be held.

All meetings of the Board of Directors shall be open to all Members and Owners, except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notices of Board Meetings shall be posted in a conspicuous place on The Properties at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on The Properties, notice of each Board meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Notice of any meeting in which assessments against Lots or Units are to be established shall specifically contain a statement that assessments shall be considered and a statement of the nature of such assessments.

Notice of a meeting of the Board need not be given to any Director or Member who signs a waiver of notice either before or after the meeting. Attendance of a Director or a Member at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place, the time or the manner in which the meeting has been called or convened, except when a Director or a Member states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or conveyed. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in any notice of waiver of notice of such meeting.

6.09 Attendance at Board Meetings. A Director may appear at a Board meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the Directors and any Members or Owners present as in an open meeting.

6.10 Quorum and Manner of Acting. A majority of the Board determined in the manner provided in these By-Laws shall constitute a quorum for the transaction of any business at a meeting of the Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number of Directors is required by statute, the Master Declaration, the Articles or by these By-Laws.

6.11 Adjourned Meetings. A majority of the Directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the Board to another place and time. Notice of any such adjourned meeting shall be given to the Directors and Members who are not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Directors and Members. Any business that might have been transacted at the meeting as originally called may be transacted at any adjourned meeting without further notice.

6.12 Presiding Officer. The presiding officer of the Directors' meetings shall be the Chairman of the Board if such an officer is elected; and if none, the President of the Master Association shall preside if the President is a Director. In the absence of the presiding officer, the Directors shall designate one of their members to preside.

6.13 Order of Business. The order of business at a Directors' meeting shall be:

- 6.13.1 Calling of roll;
- 6.13.2 Proof of due notice of meeting;
- 6.13.3 Reading and disposal of any unapproved minutes;
- 6.13.4 Reports of officers and committees;
- 6.13.5 Election of officers (if applicable);
- 6.13.6 Unfinished business;
- 6.13.7 New business; and
- 6.13.8 Adjournment.



6.14 Minutes of Meetings. The minutes of all meetings of the Board shall be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting in each matter voted upon for each Director present at a Board Meeting must be recorded in the minutes and the minutes shall be kept in a businesslike manner in a book available for inspection by the Members of the Master Association, or their authorized Representatives, all Owners who are subject to the jurisdiction of the Master Association, and the Directors at any reasonable time. The Master Association shall retain these minutes for a period of not less than seven (7) years.

6.15 Committees. The Board may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the Board from time to time, which may include any powers which may be exercised by the Board and which are not prohibited by law from being exercised by a committee.

6.16 Resignation. Any Director of the Master Association may resign at any time by giving written notice of his resignation to the Board or Chairman of the Board or the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6.17 Removal of Directors. Directors may be removed as follows:

6.17.1 Any Director other than a Director appointed by the Developer may be removed by majority vote of the remaining Directors, if such Director has been absent for the last three consecutive Directors' Meetings, and/or adjournments and continuances of such meetings.

6.17.2 Any Director other than a Director appointed by the Developer may be removed with or without cause by Members having a majority of the votes of the entire membership at a special meeting of the Members called expressly for that purpose by Members having not less than thirty-three and one-third (33-1/3%) percent of the votes of the entire membership. The vacancy on the Board caused by any such removal may be filled by the Members at such meeting or, if the Members shall fail to fill such vacancy, by the Board as in the case of any other vacancy on the Board.

6.18 Vacancies. Vacancies in the Board may be filled by a majority vote of the Directors then in office, though less than a quorum, or by a sole remaining Director, and the Director so chosen shall hold office until the next annual election and until their successors are duly elected and shall have qualified, unless sooner displaced. If there are no Directors in office, then a special election of the Members shall be called to elect the Directors. Notwithstanding anything contained herein to the contrary, the Developer at all times shall have the right to appoint the maximum number of Directors permitted by these By-Laws, and any vacancies in the Board may be filled by the Developer to the extent that the number of Directors then serving on the Board which were appointed by the Developer is less than the number of Directors the Developer is then entitled to appoint.

6.19 Directors Appointed by the Developer. Notwithstanding anything contained herein to the contrary, the Developer shall have the right to appoint the maximum number of Directors in accordance with the privileges granted to the Developer pursuant to these By-Laws. All Directors appointed by the Developer shall serve at the pleasure of the Developer, and the Developer shall have the absolute right, at anytime, and in its sole discretion, to remove any Director appointed by it, and to replace such Director with another person to serve on the Board. Replacement of any Director appointed by the Developer shall be made by written notice to the Master Association which shall specify the name of the person designated as successor Director. The removal of any Director and the designation of his successor by the Developer shall become effective immediately upon delivery of such written instrument by the Developer. The Developer may waive its right to appoint one or more Directors which it has the right to appoint at any time upon written notice to the Master Association, and thereafter such Director(s) shall be elected by the Members.

6.20 Compensation. The Directors shall not be entitled to any compensation for serving as Directors unless the Members approve such compensation, provided however the Master Association may, without approval by the Members, reimburse any Director for expenses incurred on behalf of the Master Association.

6.21 Powers and Duties. The Directors shall have the right to exercise all of the powers and duties of the Master Association, express or implied, existing under these By-Laws, the Articles, the Master Declaration, or as otherwise provided by statute or law. Such powers and duties of the Directors shall include, without limitation (except as limited elsewhere herein), the following:

6.21.1 The operation, care, upkeep and maintenance of the Common Areas, and any other portion of The Properties determined to be maintained by the Board.

6.21.2 The determination of the expenses required for the operation of the Master Association.

6.21.3 The collection of Assessments for Common Expenses from Members and/or Owners required to pay same.

6.21.4 The employment and dismissal of personnel.

6.21.5 The adoption and amendment of rules and regulations covering the details for the operation and use of property owned and/or maintained by the Master Association.

6.21.6 Maintaining bank accounts on behalf of the Master Association and designating signatories required therefor.

6.21.7 Obtaining and reviewing insurance for all or any portion of The Properties owned and/or maintained by the Master Association.

6.21.8 The making of repairs, additions and improvements to, or alterations of all or any portion of The Properties owned and/or maintained by the Master Association.

6.21.9 Borrowing money on behalf of the Master Association; provided, however, that (i) the consent of the Members having at least two-thirds (2/3) of the votes of the entire membership, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$25,000.00; and (ii) no lien to secure repayment of any such borrowed may be created on any Lot or Unit without the consent of the Owner of such Lot or Unit. However, these restrictions shall not apply to any advancement of funds as contemplated by Article VI, Section 6.15 of the Master Declaration.

6.21.10 Contracting for the management and maintenance of The Properties owned and/or maintained by the Master Association authorizing a management agent or company to assist the Master Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of Common Areas with funds as shall be made available by the Master Association for such purposes. The Master Association and its officers shall, however, retain at all times the powers and duties granted by all Master Association documents and the Master Declaration, including, but not limited to, the making of Assessments, promulgation of rules, and execution of contracts on behalf of the Master Association.

6.21.11 Exercising all powers specifically set forth in the Master Declaration, the Articles, these By-Laws, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

6.21.12 Entering into and upon any portion of The Properties, including Lots and/or Units, and when necessary to maintain, care and preserve any portion of The Properties in the event the respective Condominium Association or Owner fails to do so.

6.21.13 Collecting delinquent Assessments by suit or otherwise, abating nuisances, enjoining or seeking damages from the Members and/or Owners for violations of these By-Laws and the terms and conditions of the Master Declaration or of the Rules and Regulations of the Master Association.

6.21.14 Acquiring and entering into agreements whereby the Master Association acquires leaseholds, memberships, and other possessory or use interests in lands or facilities, whether or not contiguous to the lands operated by the Master Association, intended to provide for the enjoyment, recreation, or other use and benefit of the Members and/or Owners and declaring expenses in connection therewith to be Common Expenses; all in such form and in such manner as may be deemed by the Board to be in the best interest of the Master Association; and the participation in the acquisition of any interest in lands or facilities for the foregoing purposes may be direct or indirect, meaning, without limiting the generality of the foregoing, by direct ownership of land or acquisition of stock in a corporation owning land.

## ARTICLE VII

### OFFICERS

7.01 Members and Qualifications. The officers of the Master Association shall include a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Directors of the Master Association and may be pre-emptively removed from office with or without cause by vote of the Directors at any meeting by concurrence of a majority of the Directors. Any person may hold two or more offices except that the President shall not also be the Secretary. The Board may, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be appropriate to manage the affairs of the Master Association from time to time. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these By-Laws.

7.02 Resignations. Any officer of the Master Association may resign at anytime by giving written notice of his resignation to any Director, the President or the Secretary. Any such resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

7.03 Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these By-Laws for the regular election or appointment of such office.

7.04 The President. The President shall be the chief executive officer of the Master Association. He shall have all of the powers and duties which are usually vested in the office of president of an association or corporation including, but not limited to, the power to appoint committees from among the Members from time to time, as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Master Association.

7.05 The Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as may be prescribed by the Board.

7.06 The Secretary. The Secretary shall prepare and keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. He shall have custody of the seal of the Master Association and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the Master Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association, and as may be required by the Board or the President.

7.07 The Treasurer. The Treasurer shall have custody of all property of the Master Association, including funds, securities, and evidences of indebtedness. He shall keep books of account for the Master Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board for examination at reasonable times. He shall submit a Treasurer's Report to the Board at reasonable intervals and shall perform all other duties incident to the office of treasurer. He shall collect all Assessments and shall report promptly to the Board the status of collections.

7.08 Compensation. The officers of the Master Association shall not be entitled to compensation unless the Board specifically votes to compensate them. However, neither this provision, nor the provision that Directors will not be compensated unless otherwise determined by the Members, shall preclude the Board from employing a Director or an officer as an employee of the Master Association and compensating such employee, nor shall they preclude the Master Association from contracting with a Director for the management of Property subject to the jurisdiction of the Master Association, or for the provision of services to the Master Association, and in either such event to pay such Director a reasonable fee for such management or provision of services.

## ARTICLE VIII

### FINANCES AND ASSESSMENTS

#### 8.01 Adopting of the Budget.

8.01.1 Not less than 30 days prior to the beginning of each fiscal year of the Master Association, the Board of Directors of the Master Association shall adopt a budget for such fiscal year which shall reflect the estimated revenues and Common Expenses to be incurred by the Master Association during the fiscal year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Master Association, the Developer, or another person. The Common Expenses of the Master Association shall include all expenses of any kind or nature whatsoever incurred, or to be incurred, by the Master Association for the operation of all or a portion of The Properties owned and/or operated by the Master Association, and for the proper operation of the Master Association itself, including, but not limited to, the expenses of the operation, management, maintenance, insurance, repair, or replacement of the Common Areas; costs of payment, or transference of any legitimate lien or judgment rendered against the Master Association or any portion of The Properties owned or maintained by the Master Association, costs of carrying out the powers and duties of the Master Association; all insurance premiums and expenses, including fire insurance and extended coverage; reasonable reserves for purchases, deferred maintenance, replacements, betterments, and unknown contingencies; and all other expenses designated as Common Expenses by these By-Laws, the Master Declaration, the Articles, or any other applicable statute or law of the State of Florida. If pursuant to any agreement entered into by the Master Association, any expense of the Master Association is to be shared with any person(s), then the annual budget of the Master Association shall contain a separate classification for such expense(s). In the event the Board fails to adopt an annual budget for any year, the prior year's budget shall remain in effect until a new budget is adopted or the existing budget is amended or revised. The Master Association shall provide each Member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the Member. The copy shall be provided to the Member with the time limits set forth in sub-section 5.11 herein.

8.01.2 From time to time during the fiscal year, the Board of Directors may modify the budget for the fiscal year, and pursuant to the revised budget or otherwise the Board of Directors may, upon written notice to the Members, change the amount, frequency and/or due dates of the Assessments for Common Expenses per Lot or Unit. All of the above provisions shall apply to the adoption of an amended budget.

#### 8.02 Assessments and Assessment Roll.

8.02.1 As soon as practicable after the adoption of a budget, or an amended budget, the Board shall fix and determine the amount and frequency of the Members' Assessments

for Common Expenses, pursuant to the Master Declaration, the Articles and these By-Laws. Such Assessments shall be due not more frequently than monthly, and shall each be in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. In the event any Assessment for Common Expenses are made payable in equal periodic payments as provided in the notice from the Master Association, such periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless and/or until: (1) the notice specifically provides that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount, or (ii) the Master Association notifies the Member in writing of a change in the amount and/or frequency of the periodic payments. Notwithstanding the foregoing, in no event shall any Assessment for Common Expenses payable by any member be due less than ten (10) days from the date of the notification of such Assessment or Common Expenses.

8.02.2 In the event the expenditure of funds is required by the Master Association in addition to funds produced by the regular Assessments, for Common Expenses, the Board of Directors may make special Assessments for Common Expenses, which shall be levied in the same manner as hereinbefore provided for regular Assessments for Common Expenses and shall be payable in the manner determined by the Board of Directors as stated in the notice of any special Assessments for Common Expenses.

8.02.3 The Master Association shall maintain an Assessment roll for each Member, designating the name and current mailing address of the Member, the amount of each Assessment payable by each Member, the dates and amounts in which the Assessments come due, the amounts paid upon the account of the Member, and the balance due.

8.03 Depositories. The funds of the Master Association shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the Board from time to time. Funds shall be withdrawn only upon checks and demands for money signed by such officers, Directors or other persons as may be designated by the Board.

8.04 Application of Payments and Commingling of Funds. All sums collected by, or on behalf of, the Master Association from Assessments may be commingled in a single fund or divided into more than one fund, as determined by the Board.

8.05 Financial Reporting. The Master Association shall prepare an annual financial report within 60 days after the close of the fiscal year. The Master Association shall, within the time limits set forth in subsection 5.11 herein, provide each Member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either:

8.05.1 Financial statements presented in conformity with generally accepted accounting principles; or

8.05.2 A financial report of actual receipts and expenditures, cash basis, which report must show:

- A. The amount of receipts and expenditures by classification; and
- B. The beginning and ending cash balances of the Master Association.

**ARTICLE IX**

**PARLIAMENTARY RULES**

Robert's Rules of Order (latest edition) shall govern the conduct of the Master Association meetings when not in conflict with the Master Declaration, the Articles or these By-Laws.

## ARTICLE X

### AMENDMENTS

Except as otherwise provided, these By-Laws may be amended in the following manner:

10.01 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

10.02 Initiation. A resolution to amend these By-Laws may be proposed by any Director, or by one or more of the Members or their authorized representatives.

10.03 Adoption of Amendments.

10.03.1 A resolution for the adoption of the proposed amendment shall be adopted either: (a) by a majority of all of the Directors of the Master Association; or (b) by Members having not less than a majority of the votes of the entire membership of the Master Association. Any amendment approved by the Members may provide that the Board may not further amend, modify or repeal such amendment.

10.03.2 Notwithstanding the foregoing, so long as the Developer appoints a majority of the Directors of the Master Association, the Developer shall have the right to unilaterally amend these By-Laws without the joinder or approval of any Directors or any Member.

10.04 Restrictions on Amendments. No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of Members without approval by all of the Members and the joinder of all record owners of mortgages upon the Lots or Units. No amendment shall be made that is in conflict with the Master Declaration, the Articles or these By-Laws. So long as the Developer owns any Property, or holds any mortgage encumbering any Property other than a Unit, no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, the Developer, unless the Developer shall join in the execution of the amendment.

10.05 Execution and Recording. No modification of, or amendment to, these By-Laws shall be valid unless recorded in the public records of the county in which the properties are located.

10.06 Administrative Requirement. Any amendment made by Developer, and any amendment made by the Members prior to the completion of seventy-five percent (75%) of all of the Units which may be built within the jurisdiction of a particular Condominium Association, must be approved by the Federal Housing Administration or by the Veterans Administration if any mortgage encumbering any Lot or Unit is guaranteed or insured by either such agency, if such amendment materially and adversely affects the Members. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to Developer or to the Master Association within 20 days after a request for such approval is delivered to the agency by certified mail, return receipt requested or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of Developer or the Master Association that the approval was given or deemed given.

## ARTICLE XI

### RULES AND REGULATIONS

The Board may, from time to time, adopt, or amend previously adopted, Rules and Regulations concerning the use of the Common Areas and concerning the use, operation and maintenance of other portions of The Properties in order to further implement and carry out the intent of the Master Declaration, the Articles, and these By-Laws. The Board shall make available to any Member, upon request, a copy of the Rules and Regulations adopted from time to time by the Board.

ARTICLE XII

MISCELLANEOUS

12.01 Tenses and Genders. The use of any gender or of any tense in these By-Laws shall refer to all genders or to all tenses, wherever the context so requires.

12.02 Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

12.03 Conflicts. In the event of any conflict, any applicable Florida Statute, the Master Declaration, the Articles, these By-Laws, and the Rules and Regulations of the Master Association shall govern, in that order.

12.04 Captions. Captions are inserted herein only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these By-Laws or the intent of any provisions hereof.

12.05 Waiver of Objections. The failure of the Board or any officers of the Master Association to comply with any terms and provisions of the Master Declaration, the Articles, or these By-Laws which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such defect shall be waived if it is not objected to by a Member of the Master Association within thirty (30) days after the Member is notified, or becomes aware, of the defect. Furthermore, if such defect occurs at a general or special meeting, the defect shall be waived as to all Members who received notice of the meeting and failed to object to such defect at the meeting.

The foregoing was adopted as the By-Laws of the Master Association at the First Meeting of the Board on the \_\_\_\_\_ day of \_\_\_\_\_, 2003.

By: \_\_\_\_\_  
\_\_\_\_\_, President

By: \_\_\_\_\_  
\_\_\_\_\_, Secretary

775508.1.DOC  
1/5/2005