

**SECOND AMENDED AND RESTATED  
BY-LAWS  
OF  
GRAND HAVEN MASTER ASSOCIATION, INC.**

**ARTICLE I**

**IDENTITY AND LOCATION**

These are the Second Amended and Restated By-Laws of GRAND HAVEN MASTER ASSOCIATION, INC., herein called the "Master Association," a corporation not-for-profit organized and existing under Chapter 617, Florida Statutes, for the purpose of administering the Property, as defined in and in accordance with the terms and conditions of that certain Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Grand Haven Master Association ("Declaration"). The principal office of the Association shall be located at 5 Sandpiper Court, Palm Coast, Florida 32137, but meetings of the Board of Directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

**ARTICLE II**

**GENERAL**

Section 1. Incorporation of Declaration. As supplemented herein, the regulation of the business and affairs of the Master Association shall be governed by certain provisions of the Declaration, as amended from time to time, which are incorporated herein by reference as if set forth verbatim.

Section 2. Fiscal Year. The fiscal year of the Master Association shall be the calendar year or such other period as shall subsequently be determined by the Board of Directors.

Section 3. Seal. The seal of the Master Association shall bear the name of the Master Association, the word "Florida," and the year of incorporation.

Section 4. Definitions. The definitions set out in the Declaration are incorporated herein by reference.

**ARTICLE III**

**MASTER ASSOCIATION PURPOSES AND POWERS**

Section 1. Master Association's Purposes. The Master Association has been organized for the purposes set forth in the Declaration including, without limitation, the following:

(a) to own, acquire, build, operate, and maintain the Common Areas and Areas of Common Responsibility, including but not limited to Recreational Amenities, Surface Water Management System, parking areas, buildings, structures and personal property incident to

(b) to clean, clear, trim, remove weeds, limbs, and debris from, and to provide general grounds maintenance for both the Property and the Common Areas;

(c) to fix Assessments (or charges) to be levied against the Property in the subdivision;

(d) to enforce any and all covenants and agreements pursuant to the Declaration; and

(e) to pay taxes and insurance, if any, on the Common Areas within the ownership and control of the Association.

**Section 2. Additions to Property.** Additions to the Property may be made as provided in the Declaration. Such additions, when properly made under a Supplemental Declaration, shall extend the jurisdiction, functions and duties of the Association to such added property.

**Section 3. Mortgages; Other Indebtedness.** The Association shall have the power to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association to be used by the Association in performing its authorized functions pursuant to the Declaration. However, provided that Declarant has obtained approval from the United States Department of Housing and Urban Development, Federal Housing Administration and Veterans Administration for their making, insuring or purchasing loans on Dwelling Property, upon the conveyance of the Common Areas to the Association, the Association shall not mortgage, pledge or convey all or any portion of the Common Areas without the consent or approval of two thirds (2/3) of the votes delegated by the members (excluding Declarant) to and voted by the Board of Directors present, in person or by proxy, and entitled to vote at a regular or special meeting of the Board.

**Section 4. Conveyance, Encumbrance or Dedication of Property.** The Master Association shall have the power to convey, transfer, encumber and dispose of its real property or dedicate same. Without limiting the foregoing, the Master Association shall have the power and right to dedicate or otherwise convey portions of the Property and/or certain common facilities and amenities including without limitation, water and sewer lines and facilities and common roads, to a Community Development District formed pursuant to Chapter 190, Florida Statutes (the "CDD") for the purposes of constructing, operating, maintaining and repairing such common facilities within the CDD.

**Section 5. Records of the Association.** The Master Association shall maintain each of the following items, when applicable, which constitute the official records of the Association:

- (a) 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;
- (b) A copy of these By-Laws and of each amendment thereto;
- (c) A copy of the Articles of Incorporation of the Master Association and of each amendment thereto;
- (d) A copy of the Declaration and each amendment thereto;
- (e) A copy of the current rules of the Master Association;
- (f) The minutes of all meetings of the Board of Directors;
- (g) All of the Master Association's insurance policies or a copy thereof;
- (h) 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; and
- (i) The financial and accounting records of the Master Association, kept according to good accounting practices, which financial and accounting records shall be maintained for a period of at least seven (7) years. The financial and accounting records shall include: (1) accurate, itemized, and detailed records of all receipts and expenditures, (2) a current account and a periodic statement of Assessments or other charges, the due date and amount of each Assessment or other charge, the date and amount of each payment on the account, and the balance due, (3) all tax returns, financial statements, and financial reports of the Master Association, and (4) any other records that identify, measure, record, or communicate financial information,

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. Board of Directors: Selection: Terms of Office. The Master Association shall be governed by a Board of Directors. For so long as the Declarant owns a Controlling Interest, the Board of Directors shall consist of seven (7) or more members, who shall be appointed and removed by the Declarant's sole discretion, except for the three (3) members elected by the Advisory Committee as described in Sub-Section 5.1.4 of the Declaration. Following the loss of the Controlling Interest by the Declarant, the Board of Directors shall consist of one (1) member being elected by the members of each Subordinate Association established by the Declarant as described in Sub-Section 5.3.1 of the Declaration.

Section 2. Vacancies in the Board of Directors. Vacancies in the Board of Directors shall be filled by Declarant until Declarant has no authority to appoint Directors and thereafter by the majority of the remaining Directors, or by a sole remaining Director, and any such appointe Director shall serve for the remaining term of his predecessor.

## ARTICLE V

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Board of Directors' Powers. The Board of Directors shall have power:

- (a) to call special meetings of the Board;
- (b) subject to Article VII herein, to appoint and remove at its pleasure all officers, agents and employees of the Master Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Officer or Director of the Association in any capacity whatsoever;
- (c) to establish, levy and assess, and collect the Assessments or charges;
- (d) to adopt and publish rules and regulations governing the use of the Common Areas, Areas of Common Responsibility and Recreational Amenities;
- (e) to exercise for the Master Association all powers, duties and authority vested in or delegated to the Master Association;
- (f) to fill vacancies on the Board of Directors pursuant to Article IV above; and
- (g) to take such other action as provided in the Declaration.

Section 2. Board of Directors' Duties. It shall be the duty of the Board of Directors:

- (a) to cause to be kept a complete record of all its acts and corporate affairs;
- (b) to supervise all officers, agents and employees of the Master Association and to see that their duties are properly performed;
- (c) to prepare the annual budget in accordance with the Declaration;
- (d) to fix the amount of Assessments in accordance with the Declaration;

(e) to prepare a roster of the Property and Assessments applicable thereto which shall be kept in the office of the Master Association; and

(f) to send written notice of each Assessment to each Subordinate Association or Property Owner as provided in the Declaration.

Section 3. Resignation. A Director of the Master Association may resign at any time by giving a written notice to the Board of Directors or the President of the Master Association. The resignation of any Director shall take effect upon delivery of the notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Removal. Except as otherwise provided in the Declaration, so long as Declarant shall own Controlling Interest (as defined in the Declaration), any director may be removed, with or without cause, by the Declarant. Thereafter, except as otherwise provided in the Declaration, any Director may be removed, with or without cause, by a two-thirds (2/3) vote of the members of the Board.

Section 5. Directors' Fees. There shall be no Directors' fees paid to members of the board of Directors, except that Directors shall be entitled to reimbursement of out-of-pocket cost authorized by the Board of Directors.

## ARTICLE VI

### DIRECTORS' MEETINGS

Section 1. Directors' Annual Meeting. The annual meeting of the Board of Directors shall be held at the discretion of the Board of Directors with ample notice given to each member.

Section 2. Notice. ~~Not less than ten (10) days'~~ written notice of such annual meeting shall be given to each Director.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by any officer of the Master Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. Waiver of Notice. A Director may waive notice of a meeting of the Directors before or after the date and time stated in the notice. Except as otherwise provided in this Section 4, the waiver must be in writing, signed by the Director entitled to the notice and filed with the minutes or corporate records. Attendance of a Director at any meeting shall constitute waiver of notice of such meeting, except where the Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and does not thereafter vote for or assent to action taken at the meeting. If a meeting otherwise valid of the Board

of Directors is held without notice where such is required, any action taken at such meeting shall be deemed ratified by a Director who did not attend, unless after learning of the action taken and of the impropriety of the meeting, he makes prompt objection thereto. Objection by a Director is effective only if written objection to the holding of the meeting or to any specific action so taken is filed with the Secretary of the Association.

Section 5. Action Upon Written Consent Without a Meeting. Action of the Board of Directors may be taken without a meeting upon the written consent signed by all members of the Board. Any such action without a meeting shall be effective on the date the last Board member signs the consent or on such date as is specified in the consent. Any such action by written consent shall have the same effect as a vote taken at a meeting of the Board of Directors.

Section 6. Board Quorum. The Majority of the Board of Directors shall constitute a quorum thereof.

## ARTICLE VII

### OFFICERS

Section 1. Association Officers. The Officers shall be a President, a Vice-President, Secretary and a Treasurer. The officers may be, but shall not be required to be, members of the Board of Directors.

Section 2. Election/Removal of Officers. The Declarant shall have the sole right to elect and remove any officer of the Association so long as Declarant shall own Controlling Interest (as defined in the Declaration). Thereafter, all officers shall hold office at the pleasure of the Board of Directors.

Section 3. President. The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board of Directors are carried out and shall sign all notes, checks, leases, mortgages, deeds and all other written instruments.

Section 4. Vice President. The Vice President shall perform all the duties in the absence of the President.

Section 5. Secretary. The Secretary shall be the *ex officio* Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for such purpose. The Secretary shall sign all certificates of membership and shall keep the records of the Master Association.

Section 6. Treasurer. The Treasurer shall receive and deposit in appropriate bank account all monies of the Master Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be

necessary for disbursements made in the ordinary course of business. The Treasurer shall sign all checks and notes of the Master Association, provided that such notes and checks shall also be signed by the President or Vice President.

### ARTICLE VIII

#### LIABILITY AND INDEMNIFICATION

Section 1. Liability of Board Member. No Board Member or Officer of the Master Association shall be liable to any Owner for any decision, action or omission made or performed by such Board Member or Officer in the course of his duties unless such Board Member or Officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Declaration or these By-Laws.

Section 2. Indemnification. To the fullest extent allowed by Section 617.0831, Florida Statutes, as same may be amended, the Association shall indemnify the Directors, Officers, Employees, Agents and other persons specifically designated from time to time by the Board of Directors whom it may indemnify pursuant to law. In this connection, the Master Association is authorized to take out such insurance as it may deem necessary or desirable consistent with such indemnification.

### ARTICLE IX

#### INSURANCE

The Board of Directors or its duly authorized agent shall obtain hazard insurance for its improvements and Common Area and a broad form public liability policy covering all Common Area and all damage or injury caused by negligence of the Master Association or any of its agents as more fully described in the Declaration.

### ARTICLE X

#### AMENDMENTS

These By-Laws may be amended or repealed and new By-Laws adopted by the Directors so long as Declarant has Controlling Interest, and, thereafter, by consent of two-thirds (2/3) of the votes delegated by the Members to and voted by the Board of Directors present, in person or by proxy, and entitled to vote at a regular or special meeting of the Board; provided that any matter which is in fact governed by the Declaration may not be amended except as provided in the Declaration. In addition, provided that Declarant has obtained approval from the United States Department of Housing and Urban Development, Federal Housing Administration, and Veterans Administration for their making, insuring or purchasing loans on Dwellings in the Property, said agencies shall, to the extent required for said approval, have the right to veto any amendments to these By-Laws so long as

Declarant retains the right to appoint and remove any directors and officers of the Association as set forth in the Declaration.

ARTICLE XI

GENERAL

Section 1. Conflicts. It is intended that the provisions of the Declaration which apply to the governance of the Master Association, as supplemented by the provisions in these By-Laws which are not contained in the Declaration, shall operate as the By-Laws of the Master Association. In the case of any conflict between such provisions set forth in the Declaration and these By-Laws, the Declaration shall control.

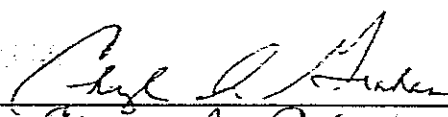
Section 2. Waiver. No provision of these By-Laws or any regulation promulgated by the Board of Directors pursuant hereto shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

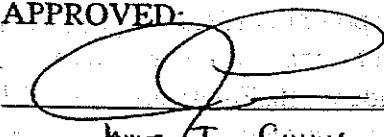
Section 3. Severability. The provisions of these By-Laws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

Section 4. Captions. Captions are inserted herein only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision.

Section 5. Gender and Number. All nouns and pronouns used herein shall be deemed to include the masculine, the feminine, and the neuter, and the singular shall include the plural and the plural shall include the singular whenever the context requires or permits.

Section 6. Roberts Rules. All meetings of the membership of the Board of Directors shall be conducted in accordance with *Roberts Rules of Orders Revised*.

  
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Cheryl A. Graham, Secretary

APPROVED:  
  
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James T. Curtis, President  
Grand Haven Master Association, Inc.

August 6, 2001