

BY-LAWS
OF
BEACH CLUB VILLAS (SAWGRASS) CONDOMINIUM
ASSOCIATION, INC.

a Florida Corporation Not For Profit

I. IDENTITY.

A. These are the By-Laws of BEACH CLUB VILLAS (SAWGRASS) CONDOMINIUM ASSOCIATION, INC. (the "Association"), a Florida corporation not for profit. The purpose of the Association is the administration, operation and management of a condominium known as Beach Club Villas Condominium (the "Condominium") as the same may now or hereafter be constituted, which Condominium is established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes ("Act"). The Association shall undertake the performance of and shall carry out the acts and duties incident to the administration, operation and management of the Condominium in accordance with the terms, provisions and authorizations contained herein, in the Articles of Incorporation of the Association, and in the Declaration of Condominium which will be recorded in the public records of St. Johns County, Florida. In addition, the Association may own, operate, lease, sell, trade or otherwise deal with any property, real or personal, as may become part of the Condominium ("Condominium Property") and as may be necessary or convenient for the administration of the Condominium.

B. The provisions of these By-Laws are applicable to the Condominium and are subject to the provisions of the Articles. A copy of the Articles and a copy of these By-Laws will be annexed, as Exhibits, to the Declaration of Condominium of the Condominium (the "Declaration") which will be recorded in the public records of St. Johns County, Florida. The terms and provisions of the Articles and Declaration shall control wherever the same may conflict herewith.

C. All members of the Association, as defined in the Articles, and their invitees, including, without limitation, all present or future owners and tenants of dwelling units in the Condominium ("Units") and other persons using the Condominium or any of the facilities thereof in any manner, are subject to these By-Laws, the Articles and the Declaration.

D. The office of the Association shall be at the Sawgrass Administration Building, Ponte Vedra Beach, Florida, or at such other place as may be established by resolution of the Board of Directors.

E. The fiscal year of the Association shall be the first day of March through the last day of February.

F. The seal of the Association shall bear the name of the Association, the word "Florida", the words "Corporation Not For Profit", and the year of incorporation. An impression of the seal is as follows:

II. MEMBERSHIP, VOTING, QUORUM, PROXIES.

A. The qualification of members of the Association (the "Members"), the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in Article IV of the Articles, the provisions of which are incorporated herein by reference.

B. A quorum at meetings of Members shall consist of a majority of the members present in person or by proxy.

C. The vote of the owner(s) of a Unit owned by more than one natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a trust, or any other entity shall be cast or otherwise exercised, at all meetings at which members of the Association are entitled to vote or otherwise act, by one natural person designated by the owner(s) of such Unit as the "Primary Occupant" thereof. In each instance where title to a Unit is proposed to be conveyed or is otherwise to become vested in more than one natural person (except a husband and wife as tenants by the entirety), a partnership, or any association of natural persons, or a corporation, a trust, or any other entity, the prospective owner(s) shall, by written instrument acceptable to the Association, designate one natural person as the Primary Occupant. The instrument designating the Primary Occupant shall be filed with the Association, and the person so designated shall be and remain the Primary Occupant of the Unit until such designation has been revoked by written instrument executed by the owner(s) of the Unit or by lawful conveyance of the Unit. The Primary Occupant of the Unit shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the owner(s) of such Unit at any meeting of Members or in connection with any action concerning which members of the Association shall be required or allowed to vote or otherwise act.

D. Evidence of the approval or disapproval of the owner(s) of a Unit upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the vote of such owner if in an Association meeting.

E. Except as otherwise required under the provisions of the Articles, these By-Laws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general membership of the Association, which is duly called and at which a quorum is present, the affirmative vote of the majority of the members present shall be binding upon the Members.

F. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy, provided that, no person shall be designated to hold more than five (5) proxies. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 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.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

A. The annual meeting of the Members shall be held, at the office of the Association or such other place in Ponte Vedra Beach, Florida, and at such time as may be specified in the notice of the meeting, on the 1st Monday in March of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held on the next succeeding Monday.

B. Special meetings of the entire membership of the Association shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors. A special meeting must be called by

the officers upon receipt of a written request from Members of the Association owning a majority of the Units in the Condominium.

C. Notice of all meetings of Members, if any, shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member, if any (unless waived in writing). Each notice shall be written or printed and shall state the time and place of and purpose for which the meeting is called. Notice of the Annual Meeting shall be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed or delivered personally to each Member. If delivered personally, receipt of notice shall be signed by the Member, indicating the date received. If mailed, such notice shall be deemed properly given when deposited in the United States Mail addressed to the Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Proof of mailing shall be given by a certificate of the post office. Any Member may, in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. Each notice shall in addition be posted at a conspicuous place in the Condominium at least fourteen (14) days prior to said meeting. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the membership required to constitute a quorum for a particular purpose is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the By-Laws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

D. At meetings of Members the President shall preside, or in his absence the Vice President, or in the absence of both, the Members present shall select a chairman of the meeting. Minutes shall be kept in a businesslike manner and available for inspection by Directors, Members and their authorized representatives during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven years.

E. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

- (1) Calling of the roll and certifying of proxies
- (2) Proof of notice of meeting or waiver of notice
- (3) Reading or waiver of reading of minutes of previous meeting of Members
- (4) Reports of officers
- (5) Reports of committees
- (6) Appointment by Chairman of inspectors of election
- (7) Election of Directors
- (8) Unfinished business
- (9) New business
- (10) Adjournment

F. Meetings of the Board of Directors shall be open to all Unit owners and notices of meetings shall be posted conspicuously in the Condominium forty-eight (48) hours in advance for the attention of Members, except in an emergency.

G. Members representing fifty (50%) percent of the Unit owners, present in person or by proxy, shall be necessary to and shall constitute a quorum at all meetings of Members for the transaction of business except as otherwise provided by Statute, Articles or these By-Laws. At any Members meeting, every Member having a right to vote shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such Member.

IV. BOARD OF DIRECTORS

A. The first Board of Directors shall consist of five (5) persons. When Unit owners other than Arvida Corporation (the "Developer") own fifteen percent (15%) of the Units of the Condominium, the Unit owners other than the Developer shall be entitled to elect, in the manner provided in Paragraph B, Article IV of these By-Laws, not less than nor more than one-third (1/3) of the members of the Board of Directors. The Unit owners other than the Developer shall be entitled to elect, in the manner provided in Paragraph B, Article IV of the By-Laws, not less than nor more than a majority of the members of the Board of Directors, three years after the sales by the Developer have been closed on fifty percent (50%) but less than ninety percent (90%) of the Units that ultimately will be operated by the Association, or three months after sales have been closed by the Developer of ninety percent (90%) of the Units that ultimately will be operated by the Association, or when all of the Units have been completed and some have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The Developer shall have the right to elect in the same manner provided in Paragraph B, Article IV of these By-Laws the members of the Board of Directors which other Unit owners are not entitled to elect. The Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium ultimately to be operated by the Association. Notwithstanding the foregoing, the Developer shall be entitled at any time to waive its rights hereunder, by execution and delivery to the Association of written waivers, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other Unit owner.

B. Directors shall be elected in the following manner:

- (1) Commencing with the election of the first Board to succeed the Board comprised of the persons named in the Articles, Developer shall designate that number, and the identity, of the members of the Board which it shall be entitled to designate in accordance with the Articles and these By-Laws, and upon such designation by Developer, by written instrument presented to the meeting at which such election is held, the persons so designated by Developer shall be deemed and considered for all purposes Directors of the Association and shall thenceforth hold the offices and perform the duties of such Directors until their successors shall have been elected or designated, as the case may be, and qualified in accordance with the provisions of these By-Laws.
- (2) For so long as the Developer shall retain the right to appoint at least one member of the Board of Directors, all members of the Board of Directors whom Developer shall not be entitled to designate under these By-Laws shall be elected at large, by a plurality of the votes cast at the annual meeting of the general membership, immediately following designation of the members of the Board whom Developer shall be entitled to designate. Commencing with the first annual election of Directors after the Developer shall have lost or relinquished the right to appoint at least one Director, the Directors shall be elected at large, by a plurality of the votes cast by the general membership at the meeting.

- (3) Vacancies on the Board may be filled, to expire on the date of the next annual meeting, by the remaining Directors except that, should any vacancy in the Board be created in a directorship previously filled by any person designated by Developer, such vacancy should be filled by Developer designating by written instrument delivered to any officer of the Association, the successor Director, who shall fill the vacated directorship for the unexpired term thereof. Any vacancy created in any directorship previously filled by a person elected by the general membership shall be filled by a member of that membership, which member shall be appointed by the Board and shall thereafter fill the vacated directorship for the unexpired term thereof.
- (4) If, at the time of the first annual meeting of Members, Unit owners other than the Developer are entitled to elect some or all of the Directors, the terms of office of not more than three such Directors receiving the highest plurality of votes shall be two (2) years, and the terms of office of the remaining Director or Directors elected by the next highest plurality of votes shall be one (1) year. If, at the time of the first annual meeting of Members Developer is entitled to designate some or all Directors, Developer shall have the right to designate for two (2) year terms that number of Directors, which together with the Directors elected by other Unit owners, if any, total three Directors. The remaining Director or Directors designated by the Developer shall have terms of office of one (1) year; the intention being that terms of office of Directors be staggered after the first annual meeting with up to three Directors elected by Unit owners other than the Developer to serve the initial two-year terms. Thereafter, as many Directors shall be elected, or designated by Developer as the case may be, for two-year terms, as there are regular terms of office for Directors expiring at such times. Directors shall hold office for the terms to which elected or designated, and thereafter until their successors are duly elected, or designated by the Developer, and qualified, or until removed in the manner elsewhere herein provided or provided by law.
- (5) In the election of Directors, there shall be appurtenant to each Unit one (1) vote for each Director's position which is to be filled at that meeting; provided, however, that no Member or owner of any Unit may cast more than one vote for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative.
- (6) Within sixty (60) days after Unit owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall, as otherwise in accordance with the provisions of these By-Laws, call and give not less than thirty (30) days nor more than forty (40) days notice of a meeting of the Unit owners for this purpose. Such meeting may be called and the notice given by any Unit owner if the Association fails to do so within the time prescribed herein. Election of such Directors shall be conducted in the manner provided in these By-Laws.
- (7) In the event that Developer selects any person or persons to serve on any Board, Developer shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on the Board. Replacement of any person or persons designated by Developer to serve on any Board shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons designated as successor or successors to the persons so removed from the Board. The removal of any Director and designation of his successor shall be effective immediately

upon delivery of such written instrument by Developer to any officer of the Association.

C. The organizational meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided, that a quorum shall be present.

D. 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. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived.

E. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Adequate notice of all meetings, regular and special, shall be posted conspicuously on the Condominium property at least 48 hours in advance, except in an emergency. Notice of any meeting where assessments against Unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

F. Minutes of all meetings of the Board shall be kept in a businesslike manner and available for inspection by Members and Directors during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven years.

G. Any Director may waive notice of a meeting before, at or after the meeting by signing a waiver of notice and placing it in the minute book, and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these By-Laws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the approval by the Director of the Board's action but shall not be considered the presence of such Director for the purpose of determining a quorum.

I. The presiding officer of meetings of the Board shall be the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

J. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the law of Florida, the Articles, these By-Laws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these By-Laws and the Declaration, and shall include, without limitation, the right, power and authority to:

- (1) Make, levy and collect assessments, including without limitation assessments for reserves and for improvements to Condominium and/or Association property, against Members and Members' Units to defray the costs of the Condominium, and use the proceeds of assessments in the exercise of the powers and duties of the Association;
- (2) Maintain, repair, replace, operate and manage the Condominium wherever the same is required to be done and accomplished by the Association for the benefit of Members;
- (3) Repair and reconstruct improvements after casualty;
- (4) Make and amend regulations governing the use of the property, real and personal, in the Condominium provided, that such regulations or amendments thereto shall not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles and Declaration;
- (5) Approve or disapprove proposed purchasers of the Units and exercise or waive the Association's right of first refusal of each proposed sale of a Unit in the manner specified in the Declaration. The President or the Vice President of the Association may, by resolution of the Board, be authorized to approve (but not disapprove) any proposed purchaser, or to waive (but not to exercise) the Association's right of first refusal, and to execute, on behalf of the Association, appropriate documents to evidence same. No fee shall be charged in connection with a transfer, sale, or approval in excess of the expenditures reasonably required for the transfer or sale, and this expense shall not exceed \$50. No charge shall be made in connection with an extension or renewal of a lease;
- (6) Acquire, own, hold, operate, lease, encumber, convey, exchange, manage, and otherwise trade and deal with property, real and personal, including Units, of and in the Condominium, as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration;
- (7) Contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the association in carrying out its powers and duties, including but not limited to the performance of such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the association;
- (8) Enforce by legal means the provisions of the Articles, these By-Laws, the Declaration and all regulations governing use of property of and in the Condominium hereafter adopted;
- (9) Pay all taxes and assessments which are liens against any part of the Condominium other than Units and the appurtenances thereto, and assess the same against the Members and their respective Units subject to such liens;
- (10) Carry insurance for the protection of Members and the Association against casualty and liability;

- (11) Pay all costs of power, water, sewer and other utility services rendered to the Condominium and not billed to the owners of the separate Units;
- (12) Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

K. The first Board of Directors of the Association shall be comprised of those members of the Board as described in the Articles, who shall serve until their successors are designated by Developer or elected at the first annual meeting of the Members. Should any member of the first Board be unable to serve for any reason, the Developer shall have the right to select and designate a successor to act and serve for the unexpired term of the Director who is unable to serve.

L. Directors may be removed from office in the manner provided by law for the removal of Directors of Florida corporations not for profit.

M. Notwithstanding anything contained in these By-Laws to the contrary, any meeting of members of the Board may be held at any place, within or without the State of Florida, designated in the notice of any such meeting, or notice of which is waived.

V. OFFICERS.

A. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board.

B. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall have such additional powers as the Board may designate.

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

D. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the giving and serving of all notices to the Members and the Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the assessment roll and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices, and he shall perform all other duties incident to the office of Treasurer.

F. The compensation of all officers and employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association, nor preclude contracting with a Director for the management of the Condominium.

VI. FIDELTY BONDING OF OFFICERS AND DIRECTORS.

Fidelity bonds shall be required for all Officers or Directors who control or disburse funds for the Association. The Association shall bear the cost of bonding.

VII. FISCAL MANAGEMENT.

The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. Such account shall designate the name and mailing address of the owner(s) of each Unit, the amount of each assessment against the owner(s) of each Unit, the amount of each assessment and due date thereof, and all amounts paid, and the balance due upon each assessment.

B. The Board shall adopt, for, and in advance of, each fiscal year, a budget for the Condominium showing the estimated costs of performing all of the functions of the Association as such Condominium for the year. The budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses, which shall include, without limitation, the costs of operating and maintaining the Common Elements and Limited Common Elements, taxes on Association property, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Units, premiums for insurance carried by the Association and any reserve accounts and/or funds which may be established from time to time by the Board. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the owner(s) of each Unit and due date(s) and amounts of installments thereof. Copies of the proposed budget and proposed assessments shall be transmitted to each Member on or before March 1 of the year for which the budget is made. If any budget is subsequently amended, a copy shall be furnished each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. A copy of the proposed annual budget of the Association shall be mailed to the Members not less than thirty (30) days prior to the meeting of the Board at which the budget will be considered, together with a notice of the time and place of that meeting. Such meeting of the Board shall be open to Members. If a budget is adopted by the Board which requires assessment of the Members in any budget year exceeding 115% of such assessments for the preceding budget year, upon written application of ten percent (10%) of the Members, a special meeting of the Members shall be held upon not less than ten (10) days written notice to each Member, but within thirty (30) days of the delivery of such application to the Board or any member thereof, at which special meeting Members may consider only and enact only a revision of the budget, or recall any and all members of the Board and elect their successors. Any such revision of the budget shall require a vote of not less than two-thirds (2/3) of the whole number of votes of all Members. Any member of the Board may be recalled and removed from office with or

without cause by the vote or agreement in writing by a majority of all Members. A special meeting of the Members to recall a member or members of the Board may be called by ten percent (10%) of the Members giving notice of the meeting in the same manner as notice of the call of a special meeting of the Members is required as set forth herein, and the notice shall state the purpose of the meeting. Such special meeting to recall a Member or Members of the Board is subject, however to the right of Developer to elect Directors as provided in Article IV. The Board may in any event first propose a budget to the Members at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the whole number of votes of all Members, either at such meeting or by writing, such budget shall not thereafter be reexamined by the Members in the manner hereinabove set forth.

D. In determining whether assessments exceed 115% of similar assessments in the prior budget year, there shall be excluded from the computation reasonable reserves made by the Board in respect of repair and replacement of Condominium or Association property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation assessments for improvements to the Condominium or Association property. Provided, however, that so long as Developer is in control of the Board of Directors the Board shall not impose an assessment for a budget year greater than 115% of the prior budget year's assessment without approval of a majority of the whole number of votes of all Members.

E. Upon adoption of budgets, the Board shall cause written copy thereof to be delivered to all Members. Assessments shall be made against Members pursuant to procedures established by the Board, and in accordance with terms of the Declaration and Articles. Members shall be liable to pay assessments not less often than quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

F. To provide funds necessary for proper operation and management of the Condominium, the Association shall have the right to make, levy and collect assessments against the Members and their respective Units to pay their share of common expenses. Assessments by the Association against each Member and his Unit shall be the fractional share of the total assessments to be made against all Members and their Units as set forth in the Declaration.

G. All sums collected by the Association from all assessments against all Units in the Condominium may be commingled in a single fund, or divided into more than one fund, as determined from time to time by the Board of Directors.

VIII. PARLIAMENTARY RULES.

Roberts' Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles, these By-Laws or the laws of Florida.

IX. AMENDMENTS TO BY-LAWS.

Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Members owning a majority of the Units in the Condominium, whether meeting as Members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association or acting chief executive officer in the absence of the President, who shall thereupon

call a special meeting of the Members for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the Members.

C. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw. See bylaw . . . for present text." Nonmaterial errors or omissions in the bylaw process shall not invalidate an otherwise properly promulgated amendment.

D. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of Members owning not less than two-thirds (2/3) of the Units in the Condominium. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded as an amendment to the Declaration in the public records of St. Johns County, Florida, within fifteen (15) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

E. At any meeting held to consider such amendment or amendments to these By-Laws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

F. Notwithstanding the foregoing provisions of this Article IX, no amendment to these By-Laws which shall abridge, amend or alter the rights of Developer may be adopted to become effective without the prior written consent of Developer.

The foregoing were adopted as the By-Laws of BEACH CLUB VILLAS (SAWGRASS) CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 6 day of May, 1981.

Daniel A. Adams
Secretary

APPROVED:

Peter D. Hall
President

ST. JOHNS COUNTY, FLA.

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Paul "Bud" Markel
CLERK OF CIRCUIT COURT

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