

BY-LAWS

NORTH FORK PROPERTY OWNERS' ASSOCIATION. INC.

(A corporation not for profit under the laws of the State of Florida)

ARTICLE I

IDENTITY

These are the By-Laws of NORTH FORK PROPERTY OWNERS' ASSOCIATION, INC., hereinafter called "Association" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on the 5th day of January, 1990. The Association has been organized for the use and purpose of owning, operating, controlling and regulating the use of the amenities located in North Fork; of promoting, assisting and providing adequate maintenance of North Fork for the benefit of all Owners therein; of providing and promoting recreational activity within North Fork through the acquisition of land and facilities (whether by fee simple ownership, leasehold or other possessory use interest), the maintenance of the land and facilities, and such other means and methods as it may deem in the best interest of its members; to exercise all powers and discharge all responsibilities granted to it as a corporation under the laws of the State of Florida, its Articles of Incorporation, these By-laws, and the Declaration; to acquire, hold, convey and otherwise deal with any real and/or personal property in the Association's capacity as a Property Owners' Association; and to otherwise engage in such additional lawful activities for the benefit, use, convenience and enjoyment of its members as it may deem proper.

A. The office of the Association shall be accurately reflected in each Non-profit Corporation Annual Report filed by the Association.

B. The fiscal year of the Association shall be from January 1st to December 31st.

C. The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit" and the year of the incorporation.

D. The words and phrases used in these By-Laws shall have the same meanings herein as they have in the Articles of Incorporation of the Association, and as they have in the Declaration of Covenants and Restrictions of North Fork.

ARTICLE II

MEMBERS' MEETINGS

A. The qualification of members, the manner of their admission to membership in the Association, and the manner of the termination of such membership shall be as set forth in Article IV of the Articles of Incorporation.

B. There shall be an annual meeting held at least once a year. The annual members' meeting shall be held at such time, date and location in Palm Beach County, Florida, as shall be **designated** in the notice of meeting for the purpose of electing Directors and transacting any other business authorized to be transacted by the members.

C. Special members' meetings shall be held at such location in Palm Beach County, Florida as shall be designated in the Notice of Meeting whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

D. A written notice of all members' meetings (annual or special) shall be mailed to each member stating the time and place and the object for which the meeting is called, and shall be given by the President, Vice President or Secretary unless waived in writing. Such notice shall be mailed to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such meeting may be waived before or after meetings.

E. The membership may, at the discretion of the Board, act by written agreement in lieu of a meeting; provided, however, that written notice of the matters to be determined by such members is given to the membership at the addresses and within the time periods set forth herein for notice of meetings, or is duly waived by such members. Any determination by written agreement shall be determined by the number of members capable of determining the subject matter, at a members' meeting. The quorum requirements shall be the same as for a members' meeting. Any notice requesting the written agreement of the membership shall set forth a time period in which a response may be made.

F. A quorum of the members shall consist of those persons entitled to cast thirty percent (30%) of the votes of the entire membership. A member may join *in* the action of a meeting by signing the minutes thereof, and such signing shall constitute the presence of such member for the purpose of determining a quorum. The acts approved by a majority of the votes present at a meeting at which a quorum is present in person or by proxy shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Covenants and Restrictions, the Articles of Incorporation or these By-Laws.

G. If at any meeting of the membership, there shall be less than a quorum present in person or by proxy, the President, and in the absence of the President, then the majority of those present, may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at a meeting as originally called may be transacted at any adjourned meeting thereof. In case of the adjournment of a meeting, notice to the members of such adjournment shall be as determined by the President or in his absence by the majority of the members present.

H. Minutes of all meetings of the members shall be kept in a businesslike manner, and shall be available, upon reasonable notice and at reasonable times, for inspection by the members and Directors at the office of the Association, or such other reasonably accessible location as may be designated by the Board.

I. Voting.

1. In any meeting of members, the Owners of each Parcel shall be entitled to cast one vote as the Owner of a Parcel unless the decision to be made is elsewhere required to be determined in another manner.

2. If a Parcel is owned by one person, his right to vote shall be established by the record title to his Parcel. If a Parcel is owned by more than one person, or is under lease, the vote for such Parcel shall be exercised as the Owners among themselves determine, provided however, that in no event shall more than one vote be cast with respect to each Parcel. If a Parcel is owned by other than a natural person or persons, the person entitled to cast the vote for the Parcel shall be the person designated by a certificate signed by a person duly authorized to sign such certificate and filed with the Secretary of the Association. In the case of a corporation, the certificate shall be signed by the President or Vice-President. In the case of a Trust, the certificate shall be signed by a Trustee possessing powers to sign such a certificate. In the case of a partnership, the certificate shall be signed by a general or managing partner. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Parcel concerned. A certificate designating the person entitled to cast the vote of the Parcel may be revoked by any owner of the Parcel.

3. Votes may be cast in person or by proxy. A proxy must be designated in writing by any person entitled to vote, and shall be valid only for the particular meeting designated in the proxy. It must be filed with the Secretary, or such person designated by the secretary, in the Notice of Meeting no later than the appointed time of the meeting or any adjournment of the meeting.

4. No member shall be allowed to exercise his vote or serve as a Director unless he is current on all assessments.

J. The order of business at annual members' and, as far as practical at other members' meeting, shall be:

1. Establish Quorum
2. Proof of notice of meeting or waiver of notice.
3. Reading and disposal of any unapproved minutes.

4. Report of officers.
5. Reports of committees.
6. Election of directors.
7. Unfinished business.
8. New business.
9. Adjournment.

ARTICLE III

DIRECTORS

A. The affairs of the Association shall be managed by a Board which shall consist of seven (7) Directors.

B. Election of Directors shall be conducted in the following manner:

1. Election of Directors shall be held at the annual members' meeting.

2. [Deleted].

3. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person 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.

4. Except as to vacancies created by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

5. Any Director may be removed by concurrence of fifty-one percent (51%) of the membership voting in person or by proxy at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

6. [Deleted].

C. Staggered Terms - The Directors elected by the members shall have terms of two (2) years which shall be staggered terms commencing with the annual meeting and election of Directors in 1995. To accomplish the staggered terms, the following election procedure shall apply to the election of seven (7) Directors by members at the 1995 annual meeting of the members and election of Directors. The three Directors receiving the highest number of votes shall be elected for a two year term. The four remaining Directors elected, shall be elected for a one-year term. All Directors elected after the 1995 annual meeting and election of Directors shall be elected for two-year terms.

D. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and at such 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.

E. Regular meetings of the Board of Directors 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 and the membership by a publicly posted sign placed at the entrance to both the east and west sides of the property at least three (3) days prior to the day named for such meeting.

F. Special meetings of the Board of Directors may be called by the President, and must be called by the Secretary at the written request of two-thirds (2/3) of the Directors. Not less than three (3) days' notice of the meeting shall be given to each Director and the membership by a publicly posted sign placed at the entrance to both the east and west sides of the property, which notice shall state the time, place and purpose of the meeting.

G. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of the notice. Attendance at any meeting shall constitute such waiver.

H. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Articles of Incorporation or these By-Laws.

I. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

J. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

K. The presiding officer at Directors' meetings shall be the President. In the absence of the President, the Directors present shall designate one of their number to preside.

L. The order of business at Directors' meetings shall be as follows:

1. Calling of the roll.
2. Proof of due notice of meeting.
3. Reading and disposal of any unapproved minutes.
4. Reports of officers and committees.
- S. Election of officers.
6. Unfinished business.

- 7. New business.
- B. Adjournment.

M. [Deleted].

N. Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and be available for inspection, upon reasonable notice and at reasonable times, by members and directors at the offices of the Association or such reasonably accessible location as may be designated by the Board.

O. Meetings of the Board of Directors shall be open to all members. Unless a member serves as a Director or unless he has been specifically invited to participate in a meeting, a member shall not be entitled to participate in any meeting of the Board of Directors, but shall only be entitled to as an observer.

ARTICLE IV

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

A. All of the powers and duties of the Association existing under the Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, its agent, contractors or employees, subject only to approval by Parcel Owners when such is specifically required. Such powers and duties shall be exercised in accordance with the documents hereinbefore stated, and shall include, but not be limited to the following:

1. Making, establishing, amending and enforcing reasonable rules and regulations governing the portions of North Fork.

2. Making, levying, collecting and enforcing assessments against members to provide funds to pay the Association expenses. Such assessments shall be collected **by the** Association by payments made directly to the Association by members in the manner set forth in the documents described above.

3. Maintaining, managing, administering, operating, repairing and replacing the improvements and personal property located within the portion of North Fork under Association jurisdiction.

4. Enforcing by legal means the provision of the documents, including the imposition of such fines as may be provided for in the Articles of Incorporation, Declaration of Covenants and Restrictions or By-Laws.

5. Retaining independent contractors and professional personnel and entering into and terminating service, supply and management agreements and contracts to provide for the administration, management, operation, repair and maintenance of the portions of North Fork over which the Association has jurisdiction.

6. Hiring and retaining such employees and/or contractors as are necessary to administer and carry out the services required for the proper administration of the purposes of the Association and paying all of the salaries therefor.

7. Paying costs of all power, water, sewer and other utility services rendered to the portion of North Fork over which the Association has jurisdiction and not billed to individual "Owners".

8. Paying taxes and assessments which are or may become liens against any property located on the portions of North Fork over which the Association has jurisdiction and assessing the same against Parcels.

9. Purchasing and carrying insurance for the protection of Owners and the Association against casualty and liability with respect to portions of North Fork over which the Association has jurisdiction in accordance with the documents.

10. Entering into and administrating a contract on behalf of Association members empowering a licensee or franchise to provide cable television (CATV) and related services within the community on such terms as is believed to be in the best interests of the members of the Association. Expenses arising under any such contract shall be payable equally by all members and shall be collectible as part of the General Assessments collected by the Association.

ARTICLE V

OFFICERS

A. The executive officers of the Association shall be a President, who shall be a Director, Vice-President, who shall be a Director, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary. The Board of Directors, from time to time, shall elect such other officers and designate their powers **and** duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of the President of an Association, including but not limited to the power to appoint committees from among the members from time to time, as he in his discretion may determine appropriate, to assist in the conduct of the affairs of the Association.

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

D. The Secretary shall ensure that the records of the Association and the minutes of all proceedings of the Directors and members are kept in a proper fashion. 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 Association and affix it to instruments requiring a seal when duly signed. He shall perform all other duties incident to the office of Secretary of an association and as may be required by the Directors or the President.

E. The Treasurer shall oversee all property of the Association, including funds, securities and evidences of indebtedness. He shall ensure that the books of the Association are kept in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

F. The compensation of all employees of the Association shall be fixed by the Directors. A Director may not be employed as an employee of the Association and Directors shall serve without compensation.

ARTICLE VI

FISCAL MANAGEMENT

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

A. Accounts. The expenditures of the Association shall be created and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

1. Current/Operating expense. (i.e., landscaping, maintenance, utilities, sanitation, supplies, administration, legal, insurance, management, and the like), which shall include all expenditures within the year for which the budget is made, excluding those expenses chargeable to the accounts delineated in Paragraphs 2 through 4 next hereinbelow.

2. Current/Operating Expense Contingency. Which shall include an allowance for the contingency where actual operating/current expenses exceed the budgeted amount thereof.

3. Reserve for Deferred Maintenance and for Replacement. The reserve for deferred maintenance shall include funds for maintenance items that occur less frequently than annually. The reserve for replacement shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

4. Betterments. Which shall include the funds to be used for capital expenditures for additional improvement or additional personal property that will be part of the recreational facility.

B. The Board of Directors shall adopt a budget for each year that shall include the estimated funds required to defray the expenditures and to provide and maintain funds for the foregoing accounts and reserves according to good accounting procedure as follows:

1. Current/Operating expenses
2. Current/Operating expense contingency.
3. Reserve for deferred maintenance and for replacement.
4. Betterments, which shall include the funds to be used for capital expenditures for additional improvements to the Common Property; provided, however, that expenditures in excess of \$12,000 from this fund for a single item or for a single purpose shall require the vote of a majority of the members present at a duly called meeting.

5. Copies of the budget and proposed assessments shall be transmitted to each member of the Association before the end of the fiscal year, preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member. The fiscal year shall begin January 1st, and end December 31st.

C. Assessments against the Parcel Owners for their shares of the budget shall be made for the year annually in advance before the end of the calendar year preceding the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event that the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. In the event that the increase exceeds 115% of the annual assessment for the preceding year, the Board of Directors, upon written application of ten per cent (10%) of the members of the Board, shall call a special meeting of members within thirty (30) days, upon not less than ten (10) days written notice to each member. At a special meeting, members shall consider and enact a budget. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reserves for deferred maintenance and for replacement or for betterments shall be excluded from the computation.

D. If a member shall be delinquent in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the member and the unpaid balance of the assessment shall come due thirty (30) days following the delinquency date.

E. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after

notice of the need for such expenditures is given to the members concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the members concerned, the assessment shall become effective and shall be due after thirty (30) days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

F. The depository of the Association shall be such bank or banks and/or savings and loan association as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawals of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

G. At the Annual Meeting of the Association, the members present shall determine by a majority vote whether an audit of the accounts of the Association for the year shall be made by a Certified Public Accountant, a Public Accountant, or by an auditing committee consisting of not less than three members of the Association, none of which shall be Board members. The costs of audit shall be paid by the Association.

H. Fidelity Bonds shall be required by the Board of directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total of two monthly assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

ARTICLE VII

PARLIAMENTARY RULES

These By-Laws may be amended in the following manner:

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

B. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval must be by:

1. Not less than two-thirds (2/3) of the entire membership of the Board of Directors and not less than fifty-one percent (51%) of the votes of the membership of the Association voting in person or by proxy; or

2. Not less than sixty percent (60%) of the votes of the membership of the Association voting in person or by proxy.

3. [Deleted].

C. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the By-Laws, which certificate shall be executed by the officers of the Association with the formality of the execution of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Palm Beach County, Florida.

D. [Deleted].