

BY-LAWS OF
THE MOORINGS/SAFETY HARBOUR PROPERTY OWNERS ASSOCIATION, INC.

A not-for-profit corporation under
the laws of the State of Florida

ARTICLE I
IDENTITY

Section 1. The name of this corporation is The Moorings/Safety Harbour Property Owners Association, Inc., hereinafter referred to as the "Corporation" or "Association".

Section 2. The principal office of the Corporation will be designated from time to time by the Board of Directors.

Section 3. 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 the incorporation.

Section 4. The terms used in these Bylaws have the same definitions and meaning as those set forth in the Declaration of Restrictive Covenants recorded in the public records of Martin, County, Florida, at Official Records Book 842, Page 886, as amended from time to time (hereinafter "Declaration"), unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE II
PURPOSES

This Association is organized to serve as the instrumentality of Owners in the Property for the purpose of controlling and regulating use of the amenities therein; of promoting, assisting, and providing adequate and proper maintenance of the Property for the benefit of all Owners therein; the maintenance of the land and facilities; 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 real and/or personal property in the Association's capacity as a homeowners 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.

ARTICLE III
DIRECTORS AND OFFICERS

Section 1. Directors

- A. The affairs of the Association shall be managed by a Board of Directors which shall consist of not less than three (3), nor more than five (5) members. To be eligible to serve as a director, a person must be the record owner of a Parcel.
- B. The Board of Directors shall be elected by the Members of the Association at each annual meeting.
- C. Directors shall be elected as follows: Not less than sixty (60) days before the annual election meeting, the Association must send notice to each Member of the date, time and place of the annual election meeting. Not less than forty (40) days prior to the date of the annual election meeting, eligible candidates who wish to be placed on the election ballot, must deliver a written notice of his or her desire to run to the Board of Directors. The candidate may furnish the Association with a one page information sheet (8 1/2 inches by 11 inches) no later than forty (40) days prior to the date of the annual election meeting. The Association shall have no liability for the contents of the information sheet prepared by the candidate. Not less than thirty (30) days prior to the date of the annual election meeting, the Association shall provide a notice to all Members reminding them of the date, time and place of the annual election meeting, together with an agenda for the meeting, a limited proxy which includes an election ballot listing all candidates submitting notice of desire to run and any information sheets received from same. At the annual election meeting, a Member may nominate himself or herself as a candidate for the board from the floor. Directors shall be elected by a plurality of the ballots cast. Election ballots may be cast in person at the annual election meeting or by delivering to the Association a limited proxy which includes an election ballot prior to the commencement of the annual election meeting. In the election of Directors, there shall be appurtenant to each Parcel as many votes as there are Directors to be elected. No voting representative of any Parcel may cast more than one vote for any candidate, it being the intent that casting ballots in the election of Directors shall be non-cumulative. The candidates receiving the highest number of ballots cast shall be declared elected, except that any tie(s) shall be decided by drawing lots. A newly elected Director shall take office immediately upon determination of the outcome of the election.

- D. The term of each director's service shall extend to the next annual meeting of the members.
- E. The organizational meeting of the newly elected Board of Directors shall be held immediately following the adjournment of the annual meeting of the members and no further notice of the organizational meeting shall be necessary.
- F. No director shall receive or be entitled to any compensation for his services as director, but shall be entitled to reimbursement for all expenses incurred by him as such, if incurred upon the authorization of the Board.
- G. All directors and officers must be members of the Association.

Section 2. Officers. The executive officers of the Association shall be:

President, Vice President, Secretary and Treasurer. Officers are appointed by the Board of Directors from their number and serve at the pleasure of the Board.

Section 3. Resignation, Vacancy, Removal.

- A. Resignation: Any director or officer of the Association may resign at any time, by instrument in writing. Resignations shall take effect at the time specified therein, and if no time is specified, resignations shall take effect at the time of receipt by the President or Secretary of the Association. The acceptance of a resignation shall not be necessary to make it effective.
- B. Director Vacancy: When a vacancy occurs on the Board of Directors, the vacancy shall be filled by the affirmative vote of the majority of the remaining members of the Board, even though the remaining directors constitute less than a quorum, or by the sole remaining director, as the case may be. A Director appointed by the Board to fill a vacancy shall be appointed for the unexpired term of the predecessor in office.
- C. Officer Vacancy: When a vacancy occurs in an office for any reason, the office shall be filled by the Board of Directors at its next meeting.
- D. Removal: Any director or officer may be removed with or without cause by a majority vote of the Board of Directors at a meeting of Directors called at least in part for the purpose of considering such removal. Any director may be removed with cause or without cause, by the vote or agreement in writing by a majority of all votes of the Membership of the Association.

Section 4. Indemnification of Directors and Officers.

The Association shall and does hereby indemnify and hold harmless every Director, every Officer, and every Board appointed committee member (e.g., ARC), their heirs, executors and administrators, against all loss, cost and expense reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason of being or having been a Director or Officers of the Association including reasonable counsel fees at all levels of proceeding. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for the guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not inclusive of, all other rights to which such Director or Officer may be entitled.

ARTICLE IV POWERS AND DUTIES OF THE ASSOCIATION AND THE EXERCISE THEREOF

The Association shall have all powers granted to it by common law, Florida Statutes, the Declaration, Articles of Incorporation, and these By-Laws, all of which shall be exercised by its Board of Directors unless the exercise thereof is otherwise restricted in the Declaration, these By-Laws or by law.

The Board shall be subject to the limitations and reservation sets forth in the Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties in the best interests of the Association, including but not limited to the following:

- (a) To cause the Association to exercise all powers, duties and authority vested in or delegated to the Association by law and in these By-laws, the Articles and the Declaration.
- (b) To adopt, publish, promulgate and enforce rules and regulations governing the use of the Properties, and the personal conduct of the members, tenants and their guests and invitees, and to establish penalties and/or fines for the infraction thereof.
- (c) To suspend the voting rights and the rights of the use of the Common Area of a member during any time period in which such member shall be in default in the payment of any assessment levied by the Association.
- (d) To employ, on behalf of the Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor, etc. any or all of the duties and functions of the Association and/or its officers.

ARTICLE V
DUTIES OF OFFICERS

Section 1. President. The President shall be the chief executive officer of the Association and shall:

- A. Act as presiding officer at all meetings of Members of the Association and of the Board of Directors.
- B. Call special meetings of the Board of Directors or the Members.
- C. Sign, with the Secretary or Treasurer, if the Board of Directors so requires, all checks, contracts, promissory notes, leases, deeds and other instruments on behalf of the Association, except those which the Board of Directors specifies may be signed by other persons.
- D. Perform all acts and duties usually required of an executive to insure that all orders and resolutions of the Board of Directors are carried out.
- E. Appoint committees and render an annual report at the annual meeting of Members. Act as primary liaison with all committees to ensure appropriate actions are taken and communications are provided to the Association as needed.

Section 2. Vice President. The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. The Vice President also shall assist the President generally, and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

Section 3. Secretary. Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and membership or cause the same to be done by the Property Manager and keep the corporate seal of the Association and affix it on all papers required to be sealed; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Board.

Section 4. Treasurer. The Treasurer shall receive and deposit in appropriate bank account all monies of the Association and shall disburse such funds as directed by the Board, sign all checks and promissory notes of the Association: cause to be kept proper books of account: cause an annual review of the Association books to be made by a public accountant at the completion of each fiscal year: cause an annual budget and a statement of income and expenditures to be prepared and presented to the membership at or before the annual meeting: and perform such other duties as required by the Board or cause the same to be done by the Property Manager.

ARTICLE VI

MEMBERSHIP AND VOTING

Section 1. Qualifications for Membership. The qualification for membership, and the manner of admission to membership and termination of such membership, shall be as follows: A person or entity shall automatically become a Member of the Association upon acquisition of fee simple title to any Parcel, by filing a deed therefore in the Public Records of Martin County, Florida. Membership shall continue until such time as the Member transfers or conveys his interest of record or the interest is transferred or conveyed by operation of law, at which time membership, with respect to the Parcel conveyed, shall automatically be conferred upon the transferee. Membership shall be appurtenant to, and may not be separated from ownership of property subject to the Declaration. No person or entity holding an interest of any type or nature whatsoever in a Parcel only as security for the performance of an obligation, shall be a member of the Association.

Section 2. Voting. The Association shall have one (1) class of voting membership. Each member shall be entitled to one (1) vote for each Parcel owned by such Member as to matters on which the membership shall be entitled to vote, which vote may be exercised or cast by that member in person or by proxy. Any member who owns more than one (1) Parcel shall be entitled to exercise or cast one (1) vote for each such Parcel. When more than one (1) person owns a Parcel, all such persons shall be Members of the Association; provided, however, that the vote of such Owners shall be exercised as provided hereinbelow, and that in no event shall more than one (1) vote be cast with respect to each Parcel. If more than one (1) person, a corporation, or other entity, owns a Parcel, they shall file a certificate with the Secretary of the Association naming the person authorized to cast votes for said Parcel. If the certificate is not on file, such Owner(s) shall not be qualified to vote and the vote of such Owner(s) shall not be considered nor shall the presence of such Owner(s) at a meeting be considered in determining whether the quorum requirement has been met. If a Parcel shall be owned by husband and wife as tenants by the entirety, no certificate need be filed with the Secretary naming the person authorized to cast votes for said Parcel, and either spouse, but not both, may vote in person or by proxy and be considered in determining whether the quorum requirement has been met at any meeting of the members, unless prior to such meeting, either spouse has notified the Secretary in writing that there is a disagreement as to who shall represent the Parcel at the meeting, in which case the certificate requirements set forth above shall apply.

Section 3. Proxies. The members have the right to vote in person or by proxy. 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. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires ninety (90) days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. Proxies must be filed with the Secretary of the Association prior to the meeting.

ARTICLE VII
MEETINGS

Section 1. Meetings of Members.

- A. Place of Meetings: Meetings of the Association shall be held at such time and place in Martin County, Florida or Palm Beach County, Florida as shall be stated in the notice thereof at the discretion of the Board.
- B. Annual Meetings: Annual Members' Meetings shall be held upon a date appointed by the Board of Directors in each calendar year. No meeting shall be held on a legal holiday. The meetings shall, be held at such time as the Directors shall appoint from time to time. The purpose of such meetings shall be the election of directors and the transaction of other business authorized to be transacted by Members. The order of business shall be as determined by the Board of Directors.
- C. Special Meetings: Special Meetings shall be held whenever called by the President or by a majority of the Board of Directors and must be called by the Secretary, upon receipt of a written request from Members of the Association holding a majority of the total votes of the membership. Business transacted at all special meetings shall be confined to the objects and actions to be taken, as stated in the notice of the meeting.
- D. Quorum: A quorum for the transaction of business at the annual meeting or any special meeting shall consist of thirty percent (30%) of the total votes of the membership, being present either in person or by proxy, but the Members present at any meeting although less than a quorum, may adjourn the meeting to a future date.
- E. Voting Required to Make Decisions: When a quorum is present at any meeting, the vote of a majority of the Members' votes present in person or by proxy shall decide any question brought before the meeting, unless the Declaration, the Articles of Incorporation, these By-Laws or any applicable statute provides otherwise. Any members of the association present at such meetings may, at will, be involved in counting of votes for audit purposes. Association members always have the right to inspect such records with reasonable notice provided upon request.

Section 2. Directors' Meetings:

- A. Annual Meeting: The annual meeting of the Board of Directors shall be held immediately following the adjournment of the annual meeting of Members. The Board of Directors 'may establish a schedule of regular meetings to be held at such place as the directors may designate, unless waived, but not less than once every (3) three months.

- B. Special Meetings: Special meetings of the Board of Directors may be called by the President, upon forty eight (48) hour notice to each director to be delivered by telephone, mail, electronic mail or in person. Special meetings may also be called on written request of two (2) directors. All notices of special meetings shall state the purpose, time and place of the meeting.
- C. Quorum: At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at such meeting at which a quorum is present, shall be the acts of the Board of Directors except where approval by a greater number is required by the Declaration, the Articles of Incorporation or these By-Laws. At any meeting at which a quorum is not present, the presiding officer may adjourn the meeting from time to time, and at any such adjourning meeting, any business which might have been transacted at the meeting as originally called, may be transacted without further notice.
- D. Joinder: 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.
- E. Written Action: Any action required to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the action so to be taken, signed by all of the Directors, is filed in the minutes of the proceedings of the Board. Such consent shall have the same effect as a unanimous vote. However, such written action should be limited to use only during emergency situations or for matters that cannot await a normal meeting of the Board.
- F. Presiding Officer: In the absence of the presiding officer, the Directors present shall designate one of their members to preside.
- G. Telephone Meeting: Any regular or special meeting of the Board of Directors may be held by telephone conference, at which each participating member can hear and be heard by all other participating Association members.
- H. Order of Business: The order of business at Director's meetings shall be as determined by the Board of Directors.
- I. Member Attendance: All meetings of the Board of Directors must be open to all Members, except for meetings between the Board and its attorney with respect to proposed or pending litigation, where the contents of discussion would otherwise be governed by the attorney-client privilege. Any member attending a meeting of the Board of Directors may speak for at least three (3) minutes on any matter placed on the agenda by petition of the voting interests pursuant to Florida Statute §720.303(2)(d)(2008), as amended from time to time. The Association may adopt additional written rules governing the frequency, duration and other manner of member statements at Board Meetings.

- J. Posted Notice: Notice of all Board Meetings must be posted in a conspicuous place in the community at least forty-eight (48) hours in advance of a meeting, except in an emergency, as provided by Florida Statutes §720.303(2)(2008), as amended from time to time. Notwithstanding the foregoing, written notice of any Board Meeting at which assessments will be considered or at which amendments to rules regarding parcel use will be considered must be mailed or delivered to members and posted conspicuously on the property at least fourteen (14) days before the meeting.

ARTICLE VIII NOTICE OF MEMBERS MEETINGS

Section 1. Annual Meeting. Written notice of the annual meeting of Members shall be served upon or mailed to each Member entitled to notice, as provided in Article III, Section 1(C) above. Such notices shall be hand delivered or mailed to each Member at its address as it appears on the books of the Association. Proof of such mailing may be given by the affidavit of the person giving the notice.

Section 2. Special Meeting. Written notice of a special meeting of Members stating the time, place and object of such meeting shall be served upon or mailed to each Member at least five (5) days, and no more than sixty (60) days, prior to such meeting.

ARTICLE IX PROCEDURE

Robert's Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the Association or with the Statutes of the State of Florida,

ARTICLE X ASSESSMENTS AND MANNER OF COLLECTION

The Board of Directors shall have the power to levy and enforce assessments against Parcels and Owners, as set forth in the Declaration.

ARTICLE XI FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2. Depositories. The funds of the Association shall be placed in such accounts in Martin or Palm Beach County, Florida, as may be selected by the Board of Directors, including checking and savings accounts in one (1) or more banks and/or savings and loan associations, Certificates of Deposit, U.S. Treasury Bills and money market accounts with an investment firm or firms, all in accordance with resolutions approved by the Board of Directors. Association funds shall be withdrawn only over the signature of the Treasurer, the Chairman or

such other persons as the Board may authorize. The Board requires two (2) Officer signatures on all checks and bank drafts. The funds shall be used only for corporate purposes.

Section 3. Fidelity Bonds. Fidelity bonds may be required at the discretion of the Board of Directors from all officers and employees of the Association, and from any contractor handling or responsible for corporate funds. The premiums for such bonds shall be paid by the Association as a Common Expense.

Section 4. Records. The Association shall maintain accounting records according to good practice which shall be open to inspection by Members at reasonable times. Such records shall include a record of receipts and expenditures and accounts for each Member, which accounts shall designate the name and address of the Member, the due dates and amount of each Assessment, the amounts paid upon the account, and the balance due. A register of the names of all Institutional Mortgagees who have notified the Association of their liens, and to which lien holders the Association will give notice of default if required, shall also be maintained.

Section 5. Financial Reporting. The Association shall prepare an annual financial report as required by Florida Statute §720.303(7)(2008) as amended from time to time. The annual financial report will be prepared within ninety (90) days after the close of the fiscal year. The Association shall 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.

Section 6. Insurance. The Association shall procure, maintain and keep in full force and effect, such insurance as may be required to protect the interests of the Association, Board Members and ARC Members.

Section 7. Expenses. The receipts and expenditures of the Association may be credited and charged to accounts as the Board of Directors may determine, in accordance with good accounting practices.

Section 8. Budget. The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the Common Expenses, and to provide and maintain funds for the accounts established by the Board of Directors, in accordance with good accounting practices. The 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 as required by Florida Statutes §720.303(6)(2008) as amended from time to time.

ARTICLE XII
RULES AND REGULATIONS

The Board of Directors may, from time to time, adopt Rules and Regulations governing the details of the operation and use of the Association Property and the Common Property and the Parcels, provided that the Rules and Regulations shall be equally applicable to all Members and uniform in application and effect.

ARTICLE XIII
VIOLATIONS AND DEFAULTS

In the event of a violation of any of the provisions of the Declaration, these Bylaws, the rules and regulations adopted by the Association or the Articles of Incorporation, the Association shall have all rights and remedies provided by law, including without limitation (and such remedies shall be cumulative) the right to sue for damages, the right to injunctive relief, the levying of fines, and, in the event of a failure to pay Assessments, the right to foreclose its lien as provided in the Declaration; and in every such proceeding, the Owner at fault shall be liable for court costs and the Association's attorneys' fees, as the case may be. A suit to collect unpaid Assessments may be prosecuted by the Association without waiving the lien securing such unpaid Assessments.

ARTICLE XIV
AMENDMENT OF BY-LAWS

These Bylaws may be amended upon the recordation of an appropriate instrument in the Public Records of the County, subject to the following provision:

These Bylaws may be amended upon the initiation of a majority vote by the Board of Directors or at least twenty-five percent (25%) of the members of the Association, at any time, upon approval of at least sixty-six percent (66%) of the votes of the Members. Votes may be cast at a meeting of the Members, voting in person or by proxy or Members may express their approval by written consent.

No amendment or change to these Bylaws or the Exhibits hereto shall be effective to affect or impair the validity or priority of a first mortgage held by an Institutional Mortgagee encumbering a Parcel, or to effect or impair the rights granted herein to Institutional Mortgagees, without the written consent thereto by the Institutional Mortgagee owning and holding the mortgage encumbering the Parcel, which consent shall be executed with formalities of Deeds and recorded with the amendment.

ARTICLE XV
VALIDITY

If any By-Law, rule or regulation shall be adjudged invalid, such fact shall not affect the validity of any other By-Law, rule or regulation.

ARTICLE XVI
CONSTRUCTION

These By-Laws and the Articles of Incorporation of the Association shall be construed, in case of any ambiguity or lack of clarity, to be consistent with the provisions of the Declaration. In the event of any conflict between the terms of the Declaration, the Articles of Incorporation or these By-Laws, the following order of priority shall apply: the Declaration, the Articles of Incorporation and the By-Laws.

The foregoing were adopted as the Bylaws of Moorings/Safety Harbour Property Owners Association, Inc., a not-for-profit corporation under the laws of the State of Florida, by a majority of the entire membership, which adoption occurred at the meeting of the Members on the 9th day of MARCH, 2011.

WITNESSES AS TO PRESIDENT:

MOORINGS/SAFETY HARBOUR
PROPERTY OWNERS ASSOCIATION, INC.

Printed Name: Susan Queen

By: Ronald Antoniewicz President

Printed Name: JANET H. HANSON

STATE OF FLORIDA
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me on March 9, 2011, by Ron Antoniewicz, as President of Moorings/Safety Harbour Property Owners Association, Inc. [] who is personally known to me, or [] who has produced identification [Type of Identification]: _____

Notary Seal



Notary Public

WITNESSES AS TO SECRETARY:

MOORINGS/SAFETY HARBOUR PROPERTY
OWNERS ASSOCIATION, INC.

Printed Name: Susan Queen

By: Charles B. Hecker Secretary

Printed Name: JANET H. HANSON

CORPORATE SEAL

STATE OF FLORIDA
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me on March 9, 2011, by Charles Hecker, as Secretary of Moorings/Safety Harbour Property Owners Association, Inc. [] who is personally known to me, or [] who has produced identification [Type of Identification]: _____

Notary Seal



Notary Public