

BY-LAWS

OF

SECRET HILLS COMMUNITY ASSOCIATION, INC.

a Florida Corporation Not For Profit

1. IDENTITY.

1.1 Applicability. These are the By-Laws of SECRET HILLS COMMUNITY ASSOCIATION, INC. (the "Association"), a Florida corporation not for profit organized pursuant to the provisions of Chapter 617, Florida Statutes, 1987, as amended to the date of filing of the Articles of Incorporation (the "Articles"). The purpose and object of the Association shall be to own, maintain and upkeep the Common Areas, as defined in the Articles and the Declaration of Covenants, Conditions, Restrictions and Easements for Secret Hills (the "Declaration"), enforce the covenants and restrictions contained within the Declaration, and to exercise any other rights, powers and duties granted to it under the Declaration or the Articles.

1.2 Office. The office of the Association shall be at 2051 Art Museum Drive, Suite 130, Jacksonville, Florida 32207, or at such other place as may be established by resolution of the Board of Directors.

1.3 Fiscal Year. The fiscal year of the Association shall be the first day of January through the last day of December.

1.4 Seal. The seal of the Association shall bear the name of Secret Hills Homeowners Association, Inc., the word "Florida", the words "Corporation Not For Profit", and year of incorporation.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES.

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

2.2 Quorum. A quorum at meetings of Members shall consist of persons entitled to cast a majority of the votes of the membership entitled to vote upon any matter or matters arising at said meeting.

### 2.3 Voting.

(a) Each Lot Owner as defined in the Declaration and the Articles, other than the "Developer", shall be a Class A Member, as that term is defined in the Articles, and shall be assigned the right to cast one vote at any meeting of Members.

(b) "The Developer", as that term is defined in the Declaration and Articles, shall be a "Class B Member", as that term is defined in the Articles, and shall be entitled to cast a number of votes equal to the total number of votes held by all Class A Members, plus one, so long as Developer is a Class B Member.

(c) If a Lot is owned by one person, his right to vote shall be established by the record title to his Lot.

(d) If any Lot is owned by more than one person or a partnership, corporation, trust, or any other association or entity, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by all of the record owners of the Lot or by the President, general partner or other chief executive officer of the respective entity and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until ownership of the Lot is changed. A certificate designating the person entitled to cast the vote of a Lot may be revoked by any owner of that Lot. If such certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.4 Vote Required. 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, duly called and at which a quorum is present, the acts approved by the affirmative vote of a majority of the votes present at such meeting shall be binding upon the Members.

2.5 Proxies. 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 ten (10) proxies. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. All such proxies shall be filed with the Secretary prior to or during the roll call of such meeting. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Lot owner executing it.

3. MEMBERS' MEETINGS.

3.1 Annual Meeting. The annual meeting of the Members shall be held at the office of the Association or such other place as the Board of Directors may determine, and at such time as may be specified in the notice of the meeting, on the second Thursday in November of each year or such other date as determined by the Board 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 Thursday, or such day as the Directors shall determine and include in the notice of meeting.

3.2 Special Meeting. 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, and must be called by such officers upon receipt of a written request from Members entitled to cast a majority of the votes of the entire membership.

3.3 Notice of Meetings.

(a) Generally. Written notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member or class of Members, if any, unless waived in writing. Each notice shall state the time and place of and purpose for which the meeting is called and shall be mailed to the Members at least fourteen (14) days prior to said meeting.

(b) Annual. 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 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, and the post office certificate of mailing shall be retained as proof of such mailing.

(c) Special. Notice of Special Meetings shall be given to each Member not less than fourteen (14) days prior to the date set for the meeting and shall be mailed or delivered personally to the Member.

(d) Waiver. 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 constitute notice of such Member.

(e) Adjourned Meetings. 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 or the By-Laws 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.

3.4 Presiding Officer and Minutes. At meetings of Members, the Chairman of the Board, or in his absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting. Minutes shall be kept in a business like manner and available for inspection by Directors, Lot owners 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 three years.

3.5 Order of Business. The order of business at annual meetings of Members, and, as far as practical, at other meetings or Members, shall be:

- (a) Calling of the roll and certifying of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading or waiver of reading of minutes of previous meeting of Members;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Appointment by Chairman of inspectors of election;
- (g) Election of Directors;
- (h) Unfinished business;
- (i) New business;
- (j) Adjournment.

#### 4. Board of Directors.

4.1 Composition of Board and Developer Control. The affairs of the Association shall be managed by a Board of Directors. The first Board of Directors shall consist of one (1) person who shall be appointed by the Developer. So long as there is a Class B Member, the Class B Member (the Developer or its successor) shall be entitled to appoint a majority of the directors. Each member of the Board of Directors shall be entitled to one vote. Directors

shall be elected or appointed at the annual meeting of the Association.

4.2 Election of Directors. Directors shall be elected or appointed in the following manner:

(a) Commencing with election of the Board to succeed the first Board as designated in the Articles, Developer shall appoint that number, and the identity, of the members of the Board which it shall be entitled to appoint in accordance with the Articles and these By-Laws, and upon such appointment by Developer, by written instrument presented to the meeting at which such election is held, the persons so appointed 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 appointed, as the case may be, and qualified in accordance with the provisions of these By-Laws.

(b) For so long as the Developer shall retain the right to appoint a majority of the Board of Directors, all members of the Board of Directors whom Developer shall not be entitled to appoint under these By-Laws shall be elected at large, by a plurality of the votes cast at the annual meeting of the general membership, by the Class A Members, immediately following appointment of the members of the Board whom Developer shall be entitled to appoint. Commencing with the first annual election of Directors after the Developer shall have relinquished the right to appoint at least one Director, the members shall elect five (5) Directors, by a plurality of the votes cast at the annual meeting of the general membership.

(c) Vacancies on the Board may be filled, through the unexpired term thereof, by the remaining Directors except that, should any vacancy on the Board be created in a directorship previously filled by any person appointed by the Developer, such vacancy shall be filled by Developer appointing by written instrument delivered to any officer of the Association, the successor Director, who shall fill the vacated directorship for the unexpired term thereof.

(d) In the election of Directors, there shall be appurtenant to each Lot one (1) vote for each Director to be elected provided, however, that no Member 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.

(e) Until such time as the Class A Members are entitled to elect all of the Directors, each Director shall serve for one year until the next annual meeting or such other time as his successor is elected. At the first annual meeting at which the Class A Members are entitled to elect all of the members of the

Board of Directors, three directorships shall be designated as two-year term directors and the other two shall be one-year term directors. At the next succeeding annual meeting, such one-year term directorships shall be, from that point on, designated as two-year term directorships. The intent hereof is to stagger the terms of the directorships so that there shall be two or three directors elected each year for two-year terms.

(f) In the event that Developer selects any person or persons to serve on the 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.

4.3 Organizational Board Meeting. 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.

4.4 Regular Board Meeting. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. 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. Meetings of the Board of Directors shall be open to all Members. Notice of any meetings where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

4.5 Special Meetings. 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. Except in an emergency, not less than two (2) 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. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

4.6 Board Minutes. 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.

4.7 Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

4.8 Quorum. 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 or these By-Laws. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of attendance may be required as set forth in the Articles or these By-Laws, 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.

4.9 Action Without a Meeting. To the extent now or from time to time hereinafter permitted by the laws of Florida, the Board may take any action which they might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken, signed by each Director, shall be filed and retained in the minute book of the Association.

4.10 Removal. Directors may be removed from office with or without cause by the vote or written agreement of a majority of all Members, provided, however, that only the Developer can remove a member of the Board who was appointed by the Developer.

4.11 Presiding Officer. The presiding officer of meetings of the Board shall be the Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

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

(a) Make and establish reasonable rules and regulations governing the use of the Property or the Common Areas, as such terms will be defined herein and in the Declaration.

(b) Adopt, for, and in advance of, each fiscal year, a budget necessary to carry out the purposes of the Association as set out herein.

(c) Levy and collect assessments against Members of the Association to defray the expenses of the Association, including the right to enforce any lien right granted the Association to secure the payment of said assessments.

(d) Own, operate, lease, sell, manage, encumber, convey, subject to easements, and otherwise deal with such real and personal property as may be necessary or convenient for the administration of the Common Areas.

(e) To own, manage, administer and operate such property as may be conveyed to it by the Developer, its successors or assigns for the mutual benefit and use of all Members.

(f) Enforce the provisions of these Articles of Incorporation, the By-Laws, the Declaration and all covenants, restrictions, rules and regulations governing use of the Property, or a portion thereof, and the Common Areas which may now or hereafter be established.

## 5. OFFICERS.

5.1 Generally. 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 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.

5.2 President. 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.

5.3 Vice-President. 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.



5.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the affairs of the Association. He shall have such additional powers as the Board may designate.

5.5 Treasurer. 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.

5.6 Compensation. No compensation shall be paid to any officer of the Association except with the approval of a majority of the membership, reflected by a vote taken at a duly constituted membership meeting. No officer who is appointed by the Developer shall receive any compensation for his services as an officer. Nothing herein shall be construed so as to prohibit or prevent the Board of Directors from employing any director or officer as an employee of the Association at such compensation as the Board shall determine, nor shall anything herein be construed so as to preclude the Board from contracting with a director or officer or with any corporation in which a director or officer of the Association may be stockholder, officer, director or employee, to carry out the Association's duties and responsibilities for such compensation as shall be mutually agreed between the Board and such officer, director or corporation, for it is expressly contemplated that the first Board of Directors may enter into such contracts with persons who are initial officers or directors of the Association, or with corporations having officers, directors or employees who are also members of the first Board of Directors of the Association.

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

7. AMENDMENTS TO BY-LAWS. These By-Laws may be altered or amended as proved in Article X of the Articles.

The foregoing were adopted as the By-Laws of SECRET HILLS COMMUNITY 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 \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary

APPROVED:

\_\_\_\_\_  
President