

Section 2. First Board. The First Board shall consist of three (3) persons as designated by Developer, and they shall serve until their successors are appointed or elected as hereinafter set forth. Developer-designated members to the Board may, in the absolute discretion of Developer, be removed and replaced with any such person or persons as determined by Developer. Such removal and replacement shall be accomplished by written notice from Developer to the Board of Directors.

Section 3. Election by Members other than Developer. Members other than Developer are entitled to elect a majority of the members of the Board of Directors of the Association when the earlier of one of the following events occurs (for the purposes of this Section, the term "Members other than Developer" shall not include builders, Contractors or others who purchase a Parcel for the purpose of constructing improvements thereon for resale):

- a. three (3) months after 90% of the Parcels in Aberdeen Parcel "O" that will ultimately be operated by the Association have been conveyed to Parcel Owners;
- b. such other percentage of the Parcels have been conveyed to members, or such other date or event has occurred, as set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of Parcels.

Section 4. Developer's Right to Elect. The Developer is entitled to elect at least one (1) member of the Board of Directors of the Association as long as Developer holds for sale in the ordinary course of business at least five percent (5%) of the Parcels of Aberdeen Parcel "O". After the Developer relinquishes control of the Association, the Developer may exercise the voting interests attributable to Parcels owned by Developer in the same manner as any other Member, except for purposes of reacquiring control of the Association or selecting the majority of the members of the Board of Directors.

Section 5. Term of Office. Directors shall be elected as provided in Article VIII of the Articles of Incorporation. Election of Directors shall be held at or in conjunction with the annual meeting.

Section 6. Removal. At such time as the members of the Association are permitted to elect Directors, any Director may be removed from the Board with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 7. Compensation. No Director shall receive compensation for any service such Director may render to the Association. However, any Director may be reimbursed for such Director's actual expenses incurred in the performance of such Director's duties.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

The nomination and election of Directors by Members, other than Developer, shall be conducted as follows:

Section 1. **Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the election meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the members to serve until the close of that annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.

Section 2. **Election.** Election to the Board of Directors shall be by secret written ballot, unless unanimously waived by all members present. At each election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. **Regular Meetings.** Regular meetings of the Board of Directors shall be held on such dates and at such place and hour as may be fixed, from time to time, by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

Section 3. **Quorum.** A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. **Open Meetings.** Pursuant to F.S. 617.303, a meeting of the Board of Directors of the Association occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board 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 the discussion would otherwise be governed by the attorney-client privilege. Any Parcel Owner may tape record or videotape meetings of the Board of Directors. The Board of Directors may adopt reasonable rules governing the taping of meetings of the Board.

Section 5. **Notice.** Pursuant to F.S. 617.303, notices of all Board meetings must be posted in a conspicuous place in Aberdeen Parcel "O" at least 48 hours in advance of a meeting, except in an emergency; in the alternative, as so determined by the Board, notice of each Board meeting may be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Assessments may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

Section 6. **Voting.** Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers.

Section 7. Minutes. Minutes of all meetings of the Board of Directors must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon by each Director present at a Board meeting must be recorded in the minutes.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the powers reasonably necessary to operate and maintain the Association, including, but not limited to, the following:

(a) Adopt and publish rules and regulations governing the use of the Common areas and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties and/or fines and suspensions for the infraction thereof;

(b) Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(e) Employ a manager, an independent Contractor, or such other employees as they deem necessary, prescribe their duties and delegate any or all of the duties and functions of the Association and/or its officers; and

Section 2. Duties. It shall be the duty of the Board of Directors to cause the Association to perform the purposes for which it was formed, including, but not limited to, the following:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present statement thereof to the members at the annual meeting of the members;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration, to fix the amount of the annual assessment against each Parcel and send notice thereof to every Parcel Owner at least thirty (30) days in advance of each annual assessment period;

(d) Issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain such insurance as deemed necessary by the Board of Directors;