

**FRENCHMAN'S CREEK , INC.
AMENDED AND RESTATED BY-LAWS**

TABLE OF CONTENTS

	PAGE
I. IDENTITY	2
II. PURPOSES	2
III. MEMBERSHIP AND VOTING	3
IV. MEMBERS MEETING	5
V. BOARD OF GOVERNORS	7
VI. MEETINGS OF BOARD OF GOVERNORS	13
VII. POWERS OF THE BOARD OF GOVERNORS	14
VIII. OFFICERS	18
IX. DUTIES OF OFFICERS	19
X. COMMITTEES	21
XI. PROCEDURE	24
XII. AMENDMENTS	25
XIII. ASSESSMENTS AND MANNER OF COLLECTION	25
XIV. FISCAL MANAGEMENT	27
XV. ADMINISTRATIVE RULES AND REGULATIONS	29
XVI. VIOLATIONS AND DEFAULTS	30
XVII. VALIDITY	31
XVIII. CONSTRUCTION	31
XIX. CONFLICT OF INTEREST	31
XX. APPROVAL OF MAJOR ACTIONS	32
XXI. TRANSFER OF RECREATIONAL CERTIFICATES	33
XXII. GUEST PRIVILEGES	35
XXIII. DISCIPLINE	35
XXIV. GENDER AND FLORIDA LAW	36

The date of adoption of the original Frenchman's Creek Property Owners' Association, Inc. By-Laws was December 4, 1998. Amendments were made and approved by the Frenchman's Creek Membership at an Annual or Special meeting held on: May 27, 2003 (rewrite); March 13, 2004; November 19, 2005; March 14, 2009;

**AMENDED AND RESTATED BY-LAWS
OF
FRENCHMAN'S CREEK , INC.**

A Florida Not for Profit Corporation and
Florida Homeowners' Association

These Amended and Restated By-Laws of Frenchman's Creek, Inc., a Florida Not for Profit Corporation under F.S. Chapter 617 and Homeowners' Association under F.S. Chapter 720, were adopted by the Members of the Association effective May 27, 2003.

**ARTICLE I
IDENTITY**

SECTION 1. NAME

The name of this corporation is FRENCHMAN'S CREEK , INC., hereinafter referred to as the "Association".

SECTION 2. CORPORATE SEAL

The seal of the Association shall be circular in form and bear the words "Frenchman's Creek , Inc., Corporate Seal 1987 Florida". The Corporate Seal shall be in the possession of the Secretary and shall be affixed to all documents relating to the Official Acts of the Association, as required by law.

**ARTICLE II
PURPOSES**

The purposes of the Association are to serve as the instrumentality of the Members for the purpose of controlling and regulating the use of the Property; of promoting, assisting, and providing adequate and proper maintenance of the Property for the benefit of all Members therein; of providing and promoting recreational activity within the Property through the acquisition and ownership of facilities for the recreation, pleasure and benefit of Members (whether by fee simple ownership, leasehold or other possessory use interest), the maintenance of the land and facilities, of enhancing the quality of life and property values within Frenchman's Creek by actions inside or outside Frenchman's Creek and such other means and methods as it may deem in the best interest of its Mem-

bers; to exercise all powers and discharge all responsibilities granted to it as a corporation not for profit and as a homeowners' association under the laws of the State of Florida, its Articles of Incorporation, these By-Laws, and the Amended Declaration; to acquire, hold, convey and otherwise deal with the 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 and as contemplated by a certain Amended and Restated Declaration of Covenants and Restrictions for Frenchman's Creek recorded in the Public Records of Palm Beach County, Florida, in Official Record Book 14277, page 807, as modified (the "Amended Declaration"), that amends the Declaration of Covenants and Restrictions for Frenchman's Creek as recorded in Official Record Book 2918, page 0325, Public Records of Palm Beach County, Florida, and as was amended from time to time.

These Amended and Restated By-Laws are the By-Laws referred to in the Amended Declaration and all terms used herein that are defined in the Amended Declaration shall have the same meaning in both documents. The Amended Declaration, the Amended and Restated Articles of Incorporation of the Association, and these By-Laws are sometimes referred to as the "Governing Documents".

ARTICLE III **MEMBERSHIP AND VOTING**

SECTION 1. QUALIFICATION 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 recording a deed therefore in the public records of Palm Beach County, Florida and, except for properties described in Exhibits "AA" and "BB" of the Amended Declaration, as may be amended from time to time, by paying the required fees, charges, assessments and/or equity to become a Member. 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 trans-

feree, subject to such transferee's payment of all fees, charges, assessments and/or equity to become a Member. Membership shall be appurtenant to, and may not be separated from, ownership of property subject to the Amended 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. RECREATIONAL FACILITIES

(A) Members are required to pay equity payments and fees to enjoy the Recreational Facilities and shall receive a Recreational Certificate. Such Certificates shall be in a form approved by the Board of Governors, shall state that the same are issued subject to the By-Laws and Rules and Regulations of the Association as they now or may be amended and shall be subscribed by the President or a Vice President and Secretary and under the Seal of the Association.

(B) Recreational Certificates are not redeemable or transferable except as specifically provided for by these By-Laws and then only through the Association. Whenever any person shall cease to be a Member, such cessation shall operate to authorize the Treasurer of the Association to effectuate the redemption, cancellation, purchase or sale of the Recreational Certificate of such Member, but only in accordance with and in the manner prescribed by these By-Laws.

(C) A Recreational Certificate represents an equity in the Recreational Facilities which is stated at the returnable equity contribution amount and is returnable in accordance with the By-Laws. The Board of Governors shall determine from time to time, but always in advance of any transfer request, what percentage of the Recreational Certificate is to be allocated to returnable equity and what percentage is to be non-returnable and allocated to the capital reserve account.

(D) Members who hold Recreational Certificates shall, subject to the provisions of Article XVI below, be entitled to full enjoyment of all Recreational Facilities in accordance with the Association's Rules and Regulations. Members who hold Tennis Recreational Certificates may not enjoy the golf courses under any circumstances.

SECTION 3. VOTING

Members shall be entitled to one vote for each Parcel or contiguous Parcels which contain one Dwelling thereon, 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, by proxy, mail or other approved means. Proxies or votes other than in person must be filed with the Secretary of the Association by a time specified by the Board of Governors prior to a meeting. A proxy shall be valid and entitle the holder thereof to vote if it is dated, signed and states the date, time and place of the meeting for which it was given. Proxies are only effective for the meeting for which they are given, or any adjournment if such adjournment is within ninety (90) days of the date of the meeting for which given. Any Member who owns more than one Parcel shall be entitled to exercise or cast one vote for each such Parcel. When more than one person holds the ownership interest required for membership, the vote of such Parcel shall be exercised by the individual who is designated as the Member of the Association. With respect to each Parcel owned by more than one (1) person or by other than a natural person, or persons, the Members shall file with the Secretary of the Association a notice designating the name of an individual who shall be authorized to cast the vote of such Owner. In the absence of such designation, the Owner shall not be entitled to vote on any matters coming before the membership.

With respect to Parcels owned by husband and wife, as tenants by the entireties, no certificate need be filed with the Secretary of the Association naming the person authorized to cast votes for such Parcel, and either spouse, but not both, may vote in person or by proxy, unless, 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.

ARTICLE IV **MEMBERS MEETING**

SECTION 1. ANNUAL MEETING

An Annual Meeting of the Members of the Association shall be held once a year for the purpose of receiving reports of the president and others, to elect a Board of Governors and

for such other business as may be properly brought before the meeting.

SECTION 2. DATE AND PLACE OF ANNUAL MEETING

Annual Meetings shall be held on the second Saturday in the month of March at 2:30 p.m. Meetings shall be held at such place within the State of Florida as the Board of Governors may designate provided that said Annual Meetings shall not be conducted more than five miles from the Frenchman's Creek Clubhouse. Adjournments of Annual Meetings may be made as permitted by law.

SECTION 3. SPECIAL MEETINGS

Special Meetings of the Members may be called by the President, a majority of the members of the Board of Governors or upon the written petition of at least sixty (60) Members then entitled to vote. Such a petition shall be submitted to the President and he/she shall be required to call a Special Meeting to be held, subject to the provisions of the last sentence of this Section 3, within forty-five (45) days of the date he/she receives the same. No business may be transacted at a Special Meeting other than as set forth in the notice of such meeting provided however any decision rendered by the community members at the meeting or by absentee ballots will be advisory only if the governing body has not addressed the issue raised at the Special Meeting. Adjournments of Special Meetings may be made as permitted by law. Except upon a majority vote of the Board of Governors, Special Meetings shall only be called between October 1 and May 31 of any year (to allow for the maximum participation in the decision of an issue.)

SECTION 4. NOTICES

The Secretary shall give not less than thirty (30) days prior notice, by prepaid mail to each Member at the Member's address as it appears on the books of the membership office stating the time, place and purpose of any Annual or any Special Meeting. Notice of any Annual or Special Meeting shall also be posted on the official bulletin board of the Clubhouse on the date of its mailing to the Members. On a date prior to a Special Meeting, an open Town Meeting shall be scheduled to review the issues to be voted on at the Special Meeting and to allow Members to ask questions and express their

ideas and opinions.

SECTION 5. QUORUM

The presence, either in person, by proxy, mail or other approved means, of Members having thirty (30%) percent of the votes then entitled to be voted shall constitute a quorum at any meeting of the Members.

SECTION 6. VOTING

Except for election of Members to the Board of Governors and as otherwise provided for under Article VII or Article XX of these By-Laws, the greater of two-thirds (2/3) of a quorum of the membership or a majority of the Members voting, either in person, by proxy, by mail, or by electronic or technologic means as may be approved by the Board of Governors, shall be necessary for the passage of any motion.

SECTION 7. DESIGNATION OF PERSON ENTITLED TO VOTE

Only Members or designated individuals eligible pursuant to Article III shall be entitled to vote.

SECTION 8. ASSESSMENTS

An assessment may not be levied pursuant to Member approval unless the notice of meeting includes a statement that assessments will be considered and the nature of the assessments.

ARTICLE V BOARD OF GOVERNORS

SECTION 1. NUMBER AND QUALIFICATIONS

The affairs of the Association shall be managed by a Board of Governors (the "Board of Governors") which shall consist of fifteen (15) natural persons, five of whom shall be elected each year for a three-year term and all of whom shall be Members of the Association in good standing.

A member of the Board of Governors shall be limited to two consecutive three-year terms.

A member of the Board of Governors who has served two consecutive three-year terms shall again be eligible for election to the Board after two years of being off the Board. Any member of the Board of Governors appointed by the Board to fill a vacancy on the Board shall remain eligible to serve until the next Annual Meeting of the Members, at which time a Member (who may be the Member previously appointed to fill the vacancy) shall be nominated by the Nominating Committee and if elected by the Members shall serve for the remainder of the unexpired term originally created by said vacancy. Any member of the Board of Governors appointed or elected for less than a three-year term shall be eligible to serve two consecutive additional three-year terms.

The immediate past President, if not then serving as an elected Governor, shall be an ex-officio member of the Board of Governors, without the right to vote, for a period of one year from the date of termination of his term as President.

SECTION 2. NOMINATING COMMITTEE

(A). The Nominating Committee shall be comprised of fifteen(15) Members plus two (2) non-voting Members, one (1) selected by the Board of Governors and one (1) who shall serve as temporary chairperson selected by the previous Nominating Committee). The process for selecting the fifteen (15) members shall be as follows:

1. The accountant for the Association shall supervise a random selection of one hundred fifty (150) Members in good standing (Members who are current in all financial obligations to the Association and who are not subject to sanction or suspension).

2. To be eligible for selection to the Nominating Committee, Members (or spouses thereof) must have owned a dwelling in Frenchman's Creek for a minimum of three full years by November 1st preceding selection and, they or their spouses may not be a member of or become a candidate for the Board of Governors in the upcoming election. Except for the non-voting Members referred to above, members of the Nominating Committee may not serve two (2) consecutive years on such Committee.

3. A letter or fax shall be sent to each Member selected to ascertain whether the Member or his or her spouse would be willing to serve on the Nominating Committee. The letter shall state that responders must be eligible and agree to be available for meetings and interviews a minimum of two weeks during the period of December 15 through January 15, and recommend that responders should not volunteer unless they have been active in community affairs, have served on a committee of the Association, or have knowledge of community needs.

4. A second random selection shall be made from those volunteering. The first fifteen (15) selected from the volunteers shall be designated as voting members of the Nominating Committee and all others shall be listed numerically from 15 forward.

(B) Duties of the Nominating Committee:

1. The temporary chairperson will be responsible for calling the first meeting of the Nominating Committee. At that meeting, the Nominating Committee shall elect a voting member as a permanent chairperson.

2. A majority of the Nominating Committee present shall constitute a quorum at any meeting for the purpose of transacting business and, except as set forth in subsection C below, a majority vote of the fifteen (15) voting members shall be required for action by the committee.

3. The Nominating Committee shall send a letter to all Members setting forth the criteria for Board membership, and asking Members to recommend candidates for the Committee's consideration, and/or to apply.

4. The Nominating Committee may actively seek out candidates for the Board.

5. The Nominating Committee shall meet to determine the specific two week period necessary to conduct interviews and other business of the Committee between December 15th and January 15th. If prior to the time the Committee commences interviews of candidates a member of the Committee is unable to be available during the specified two week period, that member shall automatically be removed from the Committee and will be replaced by the next person in line

from the previously referred to second random selection list. Once interviews of candidates have commenced, there shall be no further replacements.

6. The Nominating Committee shall prepare and send to each potential candidate a copy of the Strategic plan and questions that he or she will be expected to respond to at the time of the interview.

7. The Nominating Committee shall set a "Meet the Candidate" town meeting to be held on the second Saturday in February to introduce candidates to the membership.

(C) By a two-thirds (2/3) majority vote the Nominating Committee shall select, on or before January 15, candidates equal to the number of vacancies to be filled including vacancies occurring by reason of death, resignation or otherwise. These candidates may not be Members of the Nominating Committee or the Board of Governors or spouses of Members of the Nominating Committee or spouses of members of the Board of Governors who will continue to serve in office past the Annual Meeting and each of whom must be Members of the Association in good standing. The names of these candidates shall be submitted to the Members of the Association at their Annual Meeting for election to the Board of Governors. Within five days after the Nominating Committee has completed its nominations, the names of the Members so nominated shall be posted on the official bulletin board of the Association and also mailed to the membership. This notice shall also state the final date by which petitions must be filed.

(D) Forty (40) Members in good standing of the Association who are not on the Nominating Committee may also nominate a candidate who is a Member in good standing for election to the Board of Governors, by petition signed by them and filed with the Secretary by February 5th. Each household may sign no more than two separate petitions.

(E) The names of such candidates proposed by Members' petition, after the Secretary or any other officer certifies that they are qualified for election and have been nominated in accordance with the provisions of these By-Laws, shall, after the expiration of the deadline for filing of petitions, be both posted on the official bulletin board of the Association and mailed to the members at least twenty-one (21) days prior to the date of the annual meeting.

(F) A candidates brochure shall be prepared listing the resumes of all candidates for the Board of Governors. The brochure shall be mailed to the membership along with a ballot and a return proxy within five (5) days following the Meet-the-Candidates Town Meeting. This mailing shall include instructions for voting. The Nominating Committee shall obtain from each candidate in the form and at a designated length answers to questions prepared by the committee that shall accompany the ballot mailed to the membership.

SECTION 3. ELECTIONS

(A) There shall be no cumulative voting for Board members.

(B) Voting shall be either in person, by proxy, by mail, or by such electronic or technologic means as may be approved by the Board of Governors.

(C) In the election for Governors, the names of all candidates shall be listed in alphabetical order. The candidates of the Nominating Committee and candidates by petition shall be identified as to the origin of nomination. Each ballot or proxy voted at such election shall contain a vote for five (5) candidates. Any ballot or proxy which contains votes for more or less than five (5) candidates shall be deemed void and shall be of no force or effect. All voting shall be by secret ballot or proxy using the "double envelope" technique whereby Members' identification appear only on the outer-envelope. Proxies and ballots shall be tabulated by the association's independent auditors.

(D) The candidates receiving the five (5) highest number of votes at the Annual meeting shall fill the regular three (3) year terms. The candidate(s) receiving the next highest number of votes shall be elected to fill the unexpired term(s) of a vacating Board member in descending order until a full slate is elected.

(E) There shall be no campaigning or written advertising in the form of placards, posters or circulars by or on behalf of any candidate.

SECTION 4. SPECIAL PROVISIONS

(A) No Governor shall receive or be entitled to any compensation for his services as Governor but Governors shall be entitled to reimbursement for all expenses incurred as such, if approved by the Board.

(B) All Governors and Officers must be Members in good standing.

SECTION 5. RESIGNATION, VACANCY, REMOVAL

(A) Resignation. Any Governor or Officer 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. The acceptance of a resignation shall not be necessary to make it effective.

(B) Governor Vacancy. A vacancy occurring on the Board of Governors shall be filled by the remaining members of the Board by electing a person who shall serve until the next Annual Meeting of Members.

(C) Officer Vacancy. When a vacancy occurs in an office for any reason before an officer's term has expired, the office shall be filled by the Board by electing a person to serve for the unexpired term or until a successor has been elected by the Board and shall qualify.

(D) Removal. Any Governor may be removed with or without cause, upon a petition in writing signed by a majority of the Members or at a meeting of Members called at least in part for this purpose, by the greater of two-thirds (2/3) of a quorum of the membership or a majority of the Members voting either in person, by proxy, mail or other approved means. At any such meeting, the Officer or Governor whose removal is sought shall be given the opportunity to be heard.

SECTION 6. INDEMNIFICATION OF GOVERNORS, OFFICERS AND COMMITTEE MEMBERS.

Every duly elected Governor, elected or appointed officer, employee or committee member and any other person acting on behalf of the Association or at the direction of an officer or Board of Governors of the Association shall be in-

demnified by the Association against all expense and liability, including counsel fees reasonably incurred by or imposed upon them in connection with any proceeding to which he/she may be a party, or in which he/she may become involved by reason of being or having been in any such position at the time such expenses were incurred, except in such cases where the said individual is adjudged guilty of fraud or willful malfeasance in the performance of duty, in which case there will be no such reimbursement. The foregoing right of indemnification shall be in addition to and not exclusive of any other rights to which such individuals may be entitled.

ARTICLE VI
MEETINGS OF BOARD OF GOVERNORS

SECTION 1. ANNUAL MEETING

Within ten (10) days after the Annual Meeting of the Members, the Board of Governors shall hold its organizational Annual Meeting to elect officers of the Association and to consider any other matters as may be properly brought before the meeting.

SECTION 2. QUORUM

A majority of the Board of Governors at any meeting shall constitute a quorum for the transaction of business. A meeting of the Board of Governors takes place whenever a majority of the Board of Governors gathers to conduct Association business.

SECTION 3. MEETINGS/SUNSHINE

(A) Frequency. The Board of Governors shall have a minimum of six regular meetings in each year to be held at such times, as the Board of Governors shall determine.

(B) Sunshine. All meetings of the Board of Governors must be open to all Members except for meetings between the Board and its attorneys with respect to proposed or pending litigation where the content of the discussion would otherwise be governed by the attorney-client privilege or other meetings which may be closed according to Florida law.

SECTION 4. NOTICE/POSTING

(A) Notice. Notice of regular meetings shall be given to each Governor personally or by mail, telephone, telegram or telecommunications facsimile at least seven days prior to the date named for such meeting. Not less than three days notice of a Special Meeting shall be given each Governor personally or by mail, telephone, telegram or telecommunications facsimile which notice shall include the purpose of the meeting. A Governor may waive in writing his right to receive the notice for a particular meeting.

(B) Posting. Notices of all Board meetings must be posted in the Clubhouse at least 48 hours in advance of a meeting, except in an emergency.

SECTION 5. ASSESSMENTS

An assessment may not be levied at a meeting of the Board of Governors unless the notice of meeting includes a statement that assessments will be considered and the nature of the proposed assessments.

SECTION 6. VOTING

Voting by Governors may not be by proxy or by secret ballot, except that secret ballots may be used in the election or removal of officers.

ARTICLE VII
POWERS OF THE BOARD OF GOVERNORS

SECTION 1. MANAGEMENT OF THE ASSOCIATION

The Board of Governors shall exercise all powers of the Association and do all acts and things necessary to carry out the purposes of the Association.

SECTION 2. DUTIES AND POWERS

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

include, but not be limited to, the following:

- (A) All of the powers specifically provided for in the Amended Declaration and in the Articles of Incorporation.
- (B) The power to levy and collect Assessments against Parcels as provided for in the Amended Declaration, subject to notice as required by these By-Laws and Florida law.
- (C) The power to expend monies collected for the purpose of paying the Common Expenses of the Association.
- (D) The power to purchase equipment, supplies and material required for the maintenance, repair, replacement, operation and management of the Common Property.
- (E) The power to insure and keep insured the buildings and Improvements of the Association and other Improvements within the Property.
- (F) The power to pay utility bills for utilities serving the Common Property.
- (G) The power to contract for the management of the Association, and to delegate to contractors as manager and otherwise, all of the powers and duties of the Association, except those matters that must be approved by Members.
- (H) The power to make reasonable rules and regulations and to amend them from time to time, including rules and regulations relating to the use of the Recreational Facilities by Members and their guests.
- (I) The power to improve the Common Property, subject to the limitations of the Amended Declaration.
- (J) The power to enforce by any legal means the provisions of the Articles of Incorporation, the By-Laws, the Amended Declaration and the Rules and Regulations promulgated by the Association.
- (K) The power to collect delinquent Assessments and charges by suit or otherwise, and to abate nuisances and enjoin or seek damages from Members for violation of the provisions of the Amended Declaration, the Articles of Incorporation, these By-Laws or the Rules and Regulations.

(L) The power to pay all taxes and assessments which are liens against the Common Property.

(M) The power to control and regulate the use of the Common Property by the Members, and to promote and assist adequate and proper maintenance of that property.

(N) Subject to the provisions of Article XX, Section 2, of these By-Laws, the power to borrow money and the power to select depositories for the Association's funds, and to determine the manner of receiving, depositing, and disbursing those funds and the form of check and the person or persons by whom the same shall be signed, when not signed as otherwise provided by these By-Laws.

(O) The power to acquire real and personal property for the benefit and use of its Members and to dispose of the property in accordance with the Amended Declaration and the Articles of Incorporation.

(P) The power to enter into a long term contract with any person, firm, corporation or real estate management agent of any nature or kind, to provide for the maintenance, operation, repair and upkeep of the Common Property and of any facilities on lease to the Association or otherwise provided for the Members' usage. The contract may provide that the total operation of the managing agent, firm or corporation shall be at the cost of the Association as a Common Expense. The contract may further provide that the managing agent shall be paid from time to time a reasonable fee either stated as a fixed fee or as a percentage of the total costs of maintenance, operation, repair and upkeep out of the total funds of the Association handled and managed by the managing agent. Such fee, if any, shall be another of the management function costs to be borne by the Association, as a Common Expense, unless the contract provides to the contrary.

(Q) The power to establish additional Officers and/or Governors of this Association and to appoint all Officers, except as otherwise provided herein.

(R) The power to approve committee chairpersons and appoint such committees as the Board of Governors may deem appropriate and to establish the duties of such committees.

(S) The power to determine from time to time the payment which shall be required to purchase a Recreational Certificate and enjoy the Recreational Facilities, which shall include that amount allocated to returnable equity with the remaining balance to be allocated to the capital reserve account and to determine other charges, assessments and capital assessments for enjoyment of such facilities.

(T) The power to replace any Governor who shall fail to attend three (3) consecutive, regularly-scheduled Board of Governors meetings in any one fiscal year. Said replacement, if made, shall be valid until a nomination is made by the Nominating Committee to fill the vacancy at the next Annual Meeting of the Members.

(U) The power, subject to the provisions of Florida law, the Declaration of Covenants and Restrictions of Frenchman's Creek, and the Rules and Regulations, to discipline and suspend Members.

(V) The power to enforce the Amended Declaration as applicable to the purposes and operations of the Association.

(W) The power to possess, employ and exercise all powers necessary to implement, enforce and carry into effect the powers above described, including the power to acquire, hold, convey and deal in real and personal property.

(X) Except in case of casualty loss, as to the Common Property other than the Recreational Facilities, the Board of Governors shall not incur liabilities or sign contracts for the expenditure of more than One Hundred Thousand Dollars (\$100,000.00) for a single capital project or item during a fiscal year and a maximum of Two Hundred Thousand Dollars (\$200,000.00) for all capital expenditures during a fiscal year without Member approval; and as to the Recreational Facilities, the Board of Governors shall not incur liabilities or sign contracts for the expenditure of more than One Hundred Thousand Dollars (\$100,000.00) for a single capital project or item during a fiscal year and a maximum of Two Hundred Thousand Dollars (\$200,000.00) for all capital expenditures during a fiscal year without Member approval. Any capital expenditures for capital projects during a fiscal year over and above the limitations set forth above shall require the greater of two-thirds (2/3) of a quorum of the membership or a majority of the Members voting, either in person or by proxy, at its

Annual Meeting or at a Special Meeting for the Members at which meeting approval of the proposed capital projects and the cost thereof shall be on the agenda. During the course of a fiscal year, as to the Common Property other than the Recreational Facilities, the Board of Governors may approve unbudgeted capital expenditures of less than One Hundred Thousand Dollars (\$100,000.00) for any single project or item, provided total unbudgeted capital expenditures do not exceed Two Hundred Thousand Dollars (\$200,000.00); and as to the Recreational Facilities, the Board of Governors may approve unbudgeted capital expenditures of less than One Hundred Thousand Dollars (\$100,000.00) for any single project or item, provided total unbudgeted capital expenditures do not exceed Two Hundred Thousand Dollars (\$200,000.00).

(Y) In the management of the Association, the Board of Governors shall be aided by the Strategic Plan as approved by the membership.

SECTION 3. INTERPRETATION OF BY-LAWS

The Board of Governors subject to the limitations otherwise set forth herein shall have the corporate powers to generally do everything permitted by not-for-profit corporations and homeowners' associations by law, by statute, by charter and by these By-Laws, and to determine the interpretation or construction of these By-Laws, the Amended Declaration, the Articles of Incorporation of this Association, or any parts thereof, which may be in conflict or of doubtful meaning, and their decision shall be final and conclusive.

SECTION 4. APPOINTMENT AND EMPLOYMENT OF EXECUTIVE LEVEL EMPLOYEES

The Board of Governors shall approve the hiring of the Executive Director. The Executive Director, subject to the approval of the Board of Governors, shall hire all other executive level employees. The Executive Director shall be the chief operating executive of the Association.

ARTICLE VIII **OFFICERS**

The Board of Governors after each Annual Meeting shall elect from among the members of the Board of Governors, to serve for a period of one year or until their successors

shall be elected, a President, a First Vice President, a Second Vice President, a Secretary and a Treasurer of this Association , and such other officers as the Board from time to time determines appropriate. The term of the President shall be limited to two consecutive one-year terms.

ARTICLE IX DUTIES OF OFFICERS

SECTION 1. PRESIDENT

The President shall preside at all meetings, enforce observation of the provisions of these By-Laws and the Amended Declaration, and shall have such other duties and powers as directed by the Board of Governors. The President may call Special Meetings of the Board of Governors as provided for in these By-Laws and shall be an ex-officio member of all committees without vote but shall specifically not be an ex-officio member of the Nominating Committee and the Audit Committee. The President shall appoint the chairperson of all committees, except the Nominating Committee, subject to the approval of the Board of Governors.

SECTION 2. FIRST VICE PRESIDENT

In the absence or disability of the President, the First Vice President shall perform and carry out the duties and responsibilities of the President and in addition, thereto, he/she shall have other duties and powers as directed by the Board of Governors.

SECTION 3. SECOND VICE PRESIDENT

The Second Vice President shall assist the President and the First Vice President in carrying out their duties and responsibilities and in the absence or disability of the President and the First Vice President shall perform and carry out the duties and responsibilities of the President and in addition thereto he/she shall have other duties and powers as directed by the Board of Governors.

SECTION 4. SECRETARY

The Secretary shall keep records and minutes of all Board of Governors and membership meetings; and the Secretary shall be responsible for giving all required notices of

such meetings. The Secretary shall have custody of the Seal of the Association; and all membership records shall be kept under the Secretary's supervision.

SECTION 5. TREASURER

The Treasurer shall cause to be collected, held and disbursed under the direction of the Board of Governors, all monies of the Association; and it shall be the Treasurer's duty to collect monies due the Association, assessments and all other monies from Association Members, and all amounts due from others. The Treasurer shall keep or cause to be kept regular books of account and all financial records of the Association and shall have prepared for and submitted to the Board of Governors any proposed budgets and financial statements, when and in the form requested by the Board of Governors. The Treasurer shall deposit or cause to be deposited all monies of the Association in an account or accounts in the Association's name, in a bank or banks designated by the Board of Governors. Any person or persons having access to monies of the Association or its bank accounts shall be bonded in such amounts as shall reasonably be required by the Board of Governors who shall also determine check signing authority.

SECTION 6. OTHER OFFICERS

The Board of Governors may appoint additional officers and assign their duties.

SECTION 7. DUTIES OF OFFICERS

Any officer may be given additional assignments and duties by the Board of Governors.

SECTION 8. REMOVAL FROM OFFICE

Following written notification, any officer may be removed from office, with or without cause, by a two-thirds (2/3) vote of the full Board of Governors, at a meeting of the Board called at least in part for the purpose of considering such removal. The vote shall be by secret ballot.

ARTICLE X
COMMITTEES

SECTION 1. STANDING COMMITTEES

Standing committees shall not be subject to the sunshine meeting requirements and shall observe the Voting provisions set forth in Article VI, Section 6, and their specific duties and powers are described below:

(A) Executive Committee. The Executive Committee shall consist of all officers of the Board of Governors and the immediate past president as an ex officio member. The Executive Committee shall meet as required in intervals between Board meetings and shall have the power of the Board of Governors to act in emergency situations. Any action by the Executive Committee shall be submitted to the Board for ratification no later than the next regular Board meeting. A majority of the members of the Executive Committee shall constitute a quorum. Actions and resolutions by the Executive Committee require majority approval of the Members present with a minimum of three affirmative votes required to effectuate any action or resolution.

(B) Nominating Committee. The Nominating Committee shall have the duties and powers described in Article V, Section 2.

(C) Audit Committee. The Audit Committee of three persons shall meet with the Association's independent auditors prior to their annual engagement to review the intended scope of the audit and to evaluate the independence of the auditors. Subsequent to completion of the audit, the committee shall meet with the auditors to review findings including the adequacy of controls. The Audit Committee shall report to the Board of Governors from time to time. No member of the Audit Committee shall be a member of the Board of Governors. The Audit Committee shall submit an annual report to the membership. The Chairman and members of the Audit Committee shall, subject to approval by the Board of Governors, be designated by the President.

(D) Grievance Committee. The primary responsibility of the Grievance Committee is to investigate all written complaints relative to any Member's conduct and acts. In fulfilling its responsibility, the Grievance Committee shall perform

functions which include, but are not limited to, the following: 1) Act as a mediator between two or more parties that have a dispute within the community, 2) Hold hearings regarding the inappropriate conduct of a member towards another member or employee and to recommend to the Board of Governors appropriate disciplinary action, 3) Recommend to the Board and the Executive Director changes to the Rules and Regulations relative to the conduct of Members and employees, and 4) Perform such other functions as requested by the Board and the Executive Director.

(E) Compensation Committee. The Compensation Committee shall consist of Board Members, one nominee from each class, to serve on the committee with staggered terms for continuity. The Committee will also include the current and immediate past presidents. The Compensation Committee shall meet as required in intervals between Board meetings. A majority of the members of the Compensation Committee shall constitute a quorum.

SECTION 2. OPERATING COMMITTEES

Each year, after the first Annual Meeting, the President, subject to the approval of the Board of Governors, shall designate the Chairpersons of all Operating Committees. The President is encouraged to seek qualified Members of the community who are not Board Members to serve as Committee Chairpersons. However, the President may determine, in the community's best interest to select Board members to act as Committee Chairpersons. The President will designate a Board member to act as Board liaison with each Committee. All meetings of the Operating Committees must be open to all members.

(A) Governance Committees. A committee or committees may be established with regard to the following areas of governance:

By-Laws
Communications
External Affairs

(B) Recreational Facility Activity Committees. A committee or committees may be established with regard to the following activities:

Art Expo
Beach Club
Charity Day
Entertainment
Golf
Green
Member Relations
Food and Beverage
Fitness
Special Events
Tennis

(C) Operations Committees. A committee or committees may be established with regard to the following operational activities:

Engineering
Finance
Human Resources
Landscape
Legal
Marketing
Security
Safety
Technology
Waterfront

(D) Strategic Planning Committee. A committee or committees may be established to assist the Board of Governors with facilities and strategic planning.

(E) The Architectural Review Board. The primary responsibility of the Architectural Review Board ("ARB") is to provide systematic and uniform review of all proposed new construction and exterior alterations as provided for and formerly designated the New Construction Committee (N.C.C.) in the Amended Declaration and in accordance with the Frenchman's Creek, Inc., Architectural Review Board Manual of Procedures and Criteria as amended by the Board of Governors from time to time. By establishing and maintaining design criteria regarding such proposed plans, the ARB will help preserve the harmonious design and appearance of the community, as well as those standards developed by the ARB under the authority of the Association's documents. The Chairman and members of the ARB shall, subject to approval by the Board of Governors, be designated by the President. The

ARB shall be subject to review and direction by the Board of Governors.

(F) Real Estate Subsidiary – Frenchman’s Creek Realty, Inc. The Board of Governors will elect the directors of the real estate subsidiary as provided in its By-Laws.

SECTION 3. AD HOC COMMITTEES

The President may from time to time appoint Ad Hoc Committees.

SECTION 4. POWERS OF COMMITTEES

All committees, except the Nominating and Audit Committees, shall be subject to the control and direction of the Board of Governors. The committees shall act only as a committee and neither the committees nor members thereof shall have executory authority. Any subcommittees shall report directly to the committee as a whole. All committees, except for the Audit Committee, shall formulate programs or recommendations and submit them to the Board of Governors for approval or amendment.

SECTION 5. TERMS OF COMMITTEE CHAIRPERSONS

Each committee Chairperson shall be appointed annually for a one year term by the President with the approval of the Board and shall serve during said term or such shorter period as may be deemed appropriate by the Board of Governors at the pleasure of the President with the approval of the Board of Governors. The term of a committee Chairperson may be terminated at any time by the President with the approval of the Board of Governors and shall not exceed three (3) consecutive years.

**ARTICLE XI
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 XII
AMENDMENTS

The Board of Governors or one hundred twenty (120) voting Members in good standing of the Association may propose alterations, amendments to, and/or rescission of these By-Laws or of the Articles of Incorporation or any part thereof. Such a petition shall set forth the proposed alteration, amendment or rescission in writing and shall be filed with the Secretary and delivered to the President of the Association, who shall thereupon call a Special Meeting of the Members to be held not less than thirty (30) days nor more than sixty (60) days from receipt of the petition. The notice of meeting shall state the purpose of the meeting and be given in accordance with Article III of these By-Laws. The greater of two-thirds (2/3) of a quorum of the membership or a majority of the Members voting, either in person, by proxy, by mail or by such electronic technologic means as may be approved by the Board of Governors, shall be required for the adoption of the proposed alteration, amendment or rescission. No By-Law amendment may be proposed which conflicts with the Articles of Incorporation of the Association unless the Articles of Incorporation are also amended to comply therewith in accordance with the laws of the State of Florida.

ARTICLE XIII
ASSESSMENTS AND MANNER OF COLLECTION

SECTION 1. ASSESSMENTS

The Board will set the assessments and fees to be charged to Members and guests for each fiscal year at the time of the adoption of the annual budget.

SECTION 2. CAPITAL EXPENDITURE LIMITATIONS

(A) As to the Common Property other than the Recreational Facilities, capital assessments or capital expenditures for any single capital project or capital item costing more than One Hundred Thousand Dollars (\$100,000.00) or total capital expenditures in excess of Two Hundred Thousand Dollars (\$200,000.00) in any one fiscal year may not be included in the budget without Member approval, except that, during the course of a fiscal year, the Board of Governors may approve unbudgeted capital expenditures of less than One Hundred Thousand Dollars (\$100,000.00) for any single capital project

or capital item, provided total unbudgeted capital expenditures do not exceed Two Hundred Thousand Dollars (\$200,000.00).

(B) As to the Recreational Facilities, capital assessments or capital expenditures for any single capital project or capital item costing more than One Hundred Thousand Dollars (\$100,000.00) or total capital expenditures in excess of Two Hundred Thousand Dollars (\$200,000.00) in any one fiscal year may not be included in the budget without Member approval, except that, during the course of a fiscal year, the Board of Governors may approve unbudgeted capital expenditures of less than One Hundred Thousand Dollars (\$100,000.00) for any single capital project or capital item, provided total unbudgeted capital expenditures do not exceed Two Hundred Thousand Dollars (\$200,000.00).

SECTION 3. OPERATIONAL DEFICITS

Assessments for operational deficits may be levied by the Board of Governors.

SECTION 4. DELINQUENT ACCOUNTS

Delinquent accounts shall be charged a late charge of one and one-half percent (1 1/2%) per month interest. The Board of Governors shall have the right to establish collection procedures from time to time as deemed necessary, including levying fines, instituting civil action suspending a Member's access to Association common areas, facilities and privileges and assessing and collecting Association expenses by recording and foreclosing liens, including attorneys' fees and court costs.

SECTION 5. LIENS

The Association shall have a lien against a Member's parcel and a Member's Recreational Certificate for any unpaid assessments or other charges owed by any Member to the Association which lien shall include reasonable attorney's fees incurred by the Association incidental to the collection of such assessments or other charges, or enforcement of such lien whether or not legal proceedings are initiated. The lien may, but need not be, reduced to a judgment and the lien or the judgment may be recorded against the defaulting Member's home in the public records of Palm Beach County, Flor-

ida in the manner applicable to all judgment liens and said lien shall continue in effect until all sums secured by the lien, together with the costs incurred in the recording and enforcing of said lien, shall be paid. Any such liens may be foreclosed by the Association through legal proceedings, upon five days prior written notice of intended foreclosure to the Member. The Association may also, at its option, sue to recover a money judgment for unpaid annual assessments or other charges, without waiving its lien rights on the defaulting Member's parcel or Recreational Certificates.

SECTION 6. ASSESSMENT PRORATIONS

Memberships which terminate provide no entitlement to a refund of assessments unless there is admission of a new Member to take the place of the terminating Member, in which case, upon the new Member paying assessments which replace the assessments of the terminating Member for the balance of a fiscal year, the terminating Member shall be entitled to a pro-rata refund for the balance of the fiscal year. New Members, upon admission, shall pay assessments pro-rata on the basis of the number of days remaining in the Association's fiscal year.

SECTION 7. DUE DATES

Assessments are due on the effective date of the assessment and are payable as set forth in the assessment. Upon termination of membership, any not yet due installments shall become the obligation of the new Member.

ARTICLE XIV FISCAL MANAGEMENT

SECTION 1. FISCAL YEAR

The fiscal year of the Association shall be from May 1st through April 30th of each year; provided, however, that the Board of Governors is authorized to change to a different fiscal year at such time as the Board deems it advisable.

SECTION 2. DEPOSITORIES

The funds of the Association shall be deposited in such accounts as may be selected by the Board of Governors, including checking and savings accounts in one 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 Governors. Association funds shall be withdrawn only over the signature of the Treasurer, the President or such other persons as the Board may authorize. The Board may require more than one signature on 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 Governors from 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 records of meetings, votes, accounting records, and official records according to good practice and Florida Statute Chapter 720.303(3) and (5), which shall be open to inspection and copying 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 for 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. ANNUAL FINANCIAL REPORTING

The Association shall prepare a report of cash receipts and expenditures to comply with Florida Statute 720.303(7) within sixty (60) days after the close of the fiscal year. A copy of such report shall be provided at no charge within ten (10) days to any Member requesting the same. The Board of Governors shall present annually to the Members a full and clear audited statement of the business and condition of the Association, as prepared by an independent accountant.

SECTION 6. INSURANCE

The Association shall procure, maintain and keep in full force and effect, such insurance as may be required by the Amended Declaration to protect the interests of the Association, Governors, Officers and the Members, including, but not limited to, Governors and Officers Errors and Omissions Insurance.

SECTION 7. EXPENSES

The receipts and expenditures of the Association may be created and charged to accounts as the Board of Governors may determine, in accordance with good accounting practices.

SECTION 8. BUDGET

The Board of Governors shall, as required by Florida Statute 720.303(6), 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 Governors, in accordance with good accounting practices. The budget must set out separately all fees or charges for Recreational Facilities, whether owned by the Association or another person. The Board of Governors shall also adopt capital a budget for approval by the Members annually. 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.

ARTICLE XV ADMINISTRATIVE RULES AND REGULATIONS

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

ARTICLE XVI
VIOLATIONS AND DEFAULTS

In the event of a violation of any of the provisions of the Amended Declaration, these By-Laws, 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, and, in the event of a failure to pay assessments or to abide by the architectural restrictions in the Amended Declaration, the right to foreclose its lien as provided in the Amended Declaration; and in every such proceeding, the Owner at fault shall be liable for court costs and the Association's attorneys' fees. A suit to collect unpaid Assessments may be prosecuted by the Association without waiving the lien securing such unpaid Assessments. Without limiting the foregoing, the Association:

(A) May suspend, for a reasonable period of time, the rights of a Member or a Member's tenants, guests, or invitees, or both, to use common areas and facilities and may levy reasonable fines as permitted by law against any Member or any tenant, guest, or invitee.

1. A fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the Board who are not officers, governors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, governor, or employee. Fines may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, and fines may not exceed \$1,000.00 in the aggregate.

2. The requirements of this subsection do not apply to the imposition of suspensions or fines upon any Member because of the failure of the Member to pay assessments or other charges when due.

3. Suspension of common area use rights shall not impair the right of an owner or tenant to have vehicular and pedestrian ingress and egress, including, but not limited to, the right to park.

(B) The Association may suspend the voting rights of any Member who is more than ninety (90) days delinquent in payment of annual assessments to the Association.

ARTICLE XVII
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 XVIII
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 Amended Declaration as interpreted by the Board of Governors. In the event of any conflict between the terms of the Amended Declaration, the Articles of Incorporation or these By-Laws, the following order of priority shall apply: The Amended Declaration, the Articles of Incorporation and the By-Laws.

ARTICLE XIX
CONFLICT OF INTEREST

To avoid any conflict of interest or any appearance thereof, the following shall apply:

(A) No employee of the Association, his/her spouse or relative, may serve as a member of the Board of Governors.

(B) No Member of the Association, his or her spouse or relative, may act as a contractor, supplier, or provide professional services to the Association for compensation.

(C) No member of the Board of Governors may serve as a member of such Board if he/she provides services for compensation to any contractor, supplier or provider of professional services to the Association.

(D) No member of the Board of Governors or of a committee may serve as a member of such Board or committee if he/she, or his or her spouse or relative does business with a for-profit organization which uses the term, "Frenchman's

Creek", as part of its logo, trade or advertised name.

ARTICLE XX
APPROVAL OF MAJOR ACTIONS

SECTION 1. TWO-THIRDS VOTE

A two-thirds (2/3) vote of the Board of Governors and a two-thirds (2/3) vote of all of the Members of the Association will be required to authorize or approve the following major actions:

(A) Merger or consolidation of the Association with another entity.

(B) Sales, lease, exchange, transfer or other disposition of any of the Association's permanent assets as opposed to assets normally consumed or depreciated over a short period of time in the ordinary course of Association business such as tractors, automobiles, etc., provided that approval of sales, leases, exchanges, transfers or other dispositions to a one hundred percent (100%) owned subsidiary corporation shall only require a majority of the votes cast by Members at any meeting at which a quorum is present if such sale, lease, exchange, transfer or other disposition specifically provides that the subsidiary may only sell, lease, exchange, transfer or otherwise dispose of such assets back to the Association.

(C) Dissolution of the Association.

SECTION 2. APPROVAL OF BORROWING AND MORTGAGES

(A) The Board of Governors shall have the authority to borrow money from time to time for corporate purposes without membership approval provided the borrowing is for temporary, short-term purposes and does not exceed twelve and one-half percent (12-1/2%) of the Association's annual expense budget.

(B) If there is a need to borrow more than twelve and one-half percent (12-1/2%) of the annual expense budget for any purpose or to secure said borrowing by a pledge or mortgage of the Association's facilities, said borrowing, pledge or mortgage shall require approval by the greater of two-thirds (2/3) of a quorum of the membership or a majority of the Members

voting in person, by proxy, by mail, or other approved means.

ARTICLE XXI
TRANSFER OF RECREATIONAL CERTIFICATES

SECTION 1. RESTRICTIONS ON TRANSFER OF AND REDEMPTION OF RECREATIONAL CERTIFICATES

(A) No Member may sell or otherwise transfer his or her Recreational Certificate except to the Association, which shall be obligated to repurchase the Recreational Certificate only if an individual or entity designating an individual not presently a Member applies for membership as a homeowner in Frenchman's Creek to replace the terminating Member and said applicant purchases a Recreational Certificate. The returnable equity amount shall be paid to the terminating Member by the Association but it will be payable only upon receipt of the full payment by the replacement Member of his equity contribution. The equity repayment by the Association to the terminating Member shall be limited to the equity contribution due to the terminating Member, less the amount of any indebtedness owed to the Association by such terminating Member.

(B) Subject to conforming with Article III, Section 2, herein, upon the death of a Member, if the home of the deceased Member passes to the surviving spouse, the Recreational Certificate automatically passes to the surviving spouse. Said spouse shall have the right to have the Certificate transferred to his or her name without fee. If the deceased Member's home does not pass to a surviving spouse, the Recreational Certificate shall be surrendered to the Association for redemption at the time the deceased Member's house is sold and a replacement Member applies and is approved. A deceased Member may leave his or her home, together with his or her Recreational Certificate, by will or intestacy to an heir, who may thereupon apply for such deceased Member's Recreational Certificate and rights with no further equity charges or initiation fees subject to devisee or beneficiary furnishing the Board with such documentation as the Board may reasonably require as to such bequest. In the same manner, a Member may gift his or her home to a donee, who may thereupon apply for membership with no additional equity contribution or initiation fee upon providing documentation of said gift reasonably acceptable to the Board. The above specified heir or donee so replacing the deceased or

donating Member shall stand in the shoes of the deceased or donating Member for redemption pursuant to Subsection (A) above. The purchaser of a home or lot in Frenchman's Creek which belonged to said deceased resident Member has the right to apply for membership in the usual manner and at then current equity and initiation fees following the acquisition of the home as applicable to all transfers.

(C) The Association will not be obligated to find or to assist a retiring Member or his estate or heirs in finding a successor Member.

(D) In the event married Members are legally separated or divorced, title to all Certificates issued in the name of either spouse, including all rights and benefits given to the holder thereof for the Recreational Certificate shall vest in the name of the Member awarded title to the home by agreement or court order.

SECTION 2. LEAVES OF ABSENCE AND RESIGNATION

(A) Leaves of absence or resignations from membership in the Association are not permitted. A Member shall not have the right to avoid or in any manner reduce his or her full financial obligations to the Association.

(B) It is anticipated that a Member will obtain a new Recreational Certificate purchaser at the time he or she sells their Frenchman's Creek home. If a sale of a Member's house is made via a sale to another Member of the Association who is already a homeowner in the Frenchman's Creek community, this shall not become a replacement membership until a new outside Member is obtained and approved for membership for the home of the purchasing Member with no responsibility on the part of the Association to either Member involved in the home transfer or exchange.

An existing Member within the community buying another home in the community may transfer his Recreational Certificate to his new house with no additional equity but this existing Member will be responsible for the full financial obligation to the Club for each home he owns within the community. The financial obligation of the Member leaving the community will cease upon selling his home to the existing Member, but his equity shall not be returned until a new outside replace-

ment membership is obtained by the buyer of the remaining Member's home.

ARTICLE XXII
GUEST PRIVILEGES

(A) Members are responsible for the deportment of their guests. Members are fully responsible for their guests' charges.

(B) Guest privileges may be denied, withdrawn or revoked at any time for reasons considered sufficient by the Board of Governors in its sole and absolute discretion.

ARTICLE XXIII
DISCIPLINE

Any Member whose conduct or whose family's or guest's conduct shall be deemed to be improper or likely to endanger the welfare, safety, harmony or good reputation of the Association or of its Members, including the nonpayment of assessments or other fees within the time limits set forth herein may be reprimanded, or suspended from access to the Recreational Facilities and/or privileges by action of the Board of Governors. The Board of Governors shall be the sole judge of what constitutes improper conduct or conduct likely to endanger the welfare, safety, harmony or good reputation of the Association or its Members.

SECTION 1. ENABLING DOCUMENTS

All Members are subject to disciplinary action pursuant to the provisions of the Amended and Restated Declaration of Covenants and Restrictions and Article XVI of these By-Laws.

SECTION 2. SUSPENSION

Recreational Facility privileges may be suspended for such time as the Board deems appropriate for improper conduct, failure to pay charges due the Association, violation of these By-Laws or the Rules and Regulations, but all assessments and other charges shall accrue and be payable by a suspended Member during the suspension period. A suspended Member may not be reinstated to full enjoyment of the Recreational Facilities unless he or she pays a reinstatement

ment fee established by the Board of Governors and permitted by Florida law.

SECTION 3. ATTORNEYS

Members (or others) do not have the right to be represented by an attorney at any stage of the discipline process. Upon request to the Grievance Committee Chair, an attorney may be allowed to be present, but not to participate. In no event shall the proceedings be transcribed or recorded by audio or video process(es).

ARTICLE XXIV GENDER AND FLORIDA LAW

Whenever these By-Laws use the masculine gender or a singular mode, this shall be deemed to include the feminine gender or more than one where an appropriate interpretation would so require.

The foregoing were adopted as the Amended and Restated By-Laws of Frenchman's Creek, Inc., a not for profit corporation and homeowners' association under the laws of the State of Florida, effective the 1st day of October, 2002.

FRENCHMAN'S CREEK, INC.

Signed By:

Lawrence C. Sherman,
President, Board of Governors

Signed By:

Denise Siegel,
Secretary, Board of Governors