

## **BY-LAWS OF Maritime Estates Owner's Association, INC.**

1. **IDENTITY.** These are the By- Laws of Maritime Estates Owner's Association, INC., called "Association", a Florida non-profit corporation. The Association has been organized pursuant to Chapter 617, Florida Statutes, to administer the *Maritime Estates Owner's Association* Restrictive Covenants and Easements to be recorded in the Official Records of Flagler County Florida.
  - 1.1 The mailing address of the Association shall be P.O. Box 2008, Flagler Beach, FL 32136
  - 1.2 The fiscal year of the Association shall be determined by the Board of Directors.
  - 1.3 The seal of the corporation shall be in the form prescribed by the Board of Directors.
  
2. **MEMBERSHIP, VOTING, QUORUM, PROXIES**
  - 2.1 Membership in the Association and voting by members shall be set forth in the Articles of Incorporation, the applicable Declarative of the Covenants, Restrictions, and Easements.
  - 2.2 A Quorum at members' meetings shall consist of the owners of a majority of the units, and decisions shall be made by which a quorum is present, except where approval by a greater number is required by the Declaration, the Articles of Incorporation, or the By-Laws. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such persons for the purposes of determining a quorum.
  - 2.3 Proxies. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the secretary of the Association or with the Association Management Company before the appointed time of the meeting.
  
3. **ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP**
  - 3.1 The Special Members Meeting shall be held whenever called by the President, Vice-President, or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request of one-third of the members.
  - 3.2 The Annual Members Meeting shall be held at the Association office, or such place designated by the Board of Directors. The Annual meeting shall be held each year. The time and date will be set forth by the Board of Directors for the purpose of electing Directors and transacting any other

**business authorized to be transacted by the members.**

**3.3 Notice of all members meetings, including annual meetings, stating a time and place and the object for which the meeting is called shall be given by the President, Vice-President, Secretary, or Management Company unless waived in writing, Such notice shall be in writing and sent to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen days nor more than thirty days prior to the date of the meeting.**

**3.4 Voting**

- a. Each member shall have one vote for each lot owned by him.
- b. In case a lot is owned by more than one person, or by a corporation or other entity, its vote may be cast by any person designated in writing by all owners of the lot, or by the President in case of a corporation, or filed with the Secretary or Management Company. Such designation shall be valid until revoked in writing.

**3.5 Adjourned Meetings.** In the absence of a quorum at any meeting, the members present may adjourn the meeting from time to time until a quorum is present.

**3.6 The Order of Business.** At annual Members Meetings and as far as practical at other members meetings shall be:

- a. Calling of the roll and certifying proxies.
- b. Proof of notice of meeting.
- c. Reading and approval of minutes.
- d. Reports of officers and committees.
- e. Election of inspectors of elections.
- f. Election of directors.
- g. Unfinished business.
- h. New business.

**3.7 Minutes of all meetings of the lot owners shall be kept in a book available for inspection by lot owners or their authorized representatives and Board Members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.**

**4. BOARD OF DIRECTORS**

**4.1 The Board of Directors of the Association shall consist of not less than three nor more than seven directors, the exact number to be determined by the Board.**

**4.2 Election of directors shall be conducted in the following manner:**

- a. Election of directors shall be held at the Annual Members meeting.

- b. **A candidate sheet shall be mailed out at not less than sixty days prior to the annual meeting to solicit all the members interested in serving on the Board of Directors. It must be filled out and returned by the candidate no later than thirty days prior to the annual meeting. The candidate sheets will be combined into one ballot sheet and this ballot sheet along with the notice of the annual meeting will be mailed out no later than fourteen days before the annual meeting.**
  - c. **The ballot sheets shall be marked and returned to the Secretary of the Board of Directors or the Appointed management company in one of the following ways:**
    - 1. **Certified mail, returned receipt requested, prior to the time and date of the annual meeting.**
    - 2. **By personal delivery to the Board of Directors at the call for Ballots at the annual meeting**
    - 3. **U.S. Mail, Facsimile, telegraph, or other methods of Delivery to the Association before the close of business day one day prior to the annual meeting.**
  - d. **The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each member voting being entitled to cast one vote for each nominees as there are vacancies to be filled.**
  - e. **Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.**
  - f. **Unless otherwise provided by law, any member of the board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all lot owners. A special meeting of the lot owners to recall a member or members of the board may be called by ten percent of the lot owners giving notice of the meeting as required for a meeting of lot owners and the notice shall state the purpose of the meeting.**
- 4.3 **The term of each directors service shall extend until the next annual meeting of the members and subsequently until a successor is duly elected and qualified or until he is removed in the manner else where provided.**
- 4.4 **The Organization Meeting of a newly elected Board of Directors shall be held following their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.**
- 4.5 **Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to**

time, by the majority of the directors. Notice of regular meetings shall be given to each unit owner personally or by mail, telephone, telegraph, fax or e-mail, at least seven (7) days prior to the date named for such a meeting, unless notice is waived and fourteen (14) days for discussion of budget or assessments.

- 4.6 Special meetings of the directors may be called by the President, and must be called by the secretary at the written request of one-third of the directors. Not less than seven (7) days notice of the meeting shall be given personally or by mail, telephone, fax or e-mail, which notice shall state the time, place and purpose of the meeting.
- 4.7 Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to giving notice.
- 4.8 A quorum at a directors meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, except where approval of a greater number of directors is required by the Declaration of Covenant, Restrictions and Easements, the Articles of Incorporation or these By-Laws.
- 4.9 The Presiding Officer of directors meeting shall be the chairman of the board if such an office has been elected, and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their numbers to preside.
- 4.10 Meeting of the Board of Directors shall be open to all lot owners and notice of meeting shall be seven (7) days in advance for the attention of lot owners, except in an emergency. Minutes of all meetings of the Board shall be kept in a book available for inspection by lot owners or their authorized representatives and Board members for a period of not less than seven (7) years.

## **5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

- 5.1 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under common law and the Statutes, the Articles of Incorporation of the Association, these By-Laws And the Declaration of Covenant Restrictions and Easements.

## **6. OFFICERS**

- 6.1 The executive officers of the Association shall be a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of

Directors at its organizational meeting and may be removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary or Vice President. The Board of Directors may from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

- 6.2 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 an Association, including but not limited to, the power to appoint committees from among the members of the Association from time to time, as he may in his discretion determine appropriate to assist in conduction of the affairs of the Association.
- 6.3 The Vice-President shall in the absence or disability of the President exercise the powers and performs the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- 6.4 The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to giving and serving of all notices to the members and other notices required by law. He shall keep the records of the Association and shall perform all other duties incidental to the office of secretary of an association as may be required by the Directors or the President. These duties in part or whole may be assigned to a management company by vote of the Board of Directors.
- 6.5 The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate accounts of the receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meeting of the Board, or whenever they may require it, an account of all transactions by the Treasurer and of the financial condition of the Association. These duties in part or whole may be assigned to a management company by vote of the Board of Directors.



- 7. Fiscal Management.** The provisions for fiscal management of the Association set forth in the Declaration of Covenant Restrictions and Easement shall be supplemented by the following provisions.
- 7.1** The assessment roll shall be maintained in a set of account books in which there shall be an account for each lot. Such an account shall designate the name and address of the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and balance due upon the assessments.
- 7.2 Accounts.** The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications and shall be appropriate, all of which expenditures shall be common expense.
- A.** Current Expense, which shall include all receipts and Expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or additional improvements. The balance in this fund at the end of the year shall be applied to reduce the assessments for current expenses for the succeeding year.
  - B.** Reserve for Deferred Maintenance, which shall include funds for maintenance items that occur less frequently than annually.
  - C.** Reserve for Replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
  - D.** Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.
- 7.3 Budget.** The Board of Directors shall adopt a budget for the calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the proposed annual budget will be considered, shall be mailed to each member not less than thirty (30) days prior to the annual meeting. Failure to do so shall not affect the liability of any member for payment of his proportionate share of the budget. If a budget is adopted by the Board which requires assessment against the lot owners in any fiscal or calendar year exceeding 115% of such assessments for the preceding year, upon written application of fifteen (15%) of

the lot owners, a special meeting of the lot owners shall be held upon not less than ten (10) days written notice to each lot owner, but within thirty (30) days of delivery of such application to the Board or any member thereof, at which special meeting lot owners may consider and enact a revision of the budget or recall any and all members of the Board and elect their successors, unless at that time the Developer is in control of the Board. The revision of the budget shall require a vote of not less than a majority of the whole number of votes of all lot owners. The Board may propose a budget at a meeting of members or by writing, and if such budget or proposed budget be approved by lot owners at the meeting, or by a majority of their whole number by a writing, such budget shall not thereafter be examined by the lot owners in the manner hereinabove set forth, nor shall the Board be recalled under the terms of this section. In determining whether assessments exceed 115% of similar assessments for the prior year, there shall be excluded in the computation any provisions for reasonable reserves made by the Board in respect of repairs or replacement of common property or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computations, assessments for betterments to the common property.

- 7.4 Assessments. Assessments against the lot owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 1 preceding the year for which the assessments are made. Such assessments shall be due on the first day of January the year for which the assessments are made. If an annual assessment is not made as required, assessments shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessments shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors and the unpaid assessments for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal installments on first day of each month remaining in the calendar year. It shall be at the discretion of the Board of Directors by majority vote to change the frequency of payments to

quarterly, annually or monthly but in no case less than monthly.

- 7.5 **Acceleration of Assessment Installments Upon Default**—If a lot owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the lot owner, and then the unpaid balance to the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the lot owner, or not less than twenty (20) days after mailing of such notice to him by certified mail, which ever shall first occur.
  - 7.6 **Assessments for Emergencies.** Assessments for common expenses of emergencies that cannot be paid from the annually assessments for common expenses shall be made after notice to the need for such is given to the lot owners, The assessment for the emergency shall become effective and it shall be due after thirty (30) days notice in such manner as the Board of Directors may require.
  - 7.7 **The Depository of the Association** shall be such bank or banks as shall be determined by the directors from time to time and in which monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board of Directors.
  - 7.8 **Written Summaries of the accounting records of the Association** shall be supplied at least annually to each lot owner.
8. **Parliamentary Rules**—Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Restrictive Covenants and Easements, Articles of Incorporation or these By-Laws.
  9. **Amendments.** These By – Laws may be amended in the following manner.
    - 9.1 Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
    - 9.2 A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing provided such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval



must be by not less than two-thirds (2/3) of the entire membership of the Board of Directors and by not less than two-thirds (2/3) of the votes of the entire membership of the Association.

9.3 Proviso. Provided, however, that no amendment shall discriminate against any lot owner nor against any lot or class or group of lots unless the lot owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Restrictive Covenants and Easements.

The foregoing were adopted as the By-Laws of Maritime Estates Owner's Association Inc., A corporation not-for profit under the laws of the State of Florida, at the Meeting of its Board of Directors held on the 20 day of NOVEMBER 2008.

President, Robert F. Matthews Jr. R. F. Matthews Jr.

Vice President, Richard M. Lane Richard M. Lane

Secretary, Skylar Harlow Skylar Harlow