

ARTICLES OF INCORPORATION
OF
MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VII, INC.

In compliance with the laws of the State of Florida, the undersigned adopt the following Articles of Incorporation for the purpose of forming a corporation not-for-profit for the purposes and with powers set forth herein. All capitalized terms set forth herein, to the extent not defined herein, shall have the meanings set forth in the Declaration of Covenants, Restrictions, Conditions, and Easements and Notice of Assessments - Marsh Landing At Sawgrass Owners Association VII, Inc., recorded in Official Records Book 1123, page 1691, of the public records of St. Johns County, Florida, as it may be modified and supplemented from time to time ("Declaration").

ARTICLE I - NAME

The name of this Corporation is MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VII, INC., a Florida not-for-profit corporation (the "Association").

ARTICLE II - SUBSCRIBER

The name and address of the Subscriber of this Corporation is:

Stephen C. Loveland
4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

ARTICLE III - REGISTERED AGENT

The name and address of the Registered Agent of this Corporation is:

Stephen C. Loveland
4400 Marsh Landing Boulevard
Ponte Vedra Beach, Florida 32082

ARTICLE IV - PRINCIPAL OFFICE

The principal office of the Association shall be located at 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082, but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

ARTICLE V - PURPOSE AND POWERS

The Association does not contemplate pecuniary gain or profit to its Members. The specific purposes for which it is formed are to operate as a not-for-profit corporation pursuant to Chapter 617, Florida Statutes, and to provide for the maintenance, preservation and

operation of all the Property and the Common Property which is from time to time subjected to the Declaration, as such is supplemented and amended from time to time, all for the mutual advantage and benefit of the Members of this Association, who shall be the Developer (defined below) and the Owners of the Lots. For such purposes, the Association shall have and exercise the following authority and powers:

- (1) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, these Articles, and the Bylaws, as the same may be amended from time to time, and as may be reasonably necessary or convenient to effectuate the purposes of the Association. The Declaration is incorporated herein by this reference as if set forth in detail.
- (2) To fix, levy, collect, and by any lawful means enforce payment of all Assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith, and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association.
- (3) To acquire, by gift, purchase, or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property or any improvements thereon in connection with the affairs of the Association.
- (4) To borrow money and to mortgage, pledge, or hypothecate all or any part of the Association's real or personal property as security for money borrowed or debts incurred, as more fully provided in the Declaration.
- (5) To dedicate, sell, transfer, or grant permits and licenses over all or any part of the Common Property to any public agency, authority, or utility, for such purposes and subject to such conditions as may be agreed to by the Board of Directors, as more fully provided in the Declaration.
- (6) To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, as more fully provided in the Declaration.
- (7) To make, establish and amend reasonable rules and regulations governing the use of the Lots and Common Property.
- (8) To maintain, repair, replace, operate and manage the Common Property.
- (9) To employ personnel, agents, or independent contractors to perform the services required for the proper operation of the Common Property.
- (10) To assist in the enforcement of the provisions of the Declaration which related to the Stormwater Management System, in a manner consistent with the St. Johns River Water Management District Permit requirements and applicable District rules.
- (11) To have and to exercise all powers, rights, and privileges which a corporation organized under the laws of the State of Florida may now or hereafter have or exercise.

All of the Association's assets and earnings shall be used exclusively for the purposes set forth herein and in accordance with Section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual Member or any other person. The Association may, however, reimburse its Members for actual expenses incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its Members for actual services rendered to the Association, as permitted by Section 528 of the Code, other applicable provisions of the Code, federal and state law. In addition, the Board of Directors shall also have the right to exercise the powers and duties set forth in the Bylaws.

ARTICLE VI - MEMBERSHIP

(1) Every person or entity who is the record owner of a fee or undivided fee interest in any Lot, including M. L. Partnership, a Florida general partnership ("Developer"), and contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

(2) The transfer of the membership of any Owner shall be established by the recording in the public records of St. Johns County of a deed or other instrument establishing a transfer of record title to any Lots for which membership has already been established. Upon such recordation the membership interest of the transferor shall immediately terminate. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer of membership until such time as the Association receives a copy of the deed or other instrument establishing the transfer of ownership of the Lot. It shall be the responsibility and obligation of the former and new Owner of the Lot to provide such copy to the Association.

(3) The interest of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance to the Lot owned by such Member.

ARTICLE VII - VOTING RIGHTS

The Association shall have two (2) classes of voting Members, as follows:

(1) Class A. Class A Members shall be all Owners, with the exception of Developer while Developer, while Class B Membership exists. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, the vote for such Lot shall be exercised as they shall determine among themselves, but in no event shall more than one vote be cast with respect to any one Lot. Notwithstanding the foregoing, if title to any Lot is held by a husband and wife, either spouse may cast the vote for such Lot unless and until a written voting authorization is filed with the Association. When title to a Lot is in a corporation, partnership, association, trust, or other entity, such entity must designate in writing to the Association the name of the officer or persons who will occupy such Lot and be designated as a voting Member of this Association. Provided however, if an Owner owns a Reconfigured Lot (as such term is defined in the Declaration), for so long as such Reconfigured Lot contains only

one single family Residence, the Owner thereof shall have only one vote in Association matters.

(2) Class B. The Class B Member shall be the Developer who shall be entitled to the sole right to vote in Association Matters until the occurrence of the earlier of the following events ("Turnover"):

- (a) Three (3) months after ninety percent (90%) of the Lots in the Property that will ultimately be operated by the Association have been conveyed to the Class A Members;
- (b) When Developer, in its sole discretion, determines to terminate its Class B Membership in writing.

After Turnover, the Class A Members may vote to elect the majority of members of the Board. For the purposes of this Article, builders, contractors or others who purchase a Lot for the purpose of constructing improvements thereon for resale shall not be deemed to be Class A Members. For so long as the Developer owns at least five (5%) percent of the Lots within the Property, the Developer shall be entitled to elect the minority members of the Board or at least one (1) director. After Turnover, the Developer shall be a Class A Member with respect to the Lots which it owns, and shall have all the rights and obligations of the Class A Member, except that it may not cast its votes for the purpose of reacquiring control of the Association or selecting the majority of the members of the Board.

ARTICLE VIII - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who shall be Members of the Association; provided, however, that until Turnover, the Directors need not be Members of the Association. The number of Directors of the Association shall be not less than three (3) nor more than five (5). The number of Directors may be increased by amendment of these Articles as provided herein. Each member of the Board of Directors shall be entitled to one (1) vote.

The names and addresses of the persons who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

<u>Name</u>	<u>Address</u>
Lucius E. Elwell III	25500 Marsh Landing Parkway Ponte Vedra Beach, Florida 32082
Stephen C. Loveland	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082
Ruth C. Mann	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082

Until Turnover, the Board shall consist of Directors appointed by the Class B Member, who shall serve until the Class B Member no longer has the right to appoint any Directors.

At the first annual meeting after Turnover, the Class A Members shall elect new Directors to be elected by the Class A Members by a plurality of the votes cast at such election, such that the two persons receiving the greatest number of votes shall serve for two (2) years and the remaining Directors will serve for one (1) year. At each annual meeting thereafter, the Members shall elect Directors to be elected by the Class A Members to all vacant terms for terms of two (2) years. Any vacancy on the Board of Directors shall be filled for the unexpired term of the vacated office by the remaining Directors, except that any Director which is appointed by the Class B Members shall be reappointed only by the Class B Member.

ARTICLE IX - OFFICERS

Subject to the direction of the Board of Directors, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected at the first meeting of the Board of Directors and annually thereafter by the Board of Directors. The Board of Directors may, in its discretion, contract with a management company to manage and operate the Association. The names and addresses of the officers who shall serve until the first annual meeting of the Board of Directors are:

<u>Name and Title</u>	<u>Address</u>
Lucius E. Elwell III President	25500 Marsh Landing Parkway Ponte Vedra Beach, Florida 32082
Stephen C. Loveland Vice President/Treasurer	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082
Ruth C. Mann Secretary	4400 Marsh Landing Boulevard Ponte Vedra Beach, Florida 32082

ARTICLE X - BYLAWS

The Bylaws of this Association shall be adopted by the first Board of Directors, which Bylaws may be altered, amended, modified or appealed in the manner set forth in the Bylaws.

ARTICLE XI - TERM OF EXISTENCE

This corporation shall have perpetual existence, unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Florida. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Florida.

ARTICLE XII - DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the Class A Members and of the Class B Member, if any, in accordance with the provisions of the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association as created, or for the general welfare of the residents of the county in which the Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes. In the event of the dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Stormwater Management System must be transferred to and accepted by an entity which complies with Section 40C-42.027, Florida Administrative Code. In addition, prior to the conveyance of any portion of the Stormwater Management System, or the transfer of any maintenance obligations pertaining to the Stormwater Management System, the approval of the St. Johns River Water Management District must be obtained.

ARTICLE XIII - AMENDMENTS

Until Turnover, Developer reserves the exclusive right to amend or repeal any of the provisions of these Articles of Incorporation or any amendments hereto, without the consent of any Class A Member or Institutional Mortgagee. Thereafter, the Board of Directors, by the affirmative vote of the majority of Directors, shall have the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto. Provided, however, that any such amendment shall require the assent of Class B Member until Turnover, or the assent of a majority of the Class A Members after Turnover; and provided, further, that no amendment shall conflict with any provisions of the Declaration. Any amendments to these Articles which are required by Institutional Mortgagees in order to obtain financing for the purchase of Lots, or which are required by governmental entities in order to obtain permits, to develop the Marsh Landing At Sawgrass community, or to comply with governmental requirements, may be made by the Class B Member without the consent of any other Member or mortgagee, until Turnover. Any amendments to these Articles which impair the rights, priorities, remedies or interest of any Institutional Mortgagee shall require the consent of such Institutional Mortgagee, as set forth in the Declaration. Any amendments to these Articles which affect the rights of the St. Johns River Water Management District shall be subject to the approval of the St. Johns River Water Management District. Amendments to these Articles need only be filed with the Secretary of State and do not need to be recorded in the public records of the County.

ARTICLE XIV - INDEMNIFICATION

No Director, officer, employee, or member of any committee of the Association shall be personally liable to any Member of the Association, or to any other party, including the Association, for any damage, loss, or prejudice suffered to claimed on account of any act, omission, error, or negligence of such person or group, provided that such person or group has, upon the basis of such information as may be possessed by him, her, or it, acted in good faith, without willful or intentional misconduct.

Every Director, officer, employee, agent, or former Director of the Association shall be indemnified by the Association to the extent permitted by law. Such indemnification shall include, but not be limited to, the expenses, including the cost of any judgments, fines, settlements and counsel's fees, actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeals thereof, to which any such person or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a Director, officer, employee or agent, as herein provided. The foregoing right of indemnification shall only apply if the Board of Directors approves such indemnification as being in the best interest of the Corporation, and shall not be inclusive of any other rights to which any such person may be entitled as a matter of law or which such person may be lawfully granted. It shall be the obligation of the Association to obtain and keep in force a policy of officers' and directors' liability insurance.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, the undersigned has executed these Articles of Incorporation this 24th day of July, 1995.

Signed, sealed and delivered
in the presence of:

Mary M. Moore

Print Name: Mary M-Moore

Stephen C. Loveland

Stephen C. Loveland

Peggy D. Allen

Print Name: PEGGY D. ALLEN

STATE OF
COUNTY OF

The foregoing instrument was acknowledged before me this 24th day of July, 1995, by Stephen C. Loveland, who is personally known to me or who produced _____ as identification.

Ruth C. Mann

Print Name: Ruth C. Mann

Notary Public, State of FLORIDA

My Commission Expires:

Commission Number:

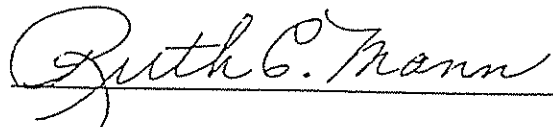


RUTH C. MANN
MY COMMISSION # CC382334 EXPIRES
July 6, 1998
BONDED THRU TROY FAIR INSURANCE, INC.

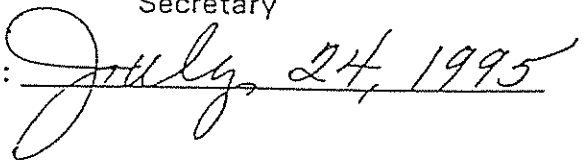
CERTIFICATE OF DESIGNATION OF PLACE OF BUSINESS
OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

In compliance with Section 48.091, Florida Statutes, the following is submitted:

MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VII, INC., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business in the City of Ponte Vedra Beach, County of St. Johns, State of Florida. has named Stephen C. Loveland, whose address is 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082, as its agent to accept service of process within Florida.



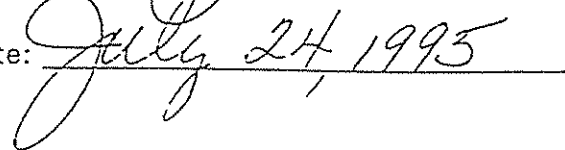
Name: Ruth C. Mann
Secretary

Date: 

Having been named to accept service of process for the above stated corporation, at the place designated in the certificate, I agree to act in this capacity and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



Stephen C. Loveland

Date: 

BYLAWS
OF
MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VII, INC.

ARTICLE I - NAME AND LOCATION

The name of the corporation is MARSH LANDING AT SAWGRASS OWNERS ASSOCIATION VII, INC., hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 4400 Marsh Landing Boulevard, Ponte Vedra Beach, Florida 32082, but meetings of Members and Directors may be held at such places, within or without the State of Florida, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

All capitalized terms set forth herein, except as specifically set forth herein, shall have the same meaning and definition as set forth in the Declaration of Covenants, Restrictions, Conditions, and Easements and Notice of Assessments - Marsh Landing At Sawgrass Owners Association VII, Inc., recorded in Official Records Book 1123, page 1691, of the public records of St. Johns County, Florida, as such may be modified and supplemented from time to time ("Declaration").

ARTICLE III - MEETING OF MEMBERS

Section 1. Annual Meetings. The regular meetings of the Members shall be held on a designated day of November of each year hereafter, at the hour designated by the Board of Directors in the notice provided hereinbelow.

Section 2. Special Meeting. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A Membership. Business conducted at a special meeting is limited to the purposes described in the meeting notice.

Section 3. Notice of Meeting.

(a) Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or person authorized to call the meeting by hand delivery to each Lot, or by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Association for the purpose of notice, at least fifteen (15) days but no more than ninety (90) days before such meeting, to each Member entitled to vote thereat. Said notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. If mailed, the notice shall be addressed to the Member's address last appearing in the books of the Association for the purpose of notice, or to the last address supplied by the Member to the Association.

(b) Any Member may waive such notice by a writing signed by such Member, and such waiver, when filed in the records of the Association before, at or after the holding of the meeting, shall constitute notice to such Member. Attendance of a Member at a meeting, either in person or by proxy, constitutes waiver of notice and waiver of any and all objection to the place of meeting, the time of meeting, or the manner in which it has been called or convened, unless the Member attends the meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

Section 4. Voting. Members shall be entitled to such votes as are more fully set forth in the Articles. Matters shall be deemed approved if approved by a majority of votes represented at a meeting at which a quorum is present.

Decisions that require a vote of the Members must be made by the concurrence of Members holding at least a majority of the votes present in person or by proxy, represented at a meeting at which a quorum has been attained.

Section 5. Quorum. The presence at the meeting of Members or proxies entitled to vote thirty (30%) percent of the votes of Membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary, but need not be notarized. Proxies shall be dated, state the date, time and place of the meeting for which it was given and be signed by the person authorized to give the proxy. A proxy may permit the holder to appoint in writing a substitute holder. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. A proxy is not valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. A proxy is revocable at any time at the pleasure of the Member who executes it.

Section 7. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted, the meeting and vote may be dispensed with if the applicable percentage of the Members who would have been required to vote upon the action if such meeting were held, shall consent in writing to such action being taken. Any such consent shall be distributed in accordance with the rules and regulations adopted by the Board of Directors and an executed copy shall be placed in the minute book.

Section 8. Order of Business. The order of business at the annual meeting of Members shall be as follows:

- a. Call to order
- b. Calling of the roll and certifying proxies
- c. Proof of notice of meeting or waiver of notice
- d. Reading or waiver of reading and disposal of unapproved minutes

- e. Election or appointment of inspectors of election
- f. Nomination and election of Board of Directors
- g. Reports
- h. Unfinished business
- i. New business
- j. Adjournment.

Section 9. Adjournment. The adjournment of an annual or special meeting to a different date, time or place must be announced at that meeting before adjournment is taken or notice must be given of the new time, date or place in the same manner as notice is given for such meeting. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are entitled to vote and are Members as of the new record date but were not Members as of the previous record date.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number of Directors. The affairs of the Association shall be managed by a Board of Directors of not less than three (3) but not more than five (5) Directors, who shall be Members of the Association; provided, however, that until the Class B Membership has terminated the Directors need not be Members of the Association. All Directors shall be elected or appointed in accordance with the applicable provisions contained in the Articles of Incorporation of the Association and herein.

Section 2. Method of Nomination. Until Turnover (as more fully defined in the Declaration), the Board shall consist of Directors appointed by the Class B Member. After Turnover, the persons to be elected by the Class A Members shall be made by a nominating committee or from the floor by Members at the annual meeting. Any Member may nominate herself or himself.

Section 3. Election. After Turnover, the Members may cast one (1) vote for each Lot or Reconfigured Lot owned in respect to each vacancy. The election shall be by secret written ballot. Cumulative voting is not permitted. The election of Directors shall take place at the annual meeting and Members may vote in person at a meeting or by ballot that the Member personally casts prior to such meeting. Those persons receiving the largest number of votes shall be elected. At the first annual meeting after Turnover, the Class A Members shall elect new Directors to be elected by the Class A Members by a plurality of the votes cast at such election, such that the two persons receiving the greatest number of votes shall serve for two (2) years and the remaining Directors to be elected by the Class A Members shall serve for one (1) year. At each annual meeting thereafter, the Class A Members shall elect Directors to all vacant terms held by Directors elected by the Class A Member for terms of two (2) years. Any vacancy on the Board of Directors shall be filled for the unexpired term

of the vacated office by the remaining Directors. Provided however, for so long as the Class B Member has the right to appoint the minority of the Directors or at least one Director, the Class B Member shall appoint and replace such persons at its sole discretion.

Section 4. Resignation. A Director may resign at any time by delivery of a written notice to the Board of Directors, its chairman or secretary. The unexcused absence of a Director from three (3) consecutive regular meetings of the Board of Directors shall be deemed a resignation. A resignation is effective when notice is delivered, unless notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 5. Removal. Any Director elected by the Class A Members may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Association. The notice of a meeting of Members to recall a Member or Members of the Board of Directors shall state the specific Directors to be removed. A proposed removal of a Director at a meeting shall require a separate vote for each Director sought to be removed. If removal is sought by written agreement, a separate agreement shall be required for each Director to be removed. If removal is effected at a meeting, the vacancy created thereby shall be filled at the same meeting. Any Director who is removed from office shall not be eligible to stand for reelection until the next annual meeting of the Members. Any Director removed from office shall turn over to the Board of Directors within seventy two (72) hours any and all records of the Association in his possession. If a Director who has been removed refuses to relinquish his office or turn over records as required in this Section, the Circuit Court of the County where the Association's principal office is located may summarily order the Director to relinquish his office and turn over the Association records upon application of any Member. Until the termination of the Class B Membership, no Director appointed by the Class B Member shall be removed except by the Class B Member.

Section 6. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 7. Action Taken Without a Meeting. To the extent permitted by law, the Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 8. Failure to Fill Vacancies. If there is a failure to fill vacancies on the Board of Directors sufficient to constitute a quorum of Directors in accordance with these Bylaws, any Member may apply to the Circuit Court of St. Johns County, Florida, for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days before applying to the circuit court, the Member shall mail to the Association, by certified or registered mail, and post in a conspicuous place on the Common Property a notice describing the intended action, giving the Association thirty (30) days to fill the vacancies. If during such time the Association fails to fill a sufficient number of the vacancies so that a quorum can be assembled, the Member may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, attorney's fees and

all other expenses of the receivership. The receiver has all powers and duties of a duly constituted board of directors and shall serve until the Association fills sufficient vacancies so that a quorum can be assembled.

ARTICLE V - MEETING OF DIRECTORS

Section 1. Organizational Meeting. The newly elected Board shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten days of same 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 organizational meeting shall be necessary.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board, and shall be open to all Members. Except that a meeting between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by attorney client privilege may be closed to Members.

Notice of the meetings of the Directors shall be posted on the Common Property at least forty-eight (48) hours in advance, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on the Common Property, the notice of Board meetings shall be mailed or delivered to each Member at least seven (7) days in advance, except in an emergency. Notice of any meeting in which Assessments against Lots are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments. 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 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. A meeting at which a quorum of the Directors is present shall be deemed to be a meeting. 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 of Directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Members is the act of the Board of Directors. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented unless he or she objects, at the beginning of the meeting or promptly upon his arrival, to the holding of the meeting or transacting of specified affairs at the meeting, or unless he or she votes against or abstains from the action taken.

Section 5. 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.

ARTICLE VI - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations including fees, if any, governing the use of the Common Property and the personal conduct of the Members and their guests thereon.
- (b) Suspend the right of an Owner to use the Common Property during any period in which the Owner shall be in default for more than thirty (30) days after notice of the payment of any Assessment is levied by the Association. Such rights may also be suspended from Members, after notice and hearing, for a period not to exceed sixty (60) days for infraction of the Declaration, Articles or Bylaws.
- (c) Appoint such committees as prescribed herein and such other committees as the Board of Directors may, from time to time, deem necessary or appropriate.
- (d) Enforce and administer all of the provisions of the Declaration and the rules and regulations.

Section 2. Duties. It shall be the duty of the Board of Directors to perform the following:

- (a) Cause to be kept a complete record of all its corporate affairs, including minutes of all meetings, make such records available for inspection by any Member or his agent, and present an annual statement thereof to the Members. Minutes of all meetings of Members and the Board must be maintained in a written form or in another form that can be converted into written form in a reasonable time. A vote or abstention from voting on each matter for each Director present at a Board meeting must be recorded in the minutes.
- (b) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- (c) Issue, or authorize its agent to issue, upon demand by any Member, a certificate setting forth whether or not any Assessment has been paid and giving evidence thereof for which a reasonable charge may be made by the Association or by its authorized agent.
- (d) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such account on behalf of the Association, and cause such persons to be bonded as the Board of Directors deems appropriate in its sole discretion.
- (e) Prepare the proposed annual budget, submit the same to the Membership for comments, and approve the annual budget.
- (f) Fix Annual Assessments and Special Assessments at an amount sufficient to meet the obligations imposed by the Declaration.

(g) Annually adopt the budget and set the date or dates Assessments will be due, and decide what, if any, interest is to be applied to Assessments which remain unpaid ten (10) days after they become due.

(h) Send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the Assessment or of the first installment thereof.

(i) Cause the lien against any Lot for which Assessments are not paid within thirty (30) days after the due date to be foreclosed, or cause an action at law to be brought against the Owner personally obligated to pay the same.

(j) Cause the Common Property to be maintained in accordance with the Declaration.

(k) Procure and maintain adequate liability and hazard insurance on the Common Property as required by the Declaration, and such other insurance as the Board of Directors deems necessary or as may be required or permitted by the Declaration.

(l) Enter into mortgage agreements and obtain capital debt financing, subject to the provisions of the Declaration and Articles.

(m) Retain minutes of all meetings of Members and of the Board of Directors in a businesslike manner, which shall be available for inspection by Members or their authorized representatives and Board members, at reasonable times and for a proper purpose, and shall be retained for at least seven (7) years.

ARTICLE VII - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create. Officers need not be Members of the Association.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members. Voting may be by secret ballot.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for such period, have such authority, and perform such duties as the Board of Directors may determine from time to time.

Section 4. Special Appointments. The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may determine from time to time.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of President and Secretary may not be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all promissory notes and contracts as the Board of Directors may approve from time to time.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; maintain the minute book; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign any promissory notes and contracts of the Association; keep proper books of account; cause an annual review of the Association books to be made by public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Board of Directors and to the Membership at its regular annual meetings.

ARTICLE VIII - COMMITTEES

The Association shall appoint such committees as are provided in the Declaration and shall appoint other committees as deemed appropriate in carrying out its purpose.

Meetings of committees shall be open to Members. Members of the committees may not vote by proxy or secret ballot.

ARTICLE IX - FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first Fiscal Year shall begin on the date of incorporation.

ARTICLE X - ASSESSMENTS

Section 1. Budgets. The Board shall prepare or cause to be prepared an annual budget. The budget shall reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget shall set out separately all fees or charges for recreational amenities, if any. 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 to the Members upon request with no charge.

Section 2. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association certain Assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. The Assessment shall bear interest from the date of delinquency at an interest rate equal to the highest rate allowed by law, or as otherwise determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of any Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Property or abandonment of his Lot.

Section 3. Financial Reports. The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The financial report shall comply with applicable provisions of Florida law.

ARTICLE XI - NOTICE OF TRANSFER

Prior to conveyance of any Lot to an Owner, such Owner shall provide to the Association written notice of the party to whom the Lot is to be conveyed together with an address for the new Owner for Association records.

ARTICLE XII - ASSOCIATION RECORDS

In accordance with the requirement of Section 617.303(4), the Official Records of the Association shall consist of:

Section 1. General Records.

(a) A copy of any plans, permits, warranties, and other items related to improvements constructed on the Common Property or other property which the Association is obligated to maintain, repair or replace.

(b) A copy of the Bylaws of the Association and of each amendment to the Bylaws.

- (c) A certified copy of the Articles of Incorporation of the Association, or other documents creating the Association, and of each amendment thereto.
- (d) A copy of the Declaration of Covenants and of each amendment thereto.
- (e) A copy of the current rules of the Association.
- (f) A book or books that contain the minutes of all meetings of the Association, of the Board of Directors, and of Members, which minutes shall be retained for a period of not less than seven (7) years.
- (g) A current roster of all Members and their mailing addresses, Lot identifications, and, if known, telephone numbers.
- (h) All current insurance policies of the Association, or a copy thereof.
- (i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Members have an obligation or responsibility.
- (j) A copy of all bids received by the Association for work to be performed, which must be retained for one (1) year.

Section 2. Financial Records. Accounting records for the Association and separate accounting records for each Lot, according to generally accepted accounting principles. All accounting records shall be maintained for a period of not less than seven (7) years. The financial records shall include, but are not limited to:

- (a) Accurate, itemized, and detailed records of all receipts and expenditures.
- (b) A current and a periodic statement of the account for each Member of the Association, designating the name and address of the Member, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.
- (c) All tax returns, financial statements, and financial reports of the Association.
- (d) Any other records that identify, measure, record or communicate financial information.

Section 3. Inspection and Copying of Records. The foregoing official records shall be maintained within the State and must be open to inspection and available for photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. The Association may adopt reasonable rules and regulations governing the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of official records.

ARTICLE XIII - AMENDMENT

Section 1. Procedure. Until Turnover, these Bylaws may be amended by the Class B Member without the consent or joinder of any Class B Member. Thereafter, these Bylaws may be amended at a regular or special meeting of the Board of Directors by a majority vote of the Directors. Amendments to these Bylaws need only be filed in the minute book, and need not be recorded in the public records of the County.


Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall prevail. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall prevail.

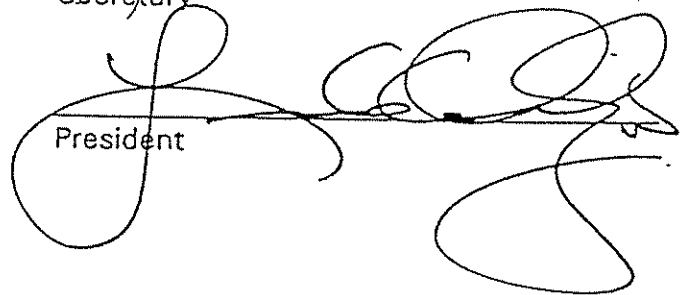
ARTICLE XIV - SEAL

The seal of the Association is hereby adopted in the form affixed hereto including the name of the Association, the words "Corporation Not For Profit" and the year of incorporation.

These Bylaws have been adopted in accordance with the provisions of Chapter 617, Florida Statutes, as amended in 1993. To the extent that the provisions of that Chapter are amended or modified in a manner which is inconsistent herewith or which expands or clarifies any provisions hereof, the amendments or modifications of Chapter 617 shall prevail.

The foregoing Bylaws of Marsh Landing At Sawgrass Owners Association VII, Inc., a corporation not-for-profit under the laws of the State of Florida, were adopted at the first meeting of the Board of Directors on the 24th day of July, 1995.


Secretary


President