

BY-LAWS OF GOLF HAMMOCK CLUB, INC. □

TABLE OF CONTENTS

PAGE

DEFINITIONS □		1
ARTICLE I	ORGANIZATION	
Section 1.1	- Name.....	2
Section 1.2	- Location.....	2
Section 1.3	- Purpose.....	2
Section 1.4	- Corporate Seal.....	2
Section 1.5	- Fiscal Year.....	2
Section 1.6	- Governing Rules.....	2
Section 1.7 □	- Corporation Not For Profit.....	2
ARTICLE II □	MEETINGS OF MEMBERS	
Section 2.1	- Annual Meeting.....	2
Section 2.2	- Special Meetings.....	2
Section 2.3	- Call of Meeting of Members.....	2
Section 2.4	- Place.....	3
Section 2.5	- Notice.....	3
Section 2.6	- Notice of Adjourned Meetings.....	3
Section 2.7	- Waiver of Notice of Members' Meeting.....	3
Section 2.8	- Fixed Record Date.....	3
Section 2.9	- Quorum.....	3
Section 2.10	- Number of Votes.....	4
Section 2.11	- Manner of Action.....	4
Section 2.12 □	- Voting for Governors.....	4
ARTICLE III	BOARD OF GOVERNORS	
Section 3.1	- Functions.....	4
Section 3.2	- Number.....	4
Section 3.3	- Qualifications.....	4
Section 3.4	- Term.....	4
Section 3.5	- Removal of Governors.....	4
Section 3.6	- Resignation.....	4
Section 3.7	- Vacancies.....	4
Section 3.8 □	- Limitations.....	5
ARTICLE IV □	BOARD OF GOVERNORS MEETINGS	
Section 4.1	- Annual Meeting.....	5
Section 4.2	- Regular Meeting.....	5
Section 4.3 □	- Special Meetings.....	5
Section 4.4	- Waiver of Notice of Meeting.....	5
Section 4.5	- Quorum.....	5
Section 4.6	- Voting.....	5
Section 4.7	- Meetings by Means of Conference Telephone or Similar Mode of Communication.....	5
Section 4.8 □	- Action Without a Meeting.....	6

BY-LAWS OF GOLF HAMMOCK CLUB, INC. □

TABLE OF CONTENTS □(continued)

□

ARTICLE V

OFFICERS

Section 5.1	- Titles	6
Section 5.2	- Election and Term of Office	6
Section 5.3	- Removal of Officers	6
Section 5.4	- Resignation	6
Section 5.5	- Duties	6
Section 5.6	- Other Officers, Employees and Agents	7

□

ARTICLE VI □

COMMITTEES OF THE BOARD OF GOVERNORS

Section 6.1	- Authorization	7
-------------	-----------------------	---

□

ARTICLE VII

MEMBERSHIP

Section 7.1	- Purpose	7
Section 7.2	- Rights and Privileges of Voting Members	7
Section 7.3	- Election, Rights and Privileges of Other Members	8
Section 7.4	- Limitations	8
Section 7.5	- Eligibility	8
Section 7.6	- Membership Contributions	8
Section 7.7	- Membership Applications	8
Section 7.8 □	- Action on Applications	8
Section 7.9	- Certificates of Membership	9
Section 7.10	- Limitation of the Creation of Liens	9
Section 7.11	- Authority for Temporary Memberships	9
Section 7.12	- Equity Ownership	9

□

ARTICLE VIII □

USE OF MEMBERSHIPS BY TENANTS

Section 8.1	- User of Membership by Tenants	9
-------------	---------------------------------------	---

ARTICLE IX □

TRANSFER OF MEMBERSHIPS

Section 9.1	- Transfer to Corporation	9
Section 9.2	- Transfer upon Sale of Residential Unit of Lot	10
Section 9.3	- Repurchase Option of the Corporation	10
Section 9.4	- Redemption of Certificates of Membership	10
Section 9.5	- Payment of Dues by a Resigning Member	10
Section 9.6	- Transfer of Membership Upon Death	10
Section 9.7 □	- Divorce of Separation	11
Section 9.8 □	- Transfer of Membership to a Family Member	11

□

ARTICLE X □

DUES, FEES AND ASSESSMENTS

Section 10.1	- Dues	11
Section 10.2	- Trail Fees	11
Section 10.3	- Club Year	11
Section 10.4	- Assessments	11

BY-LAWS OF GOLF HAMMOCK CLUB, INC. □

TABLE OF CONTENTS □ (continued)

□

ARTICLE XI

DISCIPLINE, SUSPENSION, FINE OR EXPULSION

Section 11.1	- Power of Board to Discipline, Suspend or Expel	11
Section 11.2	- Dues and Other Financial Obligations During Suspension	12
Section 11.3	- Expulsion	12
Section 11.4	- Vote Necessary for Expulsion	12

□

ARTICLE XII □

BOOKS AND RECORDS

Section 12.1	- Books and Records	12
--------------	---------------------------	----

□

ARTICLE XIII

INDEMNIFICATION

Section 13.1	- Indemnification	12
--------------	-------------------------	----

□

ARTICLE XIV □

DISSOLUTION OF THE CORPORATION

Section 14.1	- Dissolution	13
--------------	---------------------	----

ARTICLE XV □

AMENDMENTS

Section 15.1	- Limitation	13
Section 15.2	- Procedure	13
Section 15.3	- Notification	13
Section 15.4	- Non-modification	13
Section 15.5	- Effectiveness	13

GOLF HAMMOCK CLUB, INC. □ □
RESTATED AND REVISED BY-LAWS
AS ADOPTED JANUARY 22, 2005 □ □
WITH AMENDMENTS THROUGH JANUARY 22, 2005
INCORPORATED THEREIN □

□

DEFINITIONS □

□

"The Act" shall mean the Florida Not For Profit Corporation Act. □

□

"Amendment" shall mean any alteration, amendment or repeal of any section of the by-laws enacted by the Voting Members subsequent to the original adoption of these restated and revised by-laws. □

□

"Board" or "Board of Governors" shall mean those Members who have-been duly elected by the Voting Members to manage the affairs of the Corporation in accordance with these by-laws. □

□

"Certificate of Membership" shall mean the certificate issued to a Voting Member by the Corporation, in the form approved by the Board of Governors. □

□

"Club" shall mean the Golf Hammock Country Club. □

□

"Corporation" shall mean Golf Hammock Club, Inc., a Florida corporation not for profit. □

□

"Golf Hammock" shall mean the residential development in which Golf Hammock Country Club is located. □

□

"Governor" or "Governors" shall mean one or more of those Members who have been elected to the Board of Governors. Notwithstanding any other provision of these By-laws, any such Member who is not a Voting Member shall be eligible to attend any meeting which requires the Board of Governors to be present. □

□

"Member" or "Members" shall mean a person or persons or entity elected to Membership in the Corporation in accordance with these by-laws. □

□

"Voting Member" shall mean a Member (1) admitted as a Voting Member by the Board of Governors, (2) whose capital contribution is fully paid, (3) whose dues, trail fees and/or assessments, if any, and account balances are fully paid, and (4) whose Membership privileges have not been suspended or revoked by the Board of Governors in accordance with these by-laws. □

□

"Membership" shall mean membership in the Corporation. □

□

□

ARTICLE I
ORGANIZATION

□

1.1 - Name: The name of the Corporation shall be "Golf Hammock Club, Inc.", under which name it is incorporated under the laws of the State of Florida.

1.2 - Location: The principal office of the Corporation shall be located at 2222 Golf Hammock Drive, Sebring, Highlands County, in the State of Florida, or at such other place as may be designated, from time to time, by the Board of Governors. □

1.3 - Purpose: The Corporation shall operate a club known as Golf Hammock Country Club, and shall have full power to act in accordance with the authority granted it under the Articles of Incorporation. □

1.4 - Corporate Seal: The Seal of the Corporation shall be circular in form, may be a facsimile, engraved, printed or impression seal and shall contain the following words and date: "SEAL" and "Golf Hammock Club, Inc., Florida corporation not for profit 1992". □

1.5 - Fiscal Year: The fiscal year of the Corporation shall commence with the first day of January of each year and shall end on the last day of December of each year. □□

1.6 - Governing Rules: The Board of Governors will be responsible for the administration of the Corporation and the Club and shall have exclusive authority to accept Members in accordance with these by-laws, establish rules and regulations of the Club and, in general, manage and control the affairs of the Corporation and the Club, except as otherwise stated herein. □

In the event of a conflict between the terms of these by-laws and the Articles of Incorporation, the latter shall prevail. □

The rules contained in "Robert's Rules of Order as Revised" shall govern in all cases to which they are applicable and in which they are not inconsistent with these by-laws. □

1.7 - Corporation Not For Profit: The Corporation was organized under Chapter 617, Florida Statutes, as a corporation not for profit. No dividend shall be paid and no part of the income or profit of the Corporation may be distributed to its Members, Directors or Officers. □

□

ARTICLE II
MEETINGS OF MEMBERS

2.1 - Annual Meeting: The annual meeting of the Voting Members of the Corporation shall be held at the time and place designated by the Board of Governors of the Corporation. The annual meeting of Voting Members for any year shall be held no later than thirteen (13) months after the last preceding annual meeting of the Voting Members. Business transacted at the annual meeting shall include the election of Governors of the Corporation, as provided in these by-laws. □

2.2 - Special Meetings: Special meetings of the Voting Members shall be held when directed by the President or the Board of Governors, or when requested in writing by not less than thirty-three and one third per cent (33 1/3%) of the Voting Members. □

2.3 - Call of Meeting of Members: The call for an annual or special meeting of the Voting Members shall be issued by the Secretary, unless the President, Board of Governors or Voting Members requesting the meeting shall designate another person to do so. □

□

ARTICLE II - MEETINGS OF MEMBERS (Continued) □

□

2.4 - Place: Meetings of Voting Members shall be held within the State of Florida. If no place is designated in the notice for a meeting of Voting Members, the place of the meeting shall be the principal office of the Corporation. □

2.5 - Notice: Except as provided in the Florida Not For Profit Corporation Act ("The Act"), written notice stating the place, day and hour of the meeting and, in the case of a special meeting or as otherwise provided by law, the purpose or purposes for which the meeting is called, shall be delivered to each Voting Member of record not less than ten (10) days nor more than sixty (60) days before the date of the meeting by prepaid mail, by or at the direction of the President, the Secretary, or the officer or other persons calling the meeting. Notice shall be deemed to be delivered when deposited in the United States mail addressed to the Voting Member at the Voting Member's address as it appears in the current record of Voting Members of tile Corporation. □

2.6 - Notice of Adjourned Meetings: When a meeting is adjourned to another time and place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original date of the meeting. If, however, after the adjournment, the Board of Governors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given as provided in Section 2.5 of these by-laws to each Voting Member of record on the new record date. □

2.7 - Waiver of Notice of Members' Meeting: Whenever any notice of a meeting is required to be given to any Member, a waiver thereof in writing signed by the Member or Members entitled to such notice, whether before, during or after the time of the meeting stated therein and delivered to the Corporation for inclusion in the minutes or filing with the corporate records, shall be equivalent to the giving of such notice. Attendance by a Member at a meeting shall constitute a waiver of (a) lack of notice or defective notice of such meeting, unless the Member at the beginning of the meeting objects to holding the meeting; or (b) lack of notice or defective notice of a particular matter at a meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering that particular matter when it is presented. Unless otherwise required by the Articles of Incorporation or these by-laws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in any written waiver of notice. □

2.8 - Fixed Record Date: For the purpose of determining Voting Members entitled to notice of, or to vote at, any meeting of Voting Members or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or to demand a special meeting, or to receive payment of any distribution, or in order to make any determination of Voting Members for any other purpose, the Board of Governors may fix in advance a date as the record date for any determination of Voting Members, such date in any case to be not more than seventy (70) days prior to the date on which the particular action requiring such determination of Voting Members is to be taken. A determination of Voting Members entitled to notice of, or to vote at, any meeting of Voting Members shall apply to any adjournment thereof, unless the Board of Governors fixes a new record date for the adjourned meeting, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting. □

2.9 - Quorum: The presence, either in person or by proxy, of Voting Members having fifty per□cent (50%) of the votes then entitled to be voted, excluding from this number those who are entitled to vote but who have placed their membership on the redemption list as provided in Section 9.4, will constitute a quorum at any meeting of the Voting Members. The Board of Governors shall determine the form and procedure for the use of proxies. □

ARTICLE II - MEETINGS OF MEMBERS (Continued) □

□

2.10 - Number of Votes: Except as otherwise provided in the Articles of Incorporation or by The Act, on each matter submitted to a vote at a meeting of Members, a Voting Member shall be entitled to one vote for each Certificate of Membership issued to that Voting Member by the Corporation. A Certificate of Membership issued to more than one person shall be entitled to only one vote, which must be exercised collectively according to the direction of a majority of the persons to whom it is issued. A Member who is not a Voting Member shall not be entitled to vote on any matter and shall not count towards a quorum. Voting by corporate Voting Members shall be as provided in The Act. □

2.11 - Manner of Action: A majority of the votes cast on a particular matter is necessary for passage of any motion, except as otherwise expressly provided herein. □

2.12 - Voting for Governors: At each election for Governors, every Voting Member at such election shall have the right to vote, in person or by proxy, for as many persons as there are Governors to be elected at that time and for whose election he or she has a right to vote. Unless otherwise provided in the Articles of Incorporation, cumulative voting is not authorized, and the Governors shall be elected by a plurality of the votes cast by the Voting Members in the election at a meeting at which a quorum is present. □

ARTICLE III

BOARD OF GOVERNORS □

3.1 - Functions: Except as provided in the Articles of Incorporation or by-laws, all corporate powers shall be exercised by and under the authority of, and the business affairs of the Corporation shall be managed under the direction of, the Board of Governors. □

3.2 - Number: The Board of Governors shall consist of nine (9) Members at least seven (7) of which must be Voting Members. □

3.3 - Qualifications: A Governor must be a natural person who is twenty-one (21) years of age or older, and must be a Member at the time of his or her election to the Board. □

3.4 - Term: Except as provided in Section 3.7, below, each Governor shall, upon election, serve for a term of three (3) years or until a successor has been elected and qualified, or until (a) removal from office, as provided for in Section 3.5, below, (b) earlier resignation or (c) death. □

3.5 - Removal of Governors: Any Governor, or the entire Board of Governors, may be removed, with or without cause, by action of the Voting Members. The notice of a meeting of the Voting Members at which a vote is to be taken to remove a Governor or Governors must state that the purpose or one of the purposes of the meeting is to vote on the removal of the Governor or Governors. □

3.6 - Resignation: Any Governor may resign at any time by delivering written notice to the Corporation or the Board of Governors. Such resignation shall become effective when it is delivered, unless the notice specifies a later effective date, in which event the Board of Governors may fill the pending vacancy before the effective date of the resignation but the appointee may not take office until the effective date. □

3.7 - Vacancies: Any vacancy occurring in the Board of Governors may be filled by the affirmative vote of a majority of the remaining Governors, though less than a quorum of the Board of Governors, or by the Voting Members. A Governor elected by the Board of Governors to fill a vacancy shall hold office only until the next Voting Members' meeting at which Governors are elected. A Governor elected by the Voting Members to fill a vacancy shall hold office only for the remaining term of the Governor he or she replaces. □

ARTICLE III - BOARD OF GOVERNORS (Continued) □

3.8 - Limitations: Expenditures of the Board of Governors shall be limited to budgeted items plus the expenditure of no more than \$25,000.00 for anyone item, project or expense unless there is the approval of a majority of the Voting Members. Major projects may not be done in part to circumvent this limit of expenditure. □

□

ARTICLE IV □

BOARD OF GOVERNORS MEETINGS □

4.1 - Annual Meeting: An annual meeting of the Board of Governors shall be held without notice immediately after, and at the same place as, the annual meeting of the Voting Members, for the purpose of the election of officers and the transaction of such other business as may come before such meeting. Nothing herein shall prevent the Board from adjourning said meeting to another time and/or place if approved by the majority of the Board then present. Likewise, the Board shall be required to adjourn said meeting if less than three-fourths (3/4) of the full Board is present at said meeting or an adjournment thereof. □

4.2 - Regular Meetings: Regular meetings of the Board of Governors shall be held at least every month at a time and place as is designated by the Board. These meetings shall be open to all Members. □

4.3 - Special Meetings: Special meetings of the Board of Governors may be called by the President or any four (4) Governors. The person or persons authorized to call a special meeting of the Board of Governors may designate any place within the State of Florida as the place for holding a special meeting called under this section. If no designation is made, the place of the meeting shall be the principal office of the Corporation in the State of Florida. □

4.4 - Waiver of Notice of Meeting: Notice of a meeting of the Board of Governors need not be given to any Governor who signs a written waiver of notice either before, during or after a meeting. Attendance of a Governor at a meeting shall constitute a waiver of notice of such meeting and any and all objections as to the place of the meeting, the time of the meeting and the manner in which it has been called or convened. □

4.5 - Quorum: Except as may otherwise be provide in these by-laws, a majority of the number of Governors shall constitute a quorum for the transaction of business; provided however, that whenever, for any reason, a vacancy occurs in the Board of Governors, a quorum shall consist of a majority of the remaining Governors until the vacancy has been filled. □

A majority of the Governors present, whether or not a quorum exists, may adjourn any meeting of the Board of Governors to another time and place. Notice of a new time and place of any such adjourned meeting shall be given to the Governors who were not present at the time of the adjournment and, unless the time and place of the subsequent meeting are announced at the time of the adjournment, to the other Governors. □

4.6 - Voting: The act of the majority of the Governors present at a meeting at which a quorum is present when the vote is taken shall be the act of the Board of Governors. □

4.7 - Meetings by Means of Conference Telephone or Similar Mode of Communication: Members of the Board of Governors may participate in a meeting of such Board by means of a conference telephone or similar equipment if all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at a meeting. □

□

ARTICLE IV - BOARD OF GOVERNORS MEETINGS (Continued) □

4.8 - Action Without a Meeting: Any action required or permitted to be taken at a meeting of the Board of Governors or a committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Governors, or all the members of the committee, as the case may be. Action taken under this Section is effective when the last Governor or member of the committee signs the consent, unless the consent specifies a different effective date. Such consent shall have the same effect as a meeting vote and may be described as such in any document. □

□

**ARTICLE V
OFFICERS** □

5.1 - Titles: If so elected by the Board of Governors, the officers of this Corporation shall consist of a President a Secretary and such other officers as elected by the Board of Governors. Any (2) or more offices may be held by the same person. □

5.2 - Election and Term of Office: The officers of the Corporation shall be elected annually by the Board of Governors at the first meeting of the Board held after the Members' annual meeting. If the election of officers does not occur at that meeting, the election shall occur as soon thereafter as practicable. Each officer shall hold office until a successor has been duly elected and qualified, or until an earlier resignation, removal from office or death. □

5.3 - Removal of Officers: Any officer of the Corporation may be removed from his or her office or position at any time, with or without cause, by the Board of Governors. Any officer or assistant officer, if appointed by another officer pursuant to authority, if any, received from the Board of Governors, may likewise be removed by such officer. □

5.4 - Resignation: Any officer of the Corporation may resign from his or her office or position at any time by delivering notice to the Corporation or the Board of Governors. Such resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Governors may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. □

5.5 - Duties: If so elected by the Board of Governors, the officers of this Corporation shall have the following duties: □

The President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Governors, in general, supervise and control all of the business and affairs of the Corporation, and shall preside at all meetings of the Members, the Board of Governors and all committees of the Board of Governors on which he or she may serve. In addition, the President shall possess and may exercise such power and authority, and shall perform such duties, as may from time to time be assigned to him or her by the Board of Governors, and as are incident to the office of President.

□

Each Vice President shall possess, and may exercise, such power and authority, and shall perform such duties, as may from time to time be assigned to him or her by the Board of Governors or the President.

□

□

□

ARTICLE V - OFFICERS (Continued)

5.5 - Duties: (Continued)

The Secretary shall have custody of, and maintain, all of the corporate records except the financial records, shall record the minutes of all meetings of the Members and Board of Governors, see that all notices of meetings are duly given, keep a register of the mailing address of each Member of the Corporation, be responsible for authenticating records of the Corporation and perform such other duties as may be prescribed by the Board of Governors or the President. □

The Treasurer shall have custody of all corporate funds and financial records, shall keep full and accurate accounts of receipts and disbursements and shall perform such other duties as may be prescribed by the Board of Governors or the President. □

5.6 - Other Officers, Employees and Agents: Each and every other officer, employee and agent of the Corporation shall possess, and may exercise, such power and authority, and shall perform such duties, as may from time to time be assigned to him or her by the Board of Governors, by the officer appointing him or her, and by such officer or officers who may from time to time be designated by the Board to exercise supervisory authority. □

□

ARTICLE VI

COMMITTEES OF THE BOARD OF GOVERNORS

6.1 - Authorization: The Board of Governors, by resolution adopted by a majority of the full Board of Governors, may designate from among its members an executive committee and one or more other committees, each of which, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Governors, except as prohibited by The Act or by these by-laws. □

□

ARTICLE VII

MEMBERSHIP

7.1 - Purpose: The Corporation admits Members for the purpose of permitting persons to have recreational use of the facilities of the Club. Membership shall not be viewed or acquired as an investment, and no Member or person or entity applying to become a Member should expect to derive any economic profit from Membership. The Corporation shall not pay any dividend to its Members, and no part of the income or profit of the Corporation may be distributed to its Members. To the extent allowed by The Act, the Corporation may confer benefits upon its Members in conformity with its purposes, and, upon dissolution or partial or full liquidation, the Corporation may make distributions to its Members as permitted by The Act □

7.2 - Rights and Privileges of Voting Members: Upon payment of the appropriate dues and fees as established by the Board of Governors from time to time, a Voting Member and his or her immediate family shall be entitled to use the Club facilities in accordance with the privileges granted by the Member's category of Membership. Except as provided in Sections 9.2, 9.5, and 9.8 of these by-laws, Voting Members admitted after August 31, 1996 must pay the dues established by the Board of Governors for annual use of all Club facilities. A Voting Member's immediate family shall include the Voting Member, his or her spouse or cohabiter, and their unmarried children under the age of twenty three (23) who are living at home, attending school on a full time basis or an active member of the

military on leave. Nothing herein shall prohibit a Certificate of Membership from being issued in joint names of spouse or cohabiters. □

7.3 - Election, Rights and Privileges of Other Members: Upon payment of appropriate dues and fees, as established by the Board of Governors from time to time, an individual shall be elected to Membership in the Corporation with the privilege of access to and use of the Club facilities allowed by that Membership category for the time period associated with the dues and charges paid, which shall not be less than one calendar day, in the following categories: □

Golf Members will have the right to use, in accordance with the rules applicable thereto, golf, swimming, tennis and clubhouse facilities of the Club. □

Pool and Tennis Members will have the right to use, in accordance with the rules applicable thereto, swimming, tennis and clubhouse facilities of the Club. □

7.4 - Limitations: The Board of Governors has the sole authority to determine the maximum number of Certificates of Membership that will be issued by the Corporation. The number of Certificates of Membership issued will not be increased by the Board of Governors unless no Certificates of Membership are available for redemption. □

In order to provide the utmost playing pleasure for its Members, the Corporation reserves the right, from time to time, to modify playing privileges for each category of Membership, to establish different categories of Membership, and to establish rules governing access, sign-up privileges and starting times with respect to the golf course, tennis courts and the other recreational facilities of the Club. □

Members who have paid the applicable fee may use the Club facilities allowed by their Membership category on a daily fee basis and are entitled to all the rights and privileges of a Member in the use of the Club's social facilities. All guests shall be bound by the general Club rules. □

7.5 - Eligibility: Membership as a Voting Member is available from the Corporation on a first come basis, upon application to the Membership Committee and approval of the Board of Governors. If a cap on Voting Members is in effect and that cap has been reached, a waiting list shall be established. The Corporation reserves the right to offer the right of first refusal to the purchaser of a residential unit or lot, the seller of which has expressed to the Corporation in writing the intention to surrender his or her Voting Membership, as provided in Section 9.2 of these by-laws. Failure of the purchaser of real estate owned by a Voting Member to apply to become a Voting Member shall not preclude such purchaser from applying for Voting Membership at a later date; provided that such an applicant shall be subject to any existing waiting list for Voting Membership. □

7.6 - Membership Contributions: Except for transfers in accordance with Sections 9.2 and 9.8 of these by-laws, a person desiring to become a Voting Member shall make a capital contribution and all other contributions established by the Board of Governors in the amounts set by the Board of Governors from time to time. The Board of Governors shall allocate all capital contributions received pursuant to this Section 7.6 to redemption of Memberships offered by resigning Voting Members to the Corporation for redemption; provided, however, that if at the time the capital contribution is made no Membership is offered to the Corporation by a resigning Voting Member for redemption, the Board of Governors may allocate that capital contribution to the unrestricted general revenue of the Corporation. □

7.7 - Membership Applications: Except for transfers in accordance with Sections 9.2 and 9.8 of these by-laws, an applicant seeking to become a Voting Member must mail or deliver to the Corporation a fully completed and signed Application for Membership, Membership Agreement and a check in U. S. dollars for the full amount of the capital contribution, dues and fees due, hereinafter referred to collectively as an "Application". □

7.8 - Action on Application: Within thirty (30) days after receipt of an Application, the Board of Governors will determine if the applicant has satisfied the conditions for being accepted as a Voting Member. If the Board determines that the applicant has satisfied those conditions, the Corporation will

ARTICLE VII - MEMBERSHIP (Continued) □

notify the applicant in writing that the Application has been accepted. If the Board determines that the applicant has not satisfied those conditions, then the Corporation will notify the applicant that the Application has not been acted upon favorably and will return the applicant's payment without any interest thereon. □

If approved to become a Voting Member, the applicant, by submitting an Application, agrees to be bound by the terms and conditions thereof, the rules of the Club, these by-laws and the Articles of Incorporation. □

7.9 - Certificates of Membership: The Board of Governors shall determine the form of Certificates of Membership. Certificates of Membership shall be issued only to Voting Members. □

7.10 - Limitation of the Creation of Liens: No Member shall be permitted to create, assume or suffer to exist any lien whatsoever on his or her Membership or Club membership. □

7.11 - Authority for Temporary Memberships: To introduce the Club to prospective Members, the Corporation may issue recallable, temporary annual or seasonal Club memberships. □

7.12 - Entity Ownership: The Certificate of Membership for a Voting Member that is a company, partnership or other form of entity ownership will be issued in the name of the entity, and the entity that is the Voting Member will designate one individual or family who will have the right to use the facilities of the Club as the Club member, upon approval of the Board of Governors and payment of all required charges and fees. Other individuals using the Club facilities simultaneously with that Club member may do so as guests, subject to the general rules of the Club, upon payment of the applicable guest charges. □

□

ARTICLE VIII □

USE OF MEMBERSHIPS BY TENANTS □

8.1 - Use of Membership by Tenants: Voting Members who own a residential unit in Golf Hammock have the right to designate the tenant of their residential unit with a lease term of at least three (3) months as the beneficial user of their Membership. A tenant's application to use Membership privileges must be submitted to and approved by the Corporation prior to the use of the Club facilities. A tenant who is designated as beneficial user of a Member's Membership, upon payment of all required charges and fees, shall be elected as a Member of the Corporation with the same privileges to use the Club facilities as the Voting Member from whom the tenant is leasing. A separate Certificate of Membership must be issued to the Voting Member for each residential unit for which the Voting Member desires a tenant to be able to use the Club facilities. During the period when a tenant is designated as the beneficial user of a Membership, the Voting Member will have no privileges for use of the Club facilities under that Membership, but the Voting Member's voting rights shall continue to be held and exercised by the Voting Member. Voting Members will be responsible for the deportment of their tenants and for all charges incurred by their tenants which remain unpaid after the customary billing and collection procedure of the Club. □

ARTICLE IX TRANSFER OF MEMBERSHIPS □

9.1 - Transfer to Corporation: A Member may not sell or otherwise transfer Membership in the Corporation. A Member desiring to terminate Membership must surrender that Membership to the

Corporation. The Membership of a resigning Voting Member will be placed on a waiting list to be redeemed by the Corporation from time to time, as funds are allocated by the Board of Governors for redemption of Memberships, on the basis of the amounts for which the Memberships are offered for redemption, with the Corporation redeeming all Memberships offered to the Corporation at a lower □

ARTICLE IX - TRANSFER OF MEMBERSHIP (Continued) □

amount before redeeming any Memberships at a higher amount and, in the event that more than one Membership is offered to the Corporation for the same amount, the Corporation shall redeem the Memberships at that amount in the order that the offers were received beginning with the first offer at that amount. □

9.2 Transfer Upon Sale of Residential Unit or Lot: Voting Members may arrange through the Corporation for surrender of their Voting Membership for reissue to the buyer of their residential unit or lot in Golf Hammock without such buyer having to be placed on a waiting list. However, if the buyer of the resigning Voting Member's residential unit or lot chooses not to become a Voting Member or is not approved for Voting Membership, then the resigning Voting Member's Membership will be placed on the waiting list for redemption. If a Voting Member's residential unit or lot in Golf Hammock is sold after December 31, 2003, the provisions of Section 7.2 with respect to Voting Members admitted after August 31, 1996 will be deemed to have been met if such buyer, after having been approved for Voting Membership, pays the dues established by the Board of Governors for any available form of Membership offered by the Club until such Voting Member resides in Golf Hammock for at least one month per year at which time the dues for the annual use of all Club facilities will be required to be paid by such Voting Member. □

9.3 - Repurchase Option of the Corporation: Should a Voting Member sell his or her residential unit or lot in Golf Hammock and not resign his or her Voting Membership, the Corporation has the right, but not the obligation, to require the Voting Member to surrender his or her Certificate of Membership for redemption at any time. The redemption amount to be paid by the Corporation to a Voting Member who is required to surrender his or her Certificate of Membership shall be the same amount as would be paid to a resigning Voting Member but not less than the capital contribution made to the Corporation with respect to that Certificate. □

9.4 - Redemption of Certificate of Membership: Upon acceptance by the Corporation of the surrender of a Certificate of Membership by a resigning Voting Member, the Corporation shall redeem that Certificate of Membership by paying to the resigning Voting Member an amount equal to the lesser of eighty percent (80%) of the capital contribution then required by the Board of Governors to become a Voting Member or the amount for which the Membership is offered to the Corporation by the resigning Voting Member; provided, however, that unless offered for a lesser amount the redemption amount shall be not less than \$8,500.00 and for Voting Members who made capital contributions in the amount of \$10,500.00 prior to December 16, 1995 the redemption amount shall not be less than \$10,500.00, unless offered to the Corporation for a lesser amount. The Corporation will deduct from the redemption amount to be paid to the resigning Voting Member any amount which the resigning Voting Member owes the Corporation or the Club. For purposes of this Section the term "acceptance" shall mean approval to redeem that Certificate of Membership by vote of a majority of the Board of Governors (after a new Voting Member has paid in full his or her capital contribution). □

9.5 - Payment of Dues by a Resigning Member: After resignation, a Voting Member's privileges to use the Club facilities will continue until the end of the current Club Membership year or, if earlier, the date that the Corporation pays the reimbursement amount specified in Section 9.4 of this Article. The resigning Voting Member will be obligated for the dues for the year of resignation and shall thereafter be obligated for any minimum dues established by the Board of Governors from time to time. □

9.6 - Transfer of Membership Upon Death: Upon the death of a Voting Member, the deceased Voting Member's spouse shall have the right to have the Voting Member's Membership transferred to him or her without payment of an additional capital contribution. If the deceased Voting Member has no surviving spouse, the legatee or heir shall have the right to receive the deceased Voting Member's

ARTICLE IX - TRANSFER OF MEMBERSHIPS (Continued)□

Membership without payment of an additional capital contribution, if accepted as a Voting Member by the Board of Governors.

In the event of a Voting Member's death, the Board of Governors may refund unused Club golf membership dues for a period not to exceed six months. □

9.7 - Divorce or Separation: In the event Voting Members are divorced or separated, their Voting Membership will be awarded in accordance with any court decree or separation agreement. □

9.8 - Transfer of Membership to a Family Member: A Member may transfer Membership in the Corporation to a family member at any time subject to any transfer fees established by the Board. Upon notification to the Board and surrender of his or her Certificate of Membership, a replacement Certificate of Membership will be issued which will not be considered a new but rather a continuation of the old Membership and the immediate dues paying requirement of Section 7.2 shall not apply until the replacement Voting Member resides in Golf Hammock for at least one month per year at which time the dues for the annual use of all Club facilities will be required to be paid by such Voting Member. □

Before such transfer is completed any amount which the transferring Member owes to the Corporation or the Club must be paid in full. For this purpose family member means spouse or cohabiter, adult children of the Member and the spouses of any such adult children. □

□

ARTICLE X□

DUES, FEES AND ASSESSMENTS□

10.1 - Dues: The Board of Governors reserves the right to set the amount of dues to be paid by each class of Membership at any level deemed appropriate. Annual dues and annual trail fees are payable on January 1. The Board of Governors has the right to deny any and all privileges to any Member whose dues are not paid by that date. □

10.2 - Trail Fees: After payment of annual dues and annual trail fees for each private cart used, Voting Members may use one or more private golf carts on the Club course in lieu of rented carts. The amount of trail fees shall be set by the Board of Governors. Voting Members must carry liability insurance covering private golf carts in the amount determined by the Board of Governors. □

10.3 - Club Year: The Club year will constitute the twelve (12) month period commencing on January 1 and ending on the following December 31. □

10.4 - Assessments: Assessments approved by a majority of the Board of Governors will be pro-rated among all Voting Members as of the date of such assessment; provided, however, that there may be no assessments in excess of fifty thousand dollars (\$50,000) unless it is approved by a majority of the Voting Members at a duly called meeting of the Voting Members. Failure to pay any assessment shall subject a Voting Member to the same penalties as failure to pay any other obligation to the Club or to the Corporation. □

ARTICLE XI□

DISCIPLINE, SUSPENSION, FINE AND EXPULSION □

11.1 - Power of the Board to Discipline, Suspend or Expel: The Board of Governors has the power to discipline, suspend or expel Members and guests whose conduct shall be deemed by the Board to be □

DISCIPLINE, SUSPENSION, FINE AND EXPULSION (Continued) □

improper or likely to endanger the welfare, safety, harmony or good reputation of the Club, the Corporation or its Members. Such action may include reprimand, suspension, fine or expulsion. 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 Club, the Corporation or its Members. □

11.2 - Dues and Other Financial Obligations During Suspension: Dues and other financial obligations of a Member under Board approved suspension shall continue to accrue during any period of suspension and all amounts due shall be paid in full before the Member may be reinstated to full privileges of Membership. □

11.3 - Expulsion: Before any Voting Member can be expelled, he or she shall be given ten (10) days written notice that such action will be considered by the Board of Governors at a time and place specified in the notice, together with a written specification of the charge or charges against him or her. Such notice shall be delivered to the Voting Member personally, or if this is not possible, mailed by certified mail to the Voting Member's address of record on file with the Corporation. In the case of expulsion, the Voting Member's Certificate of Membership will be redeemed as provided in Section 9.4 of these bylaws. A Voting Member who has been expelled shall not again be eligible for Membership under any circumstances. □

11.4 - Vote Necessary for Expulsion: In the event the Board of Governors considers the expulsion of a Voting Member, the Voting Member can only be expelled from the Corporation by a two-thirds (2/3) vote of the full Board of Governors. □

ARTICLE XII

BOOKS AND RECORDS □

12.1 - Books and Records: The Corporation shall maintain accurate accounting record and shall keep records of minutes of all meetings of its Members and Board of Governors, a record of all transactions taken by the Voting Members or the Board of Governors without a meeting, and a record of all action taken by a committee of the Board of Governors in place of the Board of Governors on behalf of the Corporation. The Corporation or its agent shall also maintain a record of its Voting Members in a form that permits preparation of an alphabetical list of names and addresses of all Members.

ARTICLE XIII

INDEMNIFICATION □

13.1 - Indemnification: To the fullest extent not expressly prohibited by The Act, this Corporation shall indemnify its officers, Governors and management employees from and against any and all of the expenses or liabilities incurred in defending a civil or criminal proceeding, or other matters referred to in or covered by said provisions, including advancement of expenses prior to the final disposition of such proceedings and amounts paid in settlement of such proceedings, both as to action in their official capacity and as to action in another capacity while holding such office or position. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be

entitled under any by-law, agreement, vote of the Voting Members or disinterested Governors or otherwise. The indemnification provided herein shall continue as to a person who has ceased to be a

□

□

INDEMNIFICATION (Continued)

Governor, officer or management employee, and shall inure to the benefit of the heirs, executors and administrators of such a person, and an adjudication of liability shall not affect the right to indemnification for those indemnified.

□

ARTICLE XIV

DISSOLUTION OF THE CORPORATION

14.1 Dissolution: In the event of Dissolution of the Corporation, the Corporation shall (a) pay and discharge all liabilities and obligations of the Corporation or make adequate provisions for doing so; (b) return, transfer or convey assets held by the Corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution in accordance with those requirements; and (c) to the extent permitted by the Act, distribute any remaining assets to the voting Members according to the proportion that each Voting Member's Capital Contribution bears to the total Capital Contributions of all Voting Members.

□

ARTICLE XV

AMENDMENTS

15.1 - Limitation: These by-laws may be altered, amended or repealed and new by-laws may be adopted by the Voting Members at any annual or special meeting of the Voting Members called in accordance with these by-laws. Any alteration, amendment or repeal of any section of these by-laws shall hereinafter be referred to as an Amendment.

15.2 - Procedure: Any proposed amendment may be initiated by (a) a majority of the full Board of Governors or (b) a petition of the Voting Members, signed by not less than ten per cent (10%) of the Voting Members at the time the amendment is submitted to the Board of Governors. Any proposed amendment must be submitted to the Board of Governors no less than sixty (60) days prior to the date of the annual or special meeting of the Voting Members at which the proposed amendment is to be voted on. All costs of notifying the Members of any proposed amendment submitted in accordance herewith shall be borne by the Corporation.

15.3 - Notification: The Board of Governors shall notify the Voting Members of any proposed amendment within thirty (30) days of an annual or special meeting of the Voting Members at which the proposed amendment is to be voted on, and shall provide appropriate proxy and addressed return envelope for each Certificate of Membership.

15.4 - Non-modification: Proposed Amendments may not be altered or amended during any meeting at which they are to be voted on, but rather must be adopted or defeated in their original form.

15.5 - Effectiveness: A proposed Amendment receiving a majority of the votes of the Voting Members, in person or by proxy, at an annual or special meeting of the Voting Members at which a quorum is present, in person or by proxy, shall become effective immediately.

