

**BY-LAWS OF
FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME, MEMBERSHIP, APPLICABILITY, AND DEFINITIONS**

1.01 Name. The name of the Association shall be **FLAGLER BEACH HOMEOWNERS ASSOCIATION, INC.** (HEREINAFTER SOMETIMES REFERRED TO AS THE "Association").

1.02 Principal Office. The principal office of the Association in the State of Florida shall be located in Flagler County, Florida. The Association may have such offices, either within or without the State of Florida, as the Board of Directors may determine or as the affairs of the Association may require.

1.03 Definitions. The words used in these By-Laws shall have the same meaning as set forth in the Declaration of Restrictive Covenants and Easement of the FLAGLER BEACH POLO CLUB WEST SUBDIVISION, as amended, renewed, or extended from time to time (Hereinafter sometimes referred to as the "Restrictive Covenants"), unless the context shall prohibit such meaning.

**ARTICLE II
ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES**

2.01 Membership. The Association shall have two (2) classes of membership; Class "A" and "B". Class "A" shall be made up of all unit owner members and Class "B" shall be the voting shares represented by Lighthouse Development Group, Inc. (Hereinafter sometimes referred to as the "Developer".)

2.02 Place of Meeting. Meetings of the Association shall be held at such suitable place as may be designated by the Board of Directors.

2.03 Annual Meeting. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Meetings of the Association shall be of the voting members or their alternates. Annual meetings shall be held thereafter during the month decided by the Association at the first meeting.

2.04 Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by voting members representing at least twenty-five percent (25%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.05 Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Association shall be delivered, either personally or by mail, to each voting member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail addressed to the voting member at his address as it appears on the records of the Association, with postage thereon paid.

2.06 Waiver of Notice. Waiver of notice of meeting of the Association shall be deemed the equivalent of proper notice. Any voting member may, in writing, waive notice of any meeting of the voting members, either before or after such meeting. Attendance at a meeting by voting member shall be deemed waiver by such voting member of notice of the time, date, and place thereof, unless such voting member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting for which proper notice was not given, is raised before the business is put to vote.

2.07 Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the voting members who are present at such meeting, either in person or by his or her alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjournment, notice of the time and place of the adjourned meeting shall be given to voting members in the manner prescribed for regular meetings.

The voting members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough voting members to leave less than a quorum, provided that at least twenty-five percent (25%) of the total votes of the Association remain present in person, or by proxy, and provided further that any action taken shall be approved by at least majority of the voting members required to constitute a quorum.

2.08 Voting. The voting and membership rights of the members shall be as set forth in these By-Laws and such voting and membership rights provisions are specifically incorporated herein.

2.09 Proxies. Voting members may vote by proxy.

2.10 Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate, totaling more than fifty percent (50%) of the total number.

2.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by alternate of the voting members representing one-third (1/3) of the Association shall constitute a quorum at all meetings of the Association.

2.12 Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and a record in a minute book of all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat.

2.13 Action Without a Meeting. Any action required by law to be taken at a meeting of the Association, or any action which may be taken at a meeting of the Association, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the voting members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as unanimous vote of the Association.

2.14 Veto. The veto power of Lighthouse Development Group, Inc. shall be set forth in the Restrictive Covenants.

ARTICLE III BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. Composition and Selection

3.01 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 3.03 of this Article, the Directors shall be members, spouses of such members, or officers of corporate members of the Association; provided, however, no person and his or her spouse may serve on the Board at the same time. Only one officer of a corporate member other than Lighthouse Development Group, Inc. may serve on the Board at the same time.

3.02 Number of Directors. The number of Directors in the Association shall not be less than three (3) nor more than five (5), but shall always be an odd number. The initial Board shall consist of three (3) members to be approved by Lighthouse Development Group, Inc.

3.03 Directors During Lighthouse Development Group, Inc.'s Control. The initial Directors shall be selected by the Developer acting in its sole discretion and shall serve at the pleasure of Lighthouse Development Group, Inc. The Directors selected by the Developer need not be owners or residents, but all other Directors must be members of the Association. Until a minimum of ninety percent (90%) of the total number of Lots have been sold, all Directors shall be selected by and shall serve at the pleasure of Lighthouse Development Group, Inc. At such time when ninety percent (90%) of the total number of Lots have been sold, two (2) of the Directors shall be selected by the Class "A" members of the Association and the remaining one (1) Director shall be an appointee of Lighthouse Development Group, Inc.

When one hundred percent (100%) of the Lots are sold and upon termination of the Class "B" membership, all Directors shall be elected by the membership of the Association.

3.04 Veto. Lighthouse Development Group, Inc., as Developer, shall have the power to veto any action of the Board until one hundred percent (100%) of the Lots have been sold and transferred.

3.05 Nomination of Directors. Except with respect to Directors selected by Lighthouse Development Group, Inc., nominations for election to the Board shall be made by submitting the names of any nominee to the Association Management.

3.06 Election and Term of Office. Notwithstanding any other provision contained herein:

- (a) Within thirty (30) days after the time Class "A" members own at least ninety percent (90%) of the Lots, or whenever Lighthouse Development Group, Inc. earlier determines, the Association shall call a special meeting to be held at which voting members other than Lighthouse Development Group, Inc. shall elect two of the Directors.
- (b) At the first annual meeting of the membership after the termination of the Class "B" membership and at each annual meeting of the membership thereafter, Directors shall be elected by the voting members.
- (c) The initial terms of the Directors shall be fixed at the time of their election as they among themselves shall determine. So long as there are three (3) Directors, the term of one (1) Director shall be fixed at one (1) year and the terms of two (2) Directors shall be fixed at two (2) years. So long as there are five (5) or more Directors, there shall be concurrent terms for no more than two (2) members at the expiration of the initial term of office of each respective member of the Board of Directors. A successor shall be elected to serve for a term of two (2) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected.

3.07 Removal of Directors and Vacancies. Directors may be removed for cause or no cause. Any Director whose removal is sought will be given notice prior to any meeting called for the purpose. A Director who was elected solely by the votes of voting members other than Lighthouse Development Group, Inc. may be removed from office prior to the expiration of his or her term by the votes of a majority of voting members other than Lighthouse Development Group, Inc. As long as there is a Class "B" member, any Director appointed by Lighthouse Development Group, Inc. may only be removed by Lighthouse Development Group, Inc. After termination of the Class "B" members, a Director may be removed by a seventy-five percent (75%) vote of the Association members.

In the event of death or resignation of a Director, his or her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of the predecessor.

B. Meetings

3.08 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year with at least one (1) per six-month period. Notice of the time and place of the meeting shall be communicated to Directors not less than four (4) days prior to the meeting, provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or written consent to holding of the meeting.

3.09 Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) personal delivery; (b) written notice by first class mail, postage prepaid; (c) telephone communication, either directly to the Director or the person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) telegram, charges prepaid. All such notice shall be given at the Director's telephone number or sent to the Director's address as shown on the records of the Association.

Notice sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the set time for the meeting.

3.10 Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed, or whenever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.12 Adjourned Meetings. If any meeting of the Board of Directors cannot be held because a quorum is not present, a majority of the members of the Board who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time such meeting was originally called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13 Conduct of Meetings. The president shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the meetings, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

3.14 Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.15 Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Covenants, Restrictions, Easements and Reservations, Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent or Manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget in which there shall be established the contribution of each owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment, provided, unless otherwise determined by the Board of Directors, the annual assessment against the proportionate shares of the common expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month, unless otherwise accelerated as provided for in the By-Laws;

(c) providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility;

(d) designating, hiring, and dismissing the personnel necessary for the maintenance, operating, repair and replacement of the Association, its property, and the Area of Common

Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association; the reserve fund may be deposited, in the Director's best business judgment, in depositories other than banks;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvement to or alterations of the common area in accordance with the provisions of the Articles of Incorporation and these By-Laws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of these By-Laws, rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the By-Laws, and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its members and not chargeable to owners;

(l) Keeping books with detailed accounts or receipts and expenditures affecting the Association and its administration, specifying maintenance and repair expenses and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the owners and the mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days by the Board of Directors for the general knowledge of the owners. All books and records shall be kept in accordance with generally accepted accounting practices;

(m) make available to any prospective purchaser of a residential unit, any owner of a residential unit, any first mortgagee, or the holders, insurers, and guarantors of first mortgage on any residential unit, the Articles of Incorporation, the By-Laws, rules governing the residential unit and, as it may apply, the land segment, or other residential association, and all other books, records, and financial statements of the Association;

(n) permit utility suppliers to use portions of the common area reasonably necessary to the ongoing development or operation of the project; and

(o) Enter into contracts for monitoring security, medical, or fire protection for the Lots within the properties.

(p) To establish proper construction practices and design controls necessary to enhance the overall appearance and function of the subdivision and manage the design within the development to protect each residence and ensure everyone benefits from enhanced property values and a preferred quality of life.

(q) To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit number 4-035-97334-1 requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.

(r) To fix and collect assessments to be used for the operation, maintenance and repair of the surface and subsurface storm water management system including but not limited to work within drainage swales, drainage retention structures, drainage easements, and common waterways.

(s) To fix and collect assessments to be used for the maintenance and care of the wetlands within the development including, but not limited to, preserving the wetlands in their existing natural state and preventing any use of the wetlands that will impair or interfere with their environmental value.

(t) To fix and collect assessments to be used for the maintenance and repair of any landscape structures, gate, gate mechanism, landscaping, irrigation, signage, lighting, and all such other appurtenances thereto or located thereon.

(u) To fix and collect assessments to be used for the maintenance and repair of the private road, vehicle turn around, road connection easement, common walkways, and appurtenances located within the development.

(v) To manage, control, operate, maintain, repair and improve property subjected to this Declaration or any other property to which the Home Owners Association by rule, regulation, statute, or contract has the right or duty to provide such services;

(w) To engage in activities, which will actively foster, promote, and advance the common interest of Lot Owners of the development;

(x) To buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds in any right or interest therein for any purpose of the Home Owners Association;

(y) To borrow money for any lawful purpose of the Home Owners Association;

(z) To enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts, necessary, appropriate, or advisable in carrying out any purpose of the Home Owners Association;

(aa) To adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Home Owners Association; and

(bb) To provide any and all supplemental municipal services as may be necessary or proper.

3.16 Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's

supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the powers set forth in subparagraphs (a), (b), (f), (g), and (i) of Section 3.15 of this Article. Lighthouse Development Group, Inc., or an affiliate of Lighthouse Development Group, Inc. may be employed as managing agent or manager.

3.17 Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair, restoration or improvement of the common area and facilities without approval of the members of the Association.

3.18 Rights and Limitations of the Association. With respect the common areas or other Association responsibilities and in accordance with the Articles of Incorporation and By-Laws of the Association, the Association shall have the right to contract with a person for the performance of various duties and functions.

3.19 Hearing Procedure. The Association shall not impose a fine or suspend voting rights of any member unless and until the following procedure is followed:

(a) **Demand.** Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

- (i) The alleged violation;
- (ii) The action requires to abate the violation; and
- (iii) a time period, not less than fourteen (14) days during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not continuing.
- (iv) Fines up to Fifty Dollars (\$50.00) may be imposed for each such violation not abated as required herein.
- (v) A unit owner, guest, tenants, or invitees may have their rights to use both the common areas and facilities suspended for violations that are not abated as required herein.

(b) **Notice.** At any time within twelve (12) months of a Demand, or if a violation continues past the period allowed in a Demand, or if the same rule is subsequently violated, the Board or its delegate shall serve the violator written notice of a hearing to be held by the Community Standards Committee in executive session. The notice shall contain:

- (i) the nature of the alleged violation;
- (ii) the time and place of the hearing, which time shall not be less than fourteen (14) days from the giving of the notice;
- (iii) an invitation to attend the hearing and produce any statement, evidence, and witness on his or her behalf; and
- (iv) the proposed sanction to be imposed.

(c) Hearing. The hearing shall be held in executive session pursuant to the Notice affording the member a reasonable opportunity to be heard. Prior to the ineffectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with the statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such Notice. The Notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and sanction, if any, imposed.

(d) Appeal. Following a hearing before the Community Standards Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect the right, a written notice of appeal must be received by the Manager, President, or Secretary of the Association by demand made in writing within thirty (30) days after the hearing date.

ARTICLE IV OFFICERS

4.01 Officer. The officers of the Association shall be President, Vice President, Secretary, and Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of President and secretary.

4.02 Election, Terms of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the voting members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

4.03 Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interest of the Association will be served thereby.

4.04 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, or both.

4.05 Resignation. 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 not be necessary to make it effective.

ARTICLE V COMMITTEES

5.01 General. Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

5.02 Standing Committee. The Board of Directors shall appoint a Community Standards Committee. Acting in accordance with the provisions of these By-Laws, and resolutions established by the Board the Community Standards Committee shall be the review tribunal of the Association.

5.03 Community Standards Committee Powers. The Community Standards Committee shall review and approve or deny all site plans in accordance with the Declaration of Restrictive Covenants of the FLAGLER BEACH POLO CLUB WEST SUBDIVISION. Decisions of the Community Standards Committee may be appealed to the Board if request is made in writing within thirty (30) days of the Community Standards Committee action; otherwise decisions of the Community Standards Committee are final.

5.04 Members. The Community Standards Committee shall be appointed by and shall serve at the pleasure of the Board. The Community Standards Committee shall have no less than three (3) nor more than seven (7) members. Members of the Board may also serve as members of the Community Standards Committee.

ARTICLE VI MISCELLANEOUS

6.01 Fiscal Year. The initial fiscal year of the Association shall be the calendar year beginning January 1 and ending December 31.

6.02 Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedure, Robert's Rules of Order (current edition) shall govern the conduct of the Association proceedings when not in conflict with Florida law, the Articles of Incorporation, or these By-Laws.

6.03 Conflicts. If there are conflicts or inconsistencies between the provision of Florida law and the Articles of Incorporation, the Articles of Incorporation shall prevail unless prohibited by Florida law.

6.04 Books and Records.

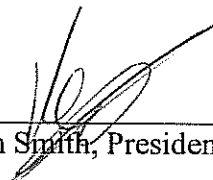
(a) Inspection by Members. The By-Laws, membership register, books of account, and minutes of meetings of the Association, the Board and committees shall be made

available for inspection and copying by any member of the Association, or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a member at the office of the Association or such other place within the properties as the Board shall prescribe.

(b) Inspection by Directors. Every Director shall have the right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and a copy of relevant documents at the expense of the Association. Notwithstanding anything contained herein to the contrary no Director shall copy, make extra letters, nor disseminate in any way.

6.05 Amendment. Prior to the sale of one hundred percent (100%) of the residential Lots, Lighthouse Development Group, Inc. shall have the sole authority to amend the By-Laws. Thereafter, these By-Laws may be amended by a seventy-five percent (75%) vote of the Board of Directors.

Dated this 18th day of June, 2005.

By: 
Rich Smith, President

(Corporate Seal)

AMENDMENT TO BY-LAWS OF
FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.

This Amendment made to the By-laws of the Flagler Beach Polo Club West Homeowners Association, Inc. by Developer, **LIGHTHOUSE DEVELOPMENT GROUP, INC.** and the Directors of the **FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.**

WHEREAS, Lighthouse Development Group, Inc. as “Developer” and Flagler Beach Polo Club West Homeowners Association, Inc., as the duly enacted “governing body” of the subdivision known as Flagler Beach Polo Club West caused By-laws to be enacted on or about June 18, 2005; and

WHEREAS, said By-laws are part of the governing documents of the governing body; and

WHEREAS, Section 6.05 of said By-laws reserves the right of amendment thereto to the Developer prior to 100% of the residential lots being sold; and

WHEREAS, thereafter Section 6.05 of said By-laws reserves the right of amendment to the Board of Directors of the governing body; and

WHEREAS, less than 100% of the residential lots have been sold; and

WHEREAS, the Developer is obligated to complete construction of the roadway in the subdivision; and

WHEREAS, pursuant to Section B.9. of the Declaration of Restrictive Covenants of the Flagler Beach Polo Club West Subdivision, the Developer and the governing body has deferred the collection of monthly assessments of all lot owners until the Developer has completed the said roadway construction; and

WHEREAS, the Purchasers of the lots are fully apprised of the said governing documents and status of completion;

IT IS NOW THEREFORE AGREED AS FOLLOWS:

Pursuant to the right of amendment reserved under Article VI Miscellaneous, Subparagraph 6.05 Amendment, the Developer and the Directors hereby amend the By-laws as follows:

**Article III, Board of Directors: Number, Powers, Meetings,
Subparagraph 3.03 Directors During Lighthouse Development Group,
Inc's Control**

Shall be amended to add the following language to the end of said subparagraph: "For purposes of this Section, the terms "have been sold" and "lots are sold" shall not include conveyances to builders, contractors, or others who purchase a lot for the purpose of constructing improvements thereon for resale, or for the purpose of investment with

the intention to resell and not reside thereon.

IN WITNESS WHEREOF, the Directors have set their hands and seals the day and year first above written.



Rich Smith



Lisa Smith



John Longabaugh

Lighthouse Development Group, Inc.

By: _____


Rich Smith, President

This instrument prepared by:
Jackson Law Group, LL.M., P.A.
Edward Ronsman, Esq.
100 Whetstone Place, Suite 101
St. Augustine, Florida 32086

GAIL WADSWORTH, FLAGLER Co.

**Certificate of Amendment
Second Amendment to
By-Laws
of
FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.**

COME NOW the undersigned President and Secretary of FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC. and hereby certify the following:

1. That the attached writing is a true copy of the Second Amendment to By-Laws of the Flagler Beach Polo Club West Homeowners Association, Inc.

2. That the Amendment was approved in accordance with the requirements of the Declaration of Restrictive Covenants for Flagler Beach Polo Club West, Articles of Incorporation and By-Laws for the Flagler Beach Polo Club West Homeowners Association, Inc. and the provisions of Chapter 720, Florida Statutes.

3. The adopted Amendment appears in the minutes of the Association meeting, is attached hereto and is unrevoked.

EXECUTED this 19th day of MAY, 2011 at Flagler Beach, Flagler County, Florida.

FLAGLER BEACH POLO CLUB WEST
HOMEOWNERS ASSOCIATION, INC.

By: Hal Burroughs
Hal Burroughs
Its President

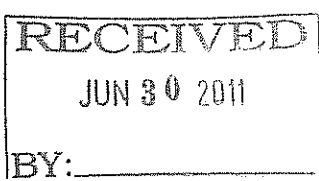
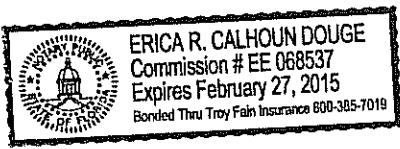
Attest: Diana Lemon
Diana Lemon
Secretary

(Seal)

STATE OF FLORIDA
COUNTY OF FLAGLER

The foregoing Certificate of Amendment was sworn to, subscribed and acknowledged before me this 19th day of May, 2011, by Hal Burroughs, as President of Flagler Beach Polo Club West Homeowners Association, Inc., on behalf of said corporation. Hal Burroughs produced a Florida Driver's license as identification and did take an oath.

Erica R. Calhoun Douge
Notary Public, State of Florida
(Seal)



This Instrument prepared by:
Edward Ronsman, Esq.
Jackson Law Group, L.L.M., P.A.
100 Whetstone Place, Suite 101
St. Augustine, FL 32086

**SECOND AMENDMENT TO THE BYLAWS OF
FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.**

THIS SECOND AMENDMENT TO BYLAWS OF FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC. is made this 19th day of May, 2011 by a vote of seventy-five percent (75%) of the Board of Directors of Flagler Beach Polo Club West Homeowners Association, Inc., a Florida not-for-profit corporation (hereinafter referred to as the "Association").

WHEREAS, the Association has previously executed that certain Bylaws of Flagler Beach Polo Club West Homeowners Association, Inc. dated June 18, 2005 ("Bylaws");

WHEREAS, the Association has previously executed that certain First Amendment to Bylaws of Flagler Beach Polo Club West Homeowners Association, Inc. ("First Amendment").

WHEREAS, the Board of Directors of the Association desire to modify and amend the Bylaws; and

WHEREAS, pursuant to Section 6.05 of the Restated Bylaws, the Board of Directors of the Association have the right to modify and amend the Bylaws with a vote of seventy-five percent (75%) of the Board of Directors of the Association; and

WHEREAS, the Amendment hereinafter set forth has been duly approved by a vote of seventy-five percent (75%) of the Board of Directors; and

WHEREAS, any terms used herein that are not defined herein but are defined in the Bylaws shall have the same meaning provided for in said Bylaws.

NOW, THEREFORE, the President and Secretary of Flagler Beach Polo Club West Homeowners Association, Inc. hereby attest to the following Recitals and Amendments and that this instrument adding Section 2.08.01 of the Bylaws of Flagler Beach Polo Club West Homeowners Association, Inc, has been approved by a vote of seventy-five percent (75%) of the Board of Directors of the Association at a meeting of the Board of Directors of the Association called for that purpose on October 28, 2010.

1. Recitals. The foregoing recitals are true and correct and are incorporated hereby by this reference.

2. Amendment. Section 2.08.01 is hereby added to the Bylaws as follows:

2.08.01 The voting rights of any owner member shall be suspended without notice upon non-payment of any monetary obligation to the Association which is more than ninety (90) days delinquent.

IN WITNESS WHEREOF, the duly authorized officers of the undersigned Flagler Beach Polo Club West Homeowners Association, Inc. have executed and attest to this Second Amendment to the Bylaws of Flagler Beach Polo Club West Homeowners Association, this 19th day of MAY, 2011.

FLAGLER BEACH POLO CLUB WEST HOMEOWNERS ASSOCIATION, INC.

Witnesses:

Melanie Thompson
Signature
MELANIE THOMPSON
Printed Name

By: Hal Burrells
HAL BURRELLS
President

Jennifer Lubi
Signature
Jennifer Lubi
Printed Name

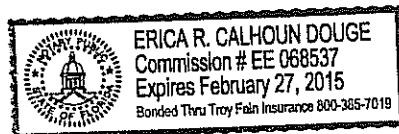
By: Diana Lemon
DIANA LEMON
Secretary

STATE OF FLORIDA
COUNTY OF FLAGLER

I hereby acknowledge that on this 19th day of May, 2011, before me personally appeared Hal Burrells and Diana Lemon, President and Secretary, respectively, of Flagler Beach Polo Club West Homeowners Association, Inc., known to be the individuals described in and who executed the foregoing instrument and who acknowledged before me that they executed the same and that they did take an oath.

WITNESS my hand and official seal in the County and the State last aforesaid this 19th day of May, 2011.

Erica R. Calhoun Douge
Notary Public, State of Florida
At Large



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FILE IN THE OFFICE