

**BYLAWS
OF
VANDERBILT BEACH RESIDENTS ASSOCIATION, INC.**
(a Florida not for profit corporation)

ARTICLE I OFFICES

The registered office of the Vanderbilt Beach Residents Association, Inc. (the "Association") shall be located at the offices of Fowler White Boggs Banker P.A., 5811 Pelican Bay Boulevard, Suite 600, Naples, Florida or such other place in Naples, Collier County, State of Florida as designated from time to time by the Board.

ARTICLE II PURPOSES

The object and purpose of the Association shall be to encourage and promote the proper development and maintenance of Vanderbilt Beach and surrounding areas as a choice residential and recreational community and to take whatever actions may be deemed necessary to achieve such purpose; including, but not limited to, the presentation of the Association's points of view to appropriate governmental or other bodies; and the establishment of desirable activities to promote the general welfare of the Association members.

The suggested boundaries of the Association from which its membership shall be comprised is: on the east, Vanderbilt Drive; on the south, Vanderbilt Beach Road; on the west, the Gulf of Mexico; and on the north, the Cocohatchee River and Wiggins Pass.

ARTICLE III DIRECTORS

A. MANAGEMENT OF THE ASSOCIATION.

The Association shall be managed by the Board of Directors which shall consist of not less than seven (7) and not more than twelve (12) Directors.

B. ELECTION; REPRESENTATION; AND TERM OF DIRECTORS.

1. Election. At each annual meeting of Directors, the Directors shall elect new Directors to take the place of Directors whose terms are scheduled to expire on such date or retain for an additional term Directors whose previous term is scheduled to expire on such date.

2. Geographical Representation. To the extent possible, Directors shall be elected from diverse geographic areas within the boundaries of the Association.

3. Term of Office. In general, all such elected Directors shall serve for a term of three (3) years. Each Director shall hold office until the expiration of the term for which he or she was elected and until his or her successor has been elected and shall have qualified, or until his or her prior resignation or removal. The terms for the Directors elected during the 2006 fiscal year shall be equally divided between terms of one (1) year, two (2) years, and three (3) years, and the ballots shall reflect the term specified for each Director.

4. Term Limits. Each Director shall serve no more than six (6) consecutive years unless the 2006 term was less than three (3) years in which case a director may serve for two (2) consecutive three-year terms.

C. VACANCIES.

A Director elected to fill a vacancy on the Board shall be elected to hold office for the unexpired term of his or her predecessor.

D. REMOVAL OF DIRECTORS.

Any Director may be removed, with or without cause, by vote of two-thirds of the Directors then in office. Any Director missing three (3) consecutive meetings of the Board of Directors shall be deemed removed as a Director by the requisite vote of the Directors then in office unless two-thirds of the Directors vote to retain such Director based on reasonable cause as determined in the sole and absolute discretion of the Board. In addition, one or more Directors may be removed by a vote of the members pursuant to Section B of Article IV.

E. RESIGNATION.

A Director may resign at any time by giving written notice to the Board, the President or the Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

F. QUORUM OF DIRECTORS.

Unless otherwise provided in the Articles of Incorporation, a majority of all of the Directors then in office shall constitute a quorum for the transaction of business or of any specified item of business.

G. ACTION OF THE BOARD.

Unless otherwise required by law or these Bylaws, the vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time, shall be the act of the Board. Each Director present shall have one vote.

H. PLACE AND TIME OF BOARD MEETINGS.

All meetings of the Board shall be held in person; provided, however, that one or more members may participate by conference call (or similar electronic media) as long as all members can hear one another.

It is understood that the Board of Directors informally consult one another on routine matters not requiring formal board approval. Routine matters taken while members of the Board of Directors are traveling or not resident in Naples shall be approved by an e-mail initiated by one of the Directors approved by a majority of the Directors.

I. ANNUAL MEETING.

The Annual Meeting of the Board of Directors shall be held during the first calendar quarter of each year. Such meeting shall be immediately preceding the Annual Members Information Meeting for dues paying members in good standing. During the Annual Meeting, the Board of Directors shall review the activities of the previous year, discuss plans for the upcoming year, announce the Association's annual budget for the year, and announce the officers and directors for the upcoming year.

J. NOTICE OF MEETINGS OF THE BOARD, ADJOURNMENT.

Regular Meetings of the Board may be held with two (2) days notice at such time and place as it shall from time to time determine. The Board shall hold at least two regular meetings each year. Special meetings of the Board shall be held upon two (2) days prior notice to the Directors, either personally, by mail, wire or e-mail to the last address on record with the Secretary; special meetings shall be called by the President or by the Secretary in a like manner on written request of two (2) Directors. Notice of a meeting need not be given to any Director who attends the meeting without protesting the lack of notice to him or her prior thereto or at its commencement.

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all Directors who were absent at the time of the adjournment and, unless such time and place are announced at the meeting, to the other Directors.

K. BOARD MEETING PRESIDING OFFICER.

At all meetings of the Board, the President, or in his or her absence, the Vice-President shall preside.

L. EXECUTIVE AND OTHER COMMITTEES.

Except as otherwise required, the Board, by resolution adopted by a majority of the entire Board, may designate from among its members an executive

committee and other committees, each consisting of one or more Directors. Each such committee shall serve at the pleasure of the Board. The standing committees of the Board of Directors shall include:

1. NOMINATING COMMITTEE.

The Nominating Committee for the annual election of the expiring terms of the Board of Directors and Officers shall consist of three (3) members and shall be chaired by the President. The Membership Committee shall have the right to appoint one non-Director member from the general membership and the remaining person shall be appointed by the Board of Directors. The Nominating Committee shall propose the candidates for each expiring director position (which may include the incumbent director unless such director has already served for six (6) consecutive years). The Nominating Committee shall undertake reasonable efforts to propose a slate of candidates from diverse geographic areas within the boundaries of the Association.

2. AUDIT COMMITTEE.

The Audit Committee shall consist of three (3) members and shall be chaired by the Treasurer. One (1) non-Director member shall be appointed by the President from the general membership and the remaining person shall be a Director appointed by the Board. The Audit Committee shall be responsible for administering the conflict of interest policy and for an annual internal review of accounts.

3. MEMBERSHIP COMMITTEE.

The Membership Committee shall normally consist of five (5) members and shall be chaired by the Vice-President or Secretary. At least two (2) non-Director members shall be appointed by the President from the general membership and the remaining members shall be Directors appointed by the Board.

4. ZONING COMMITTEE.

The Zoning Committee shall consist of the entire Board of Directors and at least three (3) non-Director members appointed by the President from the general membership. The Chair of the Zoning Committee shall be a member of the Board of Directors.

N. PRESUMPTION OF ASSENT.

A Director who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action taken unless he or she votes against such action or abstains from voting because of an asserted conflict of interest.

O. SALARY; CONFLICT OF INTEREST POLICY.

Directors shall not be compensated financially, directly or indirectly, but shall be reimbursed for expenses previously approved in the annual budget by the Board of Directors for the routine business needs of the Association. Directors shall not accept any gratuities from any person or organization having an interest in any issue the Association has taken under active consideration or review.

ARTICLE IV MEMBERS

A. MEMBERSHIP.

The members of this Association shall consist of those individuals and organizations who are property owners within the boundaries of the Corporation (or area residents recommended by a property owner and approved by the consent of the Membership Committee), and who have expressed a current interest in furthering the purposes and goals of the Association. Payment of required dues within the current fiscal year shall be such an expression of interest.

B. VOTING RIGHTS AND QUORUM.

Except as authorized by this Section B, members are not entitled to vote unless such right to vote is conferred by an amendment to the Articles of Incorporation or any future provisions of these Bylaws; provided, however, the members shall have the right at all times before, during, and after the Annual Meeting to make suggestions, to request the current financial of the Association, and to seek information on current, pending and previous issues considered by the Association; provided, further, the membership shall have the right to initiate a recall of one or more Directors by submitting a petition to the Board of Directors signed by twenty percent (20%) of the members and requesting the matter be put to a vote of the embers at a Special Meeting. Upon receipt of such petition, the President shall call a Special Meeting of the members within sixty (60) days. Two-thirds ($\frac{2}{3}$) of members present and voting at the Special Meeting for recall shall cause the director or directors to be immediately removed from the Board of Directors. In the event the entire board is recalled, the Membership shall endeavor to form a New Membership Committee to adopt new bylaws governing the Association and the election of officers and directors.

C. ANNUAL MEETING.

The Association shall convene an Annual Member Information Meeting of the Members to advise Members of the activities of the Association during the preceding year. The place and time of the Annual Member Information Meeting shall be determined by the Board of Directors and shall immediately follow the Annual Meeting of the Board.

D. SPECIAL MEETINGS.

Special Meetings of Members may be called by the President, or a majority of the Board of Directors. The purpose of each Special Meeting may, in the discretion of the person or persons convening such Special Meeting, be stated in the notice.

E. NOTICE OF MEETING.

The Association may give reasonable notice of at least fifteen (15) days of the Annual Member Information Meeting or any special meeting of the Members, including, but not limited to, written or printed notice and oral notice.

ARTICLE V OFFICERS

A. OFFICERS, ELECTION AND TERM.

1. Unless otherwise provided for in the Articles of Incorporation, the Board may elect a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as it may determine who shall have duties and powers as hereinafter provided. Officers shall be voted upon by the Board of Directors at the Annual Meeting following the recommendations of the Nominating Committee at least thirty (30) days before the Annual Meeting. Such officers must be members of the Board of Directors and members in good standing.

2. All officers shall be elected to hold office for one-year until the annual meeting of the Board, and until their successors have been elected and qualified. Officers shall be limited to three (3) one-year terms in any one office.

B. REMOVAL, RESIGNATION, SALARY, ETC.

1. Any officer elected by the Board may be removed by action of the Board with or without cause.

2. In the event of the death, resignation or removal of an officer, the Directors, by action of the Board, may elect a successor to fill the unexpired term.

3. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

4. Officers shall not be compensated financially, directly or indirectly, but shall be reimbursed for expenses approved by the Board of Directors for routine business needs of the Association. Officers shall not accept any gratuities from any person or organization having an interest in any issue the Association has taken under active consideration or review.

C. PRESIDENT.

The President shall be the Chief Executive Officer of the Association; he or she shall preside at all meetings of the Board; he or she shall have responsibility for the general management of the affairs of the Association and shall see that all orders and resolutions of the Board are carried into effect.

D. VICE-PRESIDENTS.

During the absence or disability of the President, the Vice-President, or (if there are more than one) the Executive Vice-President shall have all the powers and functions of the President. Each Vice President shall perform such other duties as the Board shall prescribe.

E. TREASURER.

The Treasurer shall have the care and custody of all the funds and securities of the Association, and shall deposit said funds in the name of the Association in such bank or trust company as the Directors may elect; he or she shall, when duly authorized by the Board of Directors, sign and execute all contracts in the name of the Association; he or she shall normally sign all checks, drafts, notes, and orders for the payment of money, which shall be duly authorized by the Board of Directors; he or she shall at all reasonable times exhibit his or her books and accounts at the office of the Association during ordinary business hours. At the end of each corporate year, he or she shall have an audit or internal review of the accounts of the Association made by the Audit Committee, and shall present such findings in writing at the annual meeting of the Board, at which time he or she shall also present an annual report setting forth in full the financial conditions of the Association.

G. SECRETARY.

The Secretary shall keep the minutes of the Board of Directors. He or she shall have the custody of the seal of the Association and shall affix and attest the same to documents when duly authorized by the Board of Directors. He or she shall attend to the giving and serving of all notices of the Association, and shall have charge of such books and papers as the Board of Directors may direct; he or she shall attend to such correspondence as may be assigned to him or her, and perform all the duties incidental to his or her office.

I. SURETIES AND BONDS.

In case the Board shall so require, any officer or agent of the Association shall execute to the Association a bond on such sum and with such surety or sureties as the Board may direct, conditioned upon the faithful performance of his or her duties to the Association and including responsibility for negligence and for the accounting for

all property, funds or securities of the Association which may come into his or her hands.

ARTICLE VI CORPORATE SEAL

The seal of the Association shall be circular in form and bear the name of the Association the year of its organization and the words "CORPORATE SEAL, FLORIDA." The seal may be used by causing it to be impressed directly on the instrument or writing to be sealed, or upon adhesive substance affixed thereto. The seal on the certificates for the payment of money may be facsimile, engraved or printed.

ARTICLE VII EXECUTION OF INSTRUMENTS

All corporate instruments and documents shall be signed or countersigned, executed, verified or acknowledged by such officer or officers or other person or persons as the Board may from time to time designate.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name or the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall be determined from time to time by resolution of the Board.

ARTICLE VIII FISCAL YEAR

The fiscal year shall begin the first day of January in each year.

ARTICLE IX NOTICE AND WAIVER OF NOTICE

Whenever any notice is required by these Bylaws to be given, personal notice is not meant unless expressly so stated, and any notice so required shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed post-paid wrapper, addressed to the person entitled thereto at his or her last known post office address, and such notice shall be deemed to have been given the day of such mailing.

Whenever any notice whatever is required to be given under the provisions of any law, or under the provisions of the Articles of Incorporation of the Association or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein shall be deemed equivalent thereto.

ARTICLE X CONSTRUCTION

Whenever a conflict arises between the language of these Bylaws and the Articles of Incorporation, the Articles of Incorporation shall govern.

ARTICLE XI AMENDMENTS

A. ARTICLES OF INCORPORATION.

The Articles of Incorporation of the Association may be amended by two-thirds ($\frac{2}{3}$) of the Directors then in office.

B. BYLAWS.

These Bylaws may be amended or repealed by two thirds ($\frac{2}{3}$) of the Directors then in office.

ARTICLE XI NOT-FOR-PROFIT OPERATION

The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its members, Directors or officers without full consideration. No member of the Association has any vested right, interest or privilege in or to the assets, property, functions or activities of the Association. The Association may contract in due course with its members, Directors and officers without violating this provision.

The undersigned does hereby certify that the foregoing is a true and exact copy of the Bylaws of the Association on the _____ day of April, 2006.

VANDERBILT BEACH RESIDENTS ASSOCIATION, INC.

By: _____
_____, Secretary

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