



**PROPOSED FOURTH AMENDMENT TO BY-LAWS OF HAMMOCK
DUNES OWNERS' ASSOCIATION, INC.**

Article IV, Section 2 of the By-Laws shall be amended as follows:

Section 2. Any vacancy occurring on the Board because of death, resignation or other termination of services of any Administrator, shall be filled by the Board; ~~except that Declarant, to the exclusion of other Members and/or the Board itself, shall fill any vacancy created by the death, resignation, removal or other termination of services of any Administrator appointed by Declarant.~~ An Administrator appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office and shall serve until his successor shall have been elected and/or appointed and qualified

Article V of the By-Laws shall be amended as follows:

Section 3. (a) At the Turnover meeting, which is to be held as set forth in the Master Declaration, the number of Administrators shall be expanded to a maximum of eleven. At the Turnover meeting and at all Annual Members' Meetings after Turnover, nine Administrators serving on the Board shall be Administrators elected by the Members other than the Declarant; provided that each Community is represented by one Administrator, and further provided that Members voting to fill a vacant Administrator position may cast their votes for Administrators only for the Administrator vacancy set aside for their respective Communities.

(b) At the Turnover meeting, the Members other than the Declarant shall elect a total of nine Administrators. These Administrators shall be assigned to three groups of three Administrators each (Group One, Group Two and Group Three). Group One Administrators shall serve for an initial term ending on the date of the Annual Meeting of 2006, Group Two Administrators shall serve for an initial term ending on the date of the Annual Meeting of 2007 and Group Three Administrators shall serve for an initial term ending on the date of the Annual Meeting of 2008. Upon the expiration of the initial term for each Administrator elected at the Turnover Meeting by Members other than the Declarant, the term of office for all Administrators elected by Members other than the Declarant shall be three (3) years. At the Turnover Meeting, the incumbent President of the Association shall determine which Administrator vacancies are to be assigned to which Group by drawing Community names at random in the presence of the Members in attendance at the Turnover Meeting. The first three Community names so drawn shall be the Administrator positions assigned to the Group One, the second three Community names so drawn shall be the Administrator positions assigned to Group Two, and the final three Community names so drawn shall be the Administrator positions assigned to Group Three.

EXHIBIT A

(c) ~~In addition, after Turnover~~ **starting at the first election (annual or special) after the effective date of this amendment , there shall be two (2) at-large Administrators elected by all Members of the Association and as long as Declarant owns any interest in the Total Property, Declarant shall have the right, but not the obligation, to designate two (2) additional Administrators and his/her successors, thus providing for a total of eleven (11) Administrators. At the first election (annual or special) following the effective date of this amendment, the candidate receiving the highest number of votes for the at-large Administrators shall serve for three (3) years and the candidate receiving the next highest number of votes for the at large Administrators shall serve for two (2) years. If there is not a contested election for the at-large Administrators, then at the organizational Board meeting following the election, the President or their designee shall draw one of the names of the at-large Administrators at random. The first name drawn will serve three (3) years and the other person with serve two (2) years. The Declarant shall determine the term of office for Administrators designated by the Declarant. Thereafter, these at-large Administrators shall serve three-year staggered terms, and each shall become part of one of the Groups referenced in Section 3(b) above.**

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Section 5. (a) ~~The slate of candidates for election by Members other than Declarant~~ at the Turnover Meeting and subsequent Annual Members' Meetings shall be determined by written solicitation sent by the Board of Administrators to the Members entitled to vote at such Meeting by first class mail to the address for each Member shown on the records of the Association. The Board of Administrators shall also make copies of the solicitation forms available on request at the office of the Association.

(b) Any Member who wishes to place his or her name in nomination for election to the Board of Administrators may do so by returning a properly completed nomination form and candidate information sheet in accordance with the directions contained in the written solicitation for nominations. **Any member of the Association may place his or her name in for nomination for election as one (1) of the two (2) at-large Administrator positions.** All nomination forms and candidate information sheets must be received at the address designated in the written solicitation no later than the deadline contained in the written solicitation. This method of nomination shall not preclude write-in candidates for vacant Administrator positions or nomination of additional candidates from the floor at any Annual Members' Meeting, so long as the individual nominated from the floor is either present at the Meeting and consents to such nomination or has provided written consent to such nomination to the Secretary of the Association at or prior to the Meeting.

EXHIBIT A

(c) No later than thirty (30) days prior to a Meeting at which Members ~~other than the Declarant~~ are entitled to elect Administrators the Board of Administrators shall mail ballots to the Members entitled to vote for Administrator vacancies to be filled at such Meeting. The ballots shall contain the names and candidate information sheets for all candidates who have qualified pursuant to the written nomination process provided for in this Section 5 for an Administrator vacancy to be filled. Ballots shall also include sufficient space for a Member to vote for candidates other than those nominated, provided that any vote for a write-in candidate shall not be counted unless the write-in candidate appears, from the official records of the Association, to be duly qualified to serve as an Administrator for the Community for which the vacancy is to be filled and the write-in candidate has consented to serve if elected as provided in Section 5 (b). All completed ballots that are returned by mail must be mailed to the address designated in the ballot, postage paid, and must be received by the date of the Meeting at which they are to be cast. Ballots that are returned by mail must be received at the designated return address for such ballots by the day before the Meeting date in order to be counted for the election held at that Meeting. Ballots that attempt to vote for more than one candidate for an Administrator vacancy or attempt to vote for an Administrator vacancy for a Community other than the Community where the Member is entitled to vote shall not be counted. **Notwithstanding the foregoing, all Members shall be entitled to vote for the two (2) at-large Administrator positions.**

(d) Nothing contained in this Section 5 shall preclude a Member otherwise entitled to vote to fill a vacant Administrator position from doing so in person or by proxy at any Meeting where an Administrator election is to be held.