

BY-LAWS
OF
FALLING WATERS MASTER ASSOCIATION, INC.
A NOT-FOR-PROFIT CORPORATION

ARTICLE I
NAME, LOCATION AND DEFINITIONS

The name of the corporation is **FALLING WATERS MASTER ASSOCIATION, INC.**, a Florida Corporation, not for profit, hereafter referred to as the "Association". The initial principal office of the corporation shall be located at 3451 Tamiami Trail East, Naples, Florida 33962, but meetings of members and Directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

Wherever used the word "Declarant" shall mean and refer to **HUBSCHMAN ASSOCIATES, LTD.**, a Florida Limited Partnership, its successors and assigns, and the word "Developer" shall mean and refer to **FALLING WATERS DEVELOPMENT CORPORATION**, its successors and assigns. Except as otherwise indicated herein, the terms used in these By-Laws shall have the meanings as provided in the Master Declaration of Covenants, Conditions and Restrictions for **FALLING WATERS**.

ARTICLE II
MEMBERS AND MEETINGS OF MEMBERS

Section 1. Qualification. Every person or entity who is a record fee simple Owner of any portion of the commercial property or any condominium unit including Declarant and Developer, at all times so long as it owns all or any part of the property subject to this Declaration, shall be a member of the Master Association provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from ownership of any property which is subject to assessment. When any portion of the commercial property or condominium unit is owned of record by two or more persons or other legal entity, all such persons or entities shall be members.

Section 2. Voting Rights. The members of the Master Association are entitled to one (1) vote for each condominium unit owned by them. The owners of the commercial property are entitled to a total of One Hundred Ninety One (191) votes which will be divided proportionately among each owner of the commercial property in the same percentage as those owners share common expenses. Votes for each condominium unit and for each portion of the commercial property shall not be divisible. Voting rights for condominium units shall be established in the same manner as the voting rights for that unit are established in the condominium in

which the unit is located. If a portion of the commercial property is owned by one natural person, his right to vote shall be established by the record title to the property. If a portion of the commercial property is owned jointly by two or more natural persons the votes may be cast by any owner present at the meeting at which the vote is taken. If two or more owners of a portion of the commercial property are present and cannot agree how their votes shall be cast, those votes shall not be counted. If the owner of a portion of the commercial property is not a natural person, the entity owning said property shall give written notice designating the person entitled to vote for that entity. Such written notice shall be delivered to the Master Association prior to the meeting at which the votes will be cast, and will be effective until amended by the property owner or until a transfer of ownership of the property.

A majority of the votes cast shall be sufficient for corporate action except where provided otherwise in these By-Laws, the Articles of Incorporation or the Master Declaration.

The President of each condominium Association, as the voting representative for the unit owners of that condominium, shall represent the condominium at all Master Association meetings and shall cast the votes of unit owners in his association. In the event the President of the condominium association is unable to attend any such meeting, the President of the condominium association shall appoint an alternative voting representative.

Section 3. Change in Membership. A change in membership in the Master Association shall be established by the recording in the Public Records of Collier County, Florida, a deed or other instrument establishing a record title to a portion of the commercial property or a condominium unit. Thereupon the grantee in such instrument will become a member of the Master Association and the membership of the prior owner shall thereby be automatically terminated. Upon such transfer of title to a portion of the commercial property, the transferee shall notify his Master Association of such transfer and provide to the Master Association an address to which all notices and correspondence should be sent. If the said transferee fails to notify the Master Association of such transfer of title, the Master Association shall not be responsible to mail or deliver notices and correspondence to the said owner. Failure to receive notices shall not relieve the owner of liability for assessments.

Section 4. Termination of Membership. The termination of membership in the Master Association does not relive or release any former member from liability or obligation incurred under or in any way connected with the Master Association during the period of his membership, nor does it impair any rights or remedies which the Master Association may have against any former owner or member

arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

Section 5. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Master Association at a time as may be determined by the Board, and each subsequent regular annual meeting of the members shall be held yearly thereafter, at the hour and date to be determined by the Board. The Voting Representatives from each Neighborhood shall represent their Neighborhood at such meetings and shall cast unit owner's vote thereat.

Section 6. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of members who are entitled to vote one-fourth 1/4 of the total votes.

Section 7. Quorum. The presence at the meeting a majority of the owners of the commercial property or their voting designees and the voting representatives entitled to vote a majority of the total votes for all condominium units, in person or by proxy shall constitute a quorum for any action except as otherwise provided in the articles of Incorporation, the Declaration, or these By-Laws.

Section 8. Voting Representatives. At all meetings of the Master Association, each Voting Representative must vote in person. If a Voting Representative is unable to attend a meeting, an alternate selected by the President of the Condominium Association, or an owner of the commercial property shall attend.

Section 9. Adjourned Meetings. If a quorum is not present at any duly called meeting of the members, the majority of the voting interests present may adjourn the meeting to a later date when a quorum may be obtained. When a meeting is adjourned it shall not be necessary to give notice of the time and place of its continuance if such are announced at the meeting being adjourned.

Section 10. Order of Business. The order of business at membership meetings shall be substantially as follows:

- A. Call of the roll and certification of quorum and proxies.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading and disposal of any unapproved minutes.
- D. Reports of Officers.
- E. Reports of Committees.
- F. Election of Directors.
- G. Unfinished Business.
- H. New Business.
- I. Adjournment.

Section 11. Minutes. Minutes of all meetings of members and of Board of Directors shall be kept in a businesslike manner

and available for inspection by members or their authorized representatives and Board members at all reasonable times and for a period of seven years after the meeting.

Section 12. Action by Members Without Meeting. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if written consents, setting forth the action to be taken, are signed by the members having not less than the minimum number of votes that would be necessary to take such action at a meeting, or a majority of the total votes of the entire membership, whichever is greater. Upon receiving the requisite number of written consents, the Board of Directors may take the authorized action upon adopting a resolution to that effect. Within ten (10) days after adopting the resolution, the Board shall send written notice of the action taken to all members who have not consented in writing. Nothing in this paragraph shall be construed in derogation of members' rights to call a special meeting of the membership as elsewhere provided in these By-Laws.

Section 13. Attendance, Voting. Although members shall be represented by Voting Representatives at all Master Association Meetings, members shall be entitled to attend such meetings but may only vote through their Voting Representative.

Section 14. Turnover. Prior to, or not more than sixty (60) days after owners other than the Developer own all of the condominium units and all portions of the commercial property planned in Falling Waters, the Developer shall relinquish control of the Master Association and the property Owners shall accept control. Simultaneously, the Developer shall deliver to the Master Association all property of the Master association held or controlled by the Developer. The Developer may turn over control of the Master Association to property owners other than the Developer prior to the above time period, in its sole discretion, by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of the property owners than the Developer to assume control of the Master Association. Provided at least thirty (30) days' notice of Developer's decision to cause it's appointees to resign is given to property Owners, neither the Developer, nor such appointees shall be liable in any manner in connection with such resignations even if property Owners other than the Developer refuse or fail to assume control.

Section 15. Developer's Rights. So long as the Developer holds condominium units or any portion of the commercial property for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer.

A. Any amendment to the Declaration, the Articles of Incorporation or these By-Laws or other documents which would adversely affect the Developer's rights; and

8. Any action by the Master association that would be detrimental to the sales of condominium units or any portion of the commercial property by the Developer.

ARTICLE III
BOARD OF DIRECTORS: TERM OF OFFICE

Section 1. Number. Until turnover, the affairs of the Master Association shall be managed by a Board of three (3) members who shall initially be appointed by the Developer.

After turnover, the affairs of this Master Association shall be managed by a Board of Directors which shall be comprised of one Director for each of the Condominium Associations in Falling Waters and two Directors elected by the commercial property owners.

Section 2. Term of Office. Each Director's term of service, except for Directors appointed by the Developer, shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided elsewhere. The members, however, at any annual meeting after the Developer has relinquished control of the Master association and in order to provide a continuity of experience, may vote to create a system of staggered terms, so long as each condominium association is entitled to elect one Director and the commercial property owners are entitled to elect two Directors.

Section 3. Removal. Directors may only be removed if they are removed from office by their Association or the commercial property owners who elected them. In the event of death, resignation or removal of a Director, his successor shall be selected by the condominium Association or the commercial property owners entitled to elect his successor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Master Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE IV
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors for the commercial property shall only be made by commercial property owners and may be made from the floor at the

annual meeting. Each condominium association shall elect as a Director for the Master Association the President of the Condominium Association.

**ARTICLE V
MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held as determined by the Board, but not less than annually, without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Master Association, or by a majority of directors, after not less than three (3) days notice, unless waived, to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Meetings of the Board of Directors shall be open to members.

**ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Power. In addition to powers granted by law, the Board of Directors shall have power to:

(a) Exercise for the Master Association all powers, duties and authorities vested in or delegated to this Master Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(b) Employ a manager, an independent contractor, or such employees as they may deem necessary and to prescribe their duties; and

(c) Appoint from time to time such standing or temporary committees as the Board may deem necessary and convenient for the efficient and effective operation of the Master Association and as proscribed by these By-Laws and the Declaration.

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

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when

such statement is requested in writing of the members who are entitled to vote one-fourth (1/4) of the total votes;

(b) Supervise all officers, agents and employees of this Master Association and to see that their duties are properly performed;

(c) As more fully provided in the Declaration to: (1) fix the date of commencement and the amount of the annual assessments; and (2) send written notice of each assessment to each condominium Association on each commercial property owner;

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Cause the Master Association Common areas to be maintained.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Master Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Master Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, 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.

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

Section 7. Multiple Offices. The offices of Vice-President, Secretary and Treasurer may be held by the same person.

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

PRESIDENT

A. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes. He shall also be authorized to sign checks.

VICE-PRESIDENT

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

SECRETARY

C. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, keep the corporate seal of the Master Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of members; keep appropriate current records showing the members of the Master Association together with their addresses and shall perform such other duties as required by the Board.

TREASURER

D. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Master association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Master Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting; and deliver a copy of each to the members, pursuant to the provisions of the Declaration and these By-Laws.

**ARTICLE VIII
BOOKS AND RECORDS**

The books, records and papers of the Master Association shall at all times during reasonable hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-laws of the Master Association shall be available for inspection by any member at the principal office of the Master Association, where copies may be purchased at reasonable cost.

**ARTICLE IX
FISCAL MATTERS AND ASSESSMENTS**

Section 1. **Assessments.** As more fully provided in the Declaration, each member is obligated to pay to the Master Association assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate as allowed by law. The Master Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas, Limited Common Areas or abandonment of his property.

Section 2. **Bank Accounts.** The Master Association shall maintain its accounts in such financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board.

Section 3. **Budget.** The Board of Directors shall, prior to the end of the fiscal year, adopt an annual budget for common expenses for the next fiscal year for the Master Association as more fully provided in the Declaration. The budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications.

Section 4. **General Maintenance Reserves.** If the members so vote, the Board may establish one or more reserve accounts for general operating expenses, repairs, minor improvements or deferred maintenance. The purpose of the reserves is to provide financial stability and to avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual budget each year. These funds may be spent for any purpose approved by the Board.

Section 5. Financial Information. Not later than sixty (60) days after the close of each fiscal year, the Board shall cause to be prepared a financial statement showing in reasonable detail the financial condition of the Master Association as of the close of its fiscal year and an income and expense statement for the year, detailed by accounts. Copies of these statements shall be furnished to each condominium association and each commercial property owner. If called for by a majority of the voting interest present at any meeting, the Board shall present a full and clear statement of the business and condition of the Master Association.

Section 6. Application of Payments and Co-Mingling of Funds. All sums collected by the Master Association may be co-mingled in a single fund or divided into two or more funds, as determined by the Board of Directors. All payments on account by a condominium unit owner or commercial property owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, and general or special assessments, in such manner and amounts as the Board of Directors may determine, subject, however, to the Declaration.

**ARTICLE X
CORPORATE SEAL**

The Master association shall have a seal in circular form having within its circumference the words FALLING WATERS MASTER ASSOCIATION, INC., a Florida Corporation not for profit.

**ARTICLE XI
AMENDMENTS**

Section 1. These By-Laws may be amended in the same manner as amendments to the Declaration of Covenants, Conditions, and Restrictions for FALLING WATERS, as more fully described therein.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles, the Declaration shall control.

**ARTICLE XII
MISCELLANEOUS**

The fiscal year of the Master Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

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IN WITNESS WHEREOF, we, being all of the directors of FALLING
WATERS MASTER ASSOCIATION, INC., a Florida corporation not for
profit have hereunto set our hands this 31 day of
January, 1991.

Pauline PerryF/MHARRISON HUBSCHMANPauline PerryF/MSAMUEL HUBSCHMANPauline PerryF/MALBERT HUBSCHMAN

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