

**AMENDED & RESTATED BYLAWS
OF
THE SUGAR MILL ASSOCIATION, INC.**

WHEREAS at the Annual Meeting of the members of The Sugar Mill Association, Inc., duly convened on the 14th day of March, 2011, a majority of the members present in person or by proxy, did vote to amend and restate the Bylaws as set forth hereinbelow.

ARTICLE I

NAME AND LOCATION. The name of the corporation is The Sugar Mill Association, Inc., hereinafter referred to as the "Corporation" or "Association". The principal office of the Corporation shall be located at 100 Clubhouse Circle, New Smyrna Beach, FL 32168, 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.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to The Sugar Mill Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Living Unit" shall mean and refer to any portion of a building situated upon the Properties designed and intended for use and occupancy as a residence by a single family.

Section 6. "Owner" shall mean and refer to the record Owner of a fee simple title to any Lot or Living Unit, whether one or more persons or entities, which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Sugar Mill Estates Company and its successors and assigns if such successors or assigns should acquire more than one lot for the purpose of development.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded at O.R. Book 1745, Page 110, Public Records of Volusia County, Florida, and the restatement thereof recorded in O.R. Book 6099, Page 452, Public Records of Volusia County, Florida, and as thereafter amended.

Section 9. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 10. "Fiscal Year" The Fiscal Year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. The annual members' meeting shall be held at a date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to the members in advance thereof. All meetings shall be conducted under Robert's Rules of Order most current revision.

Section 2. 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 one-tenth (1/10) of the members.

Section 3. Notice of Meetings. Written notice of each meeting of the members will be given by, or at the direction of, the Secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 30 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association for purpose of notice. Owners shall be responsible for keeping the Association Secretary advised of their current address. Such notice shall specify the place, date, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast in person or by proxy, one-tenth (1/10) of the votes of those eligible to vote, shall constitute a quorum for any meeting. Except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws decisions that require a vote of the members must be made by the concurrence of at least a majority of the voting interests in person or by proxy at a meeting at which a quorum has been

attained. If however such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of members each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot. No proxy shall be valid for more than ninety (90) days.

ARTICLE IV BOARD OF DIRECTORS SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of seven (7) Directors, who must be members of the Association.

Section 2. Term of Office. Directors shall serve a term of three years. At each annual meeting members shall elect Directors for a term of three (3) years to replace those whose terms expire.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a Director, a successor shall be selected by the remaining Directors and shall serve until the next election at the Annual Meeting, at which time a successor will be elected to fill the unexpired term of the removed Director.

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

Section 5. Electronic Participation. The Directors may participate in a Meeting of the Board by means of a teleconference, conference call, and other electronic communications means which will permit all participants to communicate effectively with each other. Such participation shall constitute presence in person at the Meeting.

Section 6. 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 the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. A search committee shall be appointed by the Board to help in finding a suitable slate of candidates. It will comprise three (3) Association Members who are not Directors, and one Director in an ex-officio capacity. In the search for candidates, they will contact the Board of Directors of each Homeowner Sub-Association (Brae Burn, The Meadows, St. Andrews, Pine Valley, and Sugar Mill Gardens Residential), and any other homeowners' association hereafter formed for properties annexed or merged into the Sugar Mill Association for suggestions of possible candidates from among their members. They should also include in the search possible candidates from the owners of unimproved lots, and of single-family residences who are not members of subdivision homeowner's sub-associations. Candidates should acknowledge in writing their agreement to stand. The committee shall select at least as many candidates as there are vacancies. Any Association member wanting to be a candidate for the Board shall give notice in writing to the Secretary of the Association at least 40 days before the date of the election, or may nominate himself or herself as a candidate for the Board at the meeting where the election is to be held or by absentee ballot in advance of the balloting.

Section 2. Election. Voting shall be by secret ballot. At least 30 days before the date of the election, the Association shall mail or deliver to each eligible voter a ballot. (One ballot for each Lot or Living Unit owned). If a candidate so wishes, a brief information sheet stating experience and interests can be included in this mailing. For the purposes of a secret ballot two envelopes must be included in the mailing: an "inner envelope" with no identifying markings in which only the completed ballot is placed and mailed or delivered to the association in an "outer envelope" that identifies the name of the voter, the number of the lot or parcel for which the vote is being cast, and a space for the signature of the lot or parcel owner casting the ballot. The inner envelope shall be removed from the outer envelope bearing the identification information, placed with the ballots that were personally cast and opened when the ballots are counted. If more than one ballot is submitted for a lot or parcel, the ballots for that lot or parcel shall be disqualified. Any vote by ballot received after the closing of the balloting may not be considered. Ballots containing votes for too many board members shall be disallowed. A ballot that does not vote for all available choices is counted for the choices actually made.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Meetings of the Board of Directors shall be open to all property owners and notices of meetings shall be posted in a conspicuous place on the Association property at least 48 hours in advance, except in an emergency. Notice of any meetings in which assessments against parcels are to be established shall specifically contain a statement that assessments shall be considered and a state of the nature of such assessments.

Section 2. Special Meetings of the Board of Directors. Special Meetings of the Board of Directors shall be held when called by the President of the Association or by any four (4) Directors, after not less than three (3) days notice 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 an act of the Board.

Section 4. Waivers. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the directors present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for infractions thereof.
- (b) The Board shall not suspend the voting rights of a member but it may suspend for a reasonable period of time the rights of a member or a member's tenants, guests or invitees, or both, to use Common Areas and facilities, and may levy reasonable fines as provided in Article IX, Section 4b. of the Declaration of Covenants, Conditions and Restrictions against any member or any tenant, guest or invitee. Such rights may be suspended and such fines levied, only after notice and an opportunity for a hearing pursuant to Section 720.305, Florida Statutes, as amended.
- (c) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, The Articles of Incorporation, or the Declaration.
- (d) Employ a manager, an independent contractor, or such other employees as they deem necessary and to prescribe their duties.
- (e) In anticipation of or during any emergency situation such as a hurricane,

and the Board of Directors cannot be in communication with each other in order to perform essential Board functions, then the Board may assume those powers enumerated in Chapter 617.0303, Florida Statutes, a copy of which is appended to these Bylaws and incorporated herein by reference.

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. These shall include the following:
 - (1) Minutes of all meetings of members and of the Board of Directors, kept in a businesslike manner and made available for inspection by property owners or their authorized representatives and Board members at reasonable times. These shall be retained for at least seven (7) years.
 - (2) The following records which shall constitute the official records of the Association and amendments.
 - a copy of the Declaration of Covenants, Conditions, and Restrictions and amendments thereto
 - a copy of the plans, permits, warranties, and other items provided by the developer
 - a copy of the Bylaws of the Association and each amendment
 - a certified copy of the Articles of Incorporation and any amendments thereto
 - a copy of current rules and regulations
 - a book or books containing minutes of all meetings of the Association or Board of Directors
 - a current roster of all members and their mailing addresses, parcel identification and, if known, telephone numbers and electronic mailing addresses
 - copies of all of the Association's insurance policies
 - copies of all current management agreements, leases or other contracts to which the Association is party, or in which property owners have obligations or responsibility; and
 - accounting records, including separate records for each parcel in accordance with generally

accepted accounting principles. These shall be retained for seven (7) years, and be open for inspection by property owners or their authorized representatives at reasonable times. These records shall include but are not limited to the following:

- ◆ a current account and periodic statement of the account of each property owner which designates the name, due date, amount paid upon account and balance due
- ◆ all audits, reviews, accounting statements and financial reports of the Association; and
- ◆ all contracts for work performed. Bids for work performed shall also be maintained for a period of one (1) year.

- (b) Supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed.
- (c) As more fully provided in the Declaration, to:
 - (1) Fix the amount of the annual assessment against each Lot or Living Unit at least 30 days in advance of each annual assessment period.
 - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each such assessment period; and
 - (3) File a lien against any property after the due date for which assessments have not been paid and retain the option to foreclose a lien and bring an action at law against the owner.
- (d) Issue, or cause an appropriate officer to issue, upon receipt of a legitimate request, 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 such certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (e) Procure and maintain reasonable liability and hazard insurance.
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

- (g) Cause the Common Area to be maintained, where necessary.
- (h) Cause timely notice to be given to each Lot owner and to the holders of first mortgages whose substantial interests are affected by any action of the Association or by third parties.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President, Vice President, a Secretary, and Treasurer who shall at all times be members of the Board of Directors, 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 a Special Board Meeting immediately following each Annual Meeting of the members.

Section 3. Term. The Officers of this Association shall be elected by the Board and they shall hold office until they resign, shall be removed, or are otherwise disqualified to serve (term expires).

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the 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 require.

Section 5. Resignation and Removal. Any officer may be removed with or without cause by a majority vote of 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 replaced.

Section 7. Duties. The duties of the Officers are as follows:

- (a) The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board are carried out and shall be empowered to sign all legal written instruments.
- (b) The Vice President shall act in the place and stead of the President in the event of absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

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

- (d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign with another signing officer all checks and promissory notes of the 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.

ARTICLE IX COMMITTEES

The Board of Directors shall appoint a Design Review Board, as provided in the Declaration, and a search Committee, as provided in these Bylaws. In addition the Board of Directors shall appoint other committees as deemed appropriate. The following are possible examples: Finance and Insurance; Security and Safety; Roadway and Common Area Maintenance; Communication; Local Government Affairs; Permanent Standing Committee; etc.

ARTICLE X BOOKS AND RECORDS

The books, records, and papers of the Association shall, by appointment during reasonable business hours, be subject to inspection by any Member, or by holders of first mortgages on any portion of the Properties.

ARTICLE XI ASSESSMENTS

As more fully provided in the declaration, each member is obligated to pay to the Association annual and special 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 with-in thirty (30) days after the due date, the assessment shall bear interest, the highest rate allowed by law per annum and the Association may bring action at law against the Owner personally obligated to pay the same or foreclose the

lien against the property and interest, costs, and reasonable attorney's 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 Area or abandonment of Lot or Living Unit.

The Association may change the maximum and basis of the assessments provided that any such change shall have the assent of two-thirds (2/3) of the votes of members who are voting in person or proxy, at a meeting duly called for this purpose. Written notice shall be sent not less than 30 days or more than 60 days to all members in accordance with the Declaration, and shall set forth the purpose of the meeting, provided further that the limitations set forth herein shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article IX, Section 6 of the Declaration.

ARTICLE XII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: The Sugar Mill Association, Inc., a Corporation Not for profit.

ARTICLE XIV AMENDMENTS

Section 1. These Bylaws may be amended by recording in the Public Records of Volusia County an instrument containing the full text of the Bylaws to be amended, as required by statute, including on the first page thereof identification of the book and page of the public records where the Declaration of Covenants, Conditions and Restrictions is recorded. Said instrument shall be signed by the President and attested by the Secretary of the Association, indicating that at a meeting called for that purpose the fee simple owners of a majority of all Lots and Living units in the Properties have approved such amendment.

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

IN WITNESS WHEREOF, we, have caused these presents to be executed this _____ day of _____, 2011 in the presence of:

Signed, sealed and delivered
in the presence of:

SUGAR MILL ASSOCIATION, INC.

Witness: Margaret Ann de Lisle

BY _____
Robert O. White, President

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this _____ day of _____, 2011, by _____, the President of SUGAR MILL ASSOCIATION, INC. A Florida corporation not-for-profit, on behalf of the corporation. He is personally known to me or has produced a Florida driver's license as identification and did not take an oath.

WITNESS MY HAND and official seal in the State and County last aforesaid this _____ day of _____, 2011.

Notary Public – State of Florida

This instrument prepared by: