

**BY-LAWS OF
RUNAWAY BAY HOMEOWNERS ASSOCIATION, INC.**

AS AMENDED: April 15, 2008

ARTICLE I - CERTIFICATES OF MEMBERSHIP

1. Certificates of membership shall be authorized; if issued, they shall be signed by the President and by the Secretary, and the Company's seal shall be affixed thereto, and attested by the Secretary. A record of each certificate shall be kept on the stub thereof. Membership is not transferable.

ARTICLE II - MEETINGS

1. The annual meeting of the members of this company shall be held at a place and time designated by the Company well in advance of the meeting to be held the Saturday closest to 1 April, or other day designated by the Board.

2. Special meetings of the members may be held at a designated place and time, upon the call of the Board of Directors, or of members holding together at least one-tenth of the votes.

3. Notice for every regular or special meeting of the members may be in person or in writing, or by telephone, facsimile machine or other form of electronic communication reasonably expected to be received by a member. Notice for a special meeting shall state the object or objects thereof, and when possible given at least 30 days in advance of the meeting.

4. The order of business at the annual meeting, and as far as possible, at all other meetings of the members, shall be:

- (1) Calling of roll.
- (2) Proof of due notice of meeting.
- (3) Reading and disposal of any unapproved minutes.
- (4) Annual reports of officers and committees.
- (5) Election of directors.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

5. A quorum at any meeting of the members shall consist of at least five percent (5%) of the membership. A majority of such quorum shall decide any question that may come before the meeting.

ARTICLE III - DIRECTORS

1. The Board of Directors shall consist of not fewer than five (5) members nor more than fifteen (15) members. The number of Board members to be elected at any election shall be determined by the existing Board members. The Board of Directors shall be elected by the members of the corporation at the annual meeting of the corporation and shall serve until the election and acceptance of their duly qualified successors. The Board of Directors shall also be permitted to appoint new or additional members to the Board without exceeding the maximum number of fifteen (15) between annual meetings of the general membership if necessary:

- 1) To maintain an odd number of members on the Board;
- 2) To serve in an elected office when no current Board member is willing to serve; or,
- 3) For other reasons not listed but determined by the Board to be necessary to strengthen and/or increase the effectiveness of the Board.

2. Special meetings of the Board of Directors may be called at any time by the President.

3. Notices of both regular and special meetings shall be made by the Secretary to each member of the Board in person or in writing, or by telephone, facsimile machine or other form of electronic communication not less than ten days before any such meeting, and notices of special meetings shall state the purpose thereof.

4. A quorum at any meeting shall consist of a majority of the entire membership of the Board. A majority of such quorum shall decide any question that may come before the meeting.

5. Officers of the Company shall be elected by ballot by the Board of Directors at their first meeting after the election of directors each year. If any office becomes vacant during the year, otherwise than by removal, the Board of Directors shall fill the same for the unexpired term. The Board of Directors shall fix the compensation of the officers and agents of the company.

6. The order of business at any regular or special meeting of the Board of Directors shall be:

- (1) Reading and disposal of any unapproved minutes.
- (2) Reports of officers and committees.
- (3) Unfinished business.

(4) New business.

(5) Adjournment.

ARTICLE IV - OFFICERS

1. The officers of the company shall be a president, a vice president, a secretary and a treasurer, who shall be elected for one year and shall hold office until their successors are elected and qualify.

2. The President shall preside at all meetings, shall have general supervision of the affairs of the Company, shall sign all certificates of membership and shall sign or countersign all contracts and other instruments of the Company; shall make reports to the directors and members, and perform all such other duties as are incident to this office or are properly required of him by the Board of Directors. In the absence or disability of the president, the vice president shall exercise all his functions.

3. The Secretary shall issue notices for all meetings, shall keep their minutes, shall have charge of the seal and the corporate books, shall sign with the President such instruments as require such signature, and shall make such reports and perform such other duties as are incident to his office, or are properly required of him by the Board of Directors.

4. The Treasurer shall have the custody of all the funds and securities of the company, and deposit the same in the name of the company in such bank or banks as the directors may elect; he shall sign all checks, drafts, notices and orders for the payment of money, which shall be countersigned by the president or vice president, and he shall pay out and dispose of the same under the directions of the President. He shall at all reasonable times exhibit his books and accounts to any director or member of the company upon application at the office of the company during business hours. He shall sign all certificates of membership signed by the President.

ARTICLE V - SEAL

1. The Corporate seal of the company shall consist of two concentric circles, between which is the name of the company and in the center shall be inscribed the word "SEAL".

ARTICLE VI - AMENDMENTS

1. These by-laws may be amended, repealed or altered, in whole or in part, by a majority vote of the entire outstanding membership of

the company, at any regular meeting of the members, or at any special meeting where such action has been announced in the call and notice of such meeting.

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IN WITNESS WHEREOF, the Association has caused these Bylaws of RUNAWAY BAY to be duly amended this 15th day of April 2008.

_____, President

| _____, Secretary