

FIRST AMENDED AND RESTATED BY-LAWS
OF
WINDWARD PROPERTY OWNERS ASSOCIATION, INC.

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ARTICLE ONE

Association

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DON W. HOWARD, CLERK OF COURTS, OKALOOSA COUNTY, FL.

Section 1.1 Membership. Every person or entity who is the record owner of a fee or undivided fee interest in any Residential Unit that is subject to this Declaration shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from such ownership. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one membership per Residential Unit owned. In the event of multiple Owners of a Residential Unit, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a member or the member's spouse, but in no event shall more than one vote for each class of membership applicable to a particular Residential Unit be cast for each Residential Unit.

Any Owner of a Residential Unit which is leased may in the lessee or other written instrument assign the voting right appurtenant to that Residential Unit to the lessee provided that a copy of such instrument is furnished to the Secretary prior to any meeting.

Section 1.2 Board of Directors. The Board of Directors will consist of seven (7) members, each of whom must be a current member of the Association.

Section 1.3 Association. Windward Property Owners Association, Inc. (the "Association") shall be a nonprofit corporation.

Section 1.4 Definitions. The terms defined in the Declaration of Covenants, Conditions and Restrictions of Windward Property Owners Association shall have the same meaning-when used in these By-Laws, unless the context requires otherwise.

ARTICLE TWO

Meetings of Members

Section 2.1 Place of Meetings. Meetings of the Members may be held at any place within Okaloosa County as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver.

Section 2.2 Annual Members' Meetings. The regular annual meeting of the members shall be held at a time and date as designated by the Board of Directors.

Section 2.3 Substitute Annual Members' Meeting. If the annual meeting is not held as designated in Section 2.2, any business, including the election of directors, which might properly have been acted upon at the meeting may be acted upon at any subsequent Members' meeting held pursuant to these By-Laws.

Section 2.4 Special Members' Meetings. Special meetings of the Members may be called at any time by the president, the board of directors, or by the owners having fifty percent (50%) or more of all votes in the Association.

Section 2.5 Notice of Meetings. Unless waived as contemplated in Sections 2.10 and 7.8 or by attendance at the meeting, either in person or by proxy, notice of each Owner's meeting stating the place, time and purpose of the meeting shall be delivered not less than twenty-one (21) days in the case of the annual meeting and seven (7) days in the case of any other meeting before the meeting, either personally or by mail, by or at the direction of the president or secretary or other person calling the meeting, to each Owner of record at such address or addresses as any of them may have designated, or, if no other address has been so designated, at the address of their respective Units.

Section 2.6 Quorum. A quorum shall be deemed present throughout any meeting of the owners until adjourned if owners, in person or by proxy, entitled to cast more than one-third of the votes in the Association are present at the beginning of such meeting. A majority of the votes cast at duly constituted meetings, in person or by proxy shall be binding on all Owners.

Section 2.7 Proxies. The vote of any owner may be cast pursuant to a proxy or proxies duly executed by or on behalf of all the Owners of a Unit. No such proxy shall be revocable except by written notice delivered to the Association by the Owners or

by any of such person.

Section 2.8 Presiding Officer. The president, or in his absence, the vice president, shall serve as a chairman of every owners' meeting. The chairman shall appoint such persons as he deems required to assist with the meeting.

Section 2.9 Adjournments. Any meetings of the Owners, whether or not a quorum is present, may be adjourned by the holders of a majority of the votes represented at the meeting to reconvene at a specific time and place. It shall not be necessary to give any notice of the reconvened meeting or of the business to be transacted, if the time and- place of the reconvened meeting are announced at the meeting which was adjourned. At any such reconvened meeting at which a quorum is represented or present, any business may be transacted which could have been transacted at the meeting which was adjourned.

Section 2.10 Action of Owners Without a Meeting. Any action which may be taken at a meeting of the Owners may be taken without a meeting if a written approval and consent, setting forth the action authorized, shall be signed by each of the Owners entitled to vote on the date on which the last such Owner signs such approval and consent and upon the filing of such approval and consent with the officer of the Association having custody of its books and records. Such approval and consent so filed shall have the same effect as a unanimous vote of the Owners at a special meeting called for the purpose of considering the action authorized.

ARTICLE THREE

Board of Directors

Section 3.1 General Powers. The Board of Directors shall have the power and authority to manage the affairs of the Association. In addition, the Board of Directors shall have all the powers vested in it pursuant to common law, Chapter 720 et seq. Florida Statutes, together with the powers granted to it pursuant to the Declaration, the Articles of Incorporation, and these By-Laws subject to such approval of the Members as expressly reserved in such documents. Notwithstanding such powers, the Board of Directors shall not expend, borrow or contractually obligate the Association to payment of any sum in excess of ten thousand dollars (\$10,000.00) except in the case of: (1) an emergency with a unanimous vote of the board,

(2) where included as a line-item expense within an approved annual budget of the Association; (3) where approved by a majority of the Members present at a duly noticed Members meeting at which a quorum is present, or (4) to avoid pending or threatened litigation against the association as approved by a majority vote of the board.

Section 3.2 Number, Election and Term of Office. The number of Directors of the Association shall be not less than seven (7). Except as provided in Section 3.4, the Directors shall be elected by the affirmative vote of a majority of the votes cast at the annual meeting. Each Director, except in case of death, resignation, retirement, disqualification, or removal shall serve for a term of two years and until his or her successor shall have been elected and qualified. The election of the Board shall be staggered with three (3) and four (4) Directors being elected in alternate years.

Section 3.3 Removal. Any Director may be removed from office with or without cause by the affirmative vote of the holders of a majority of the votes in the Association. Removal action may be taken at any Owners' meeting with respect to which notice of such, purpose has been given, and a removed Director's successors may be elected at the same meeting to serve the unexpired term.

Section 3.4 Vacancies. A vacancy occurring in the Board of Directors, except by reasons of removal of a Director, may be filled for the unexpired term, and until the Owners shall have elected a successor, by affirmative vote of a majority of the Directors remaining in office though less than a quorum of the Board of Directors.

Section 3.5 Compensation. Directors shall not receive compensation for their services as Directors. A Director may serve the Association in a capacity other than that of Director and receive compensation, as determined by the Board of Directors, for services rendered in that other capacity.

Section 3.6 Committees of the Board of Directors. The Board of Directors by resolution adopted by a majority of the full board may designate from among its members an executive committee and one or more other committees. Except as prohibited by law, each committee shall have the authority set forth in the resolution establishing said committee.

ARTICLE FOUR

Meetings of the Board of Directors

Section 4.1 Regular Meetings. Regular meetings of the Board of Directors shall be held immediately after the annual meeting of Owners or any meeting held in lieu thereof. In addition, the Board of Directors may schedule other meetings to occur at regular intervals throughout the year.

Section 4.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the president, or in his absence by the secretary of the Association, or by any two Directors in office at that time.

Section 4.3 Place of Meetings. Directors may hold their meetings at any place within Okaloosa County. The Board of Directors may from time to time establish regular meetings or as is set forth in the notice of special meetings or, in the event of a meeting held pursuant to waiver notice, as may be set forth in the waiver.

Section 4.4 Notice of Meetings. Notice posted in a conspicuous place on Windward property and additionally as may be required in accordance with applicable Florida Statutes shall be given for any regular scheduled meeting of the Directors, but in no event shall such notice be posted less than 48 hours in advance of the meeting.

Section 4.5 Quorum. A quorum shall be deemed present throughout any meeting of the Board of Directors if persons entitled to cast one-half of the votes in that body are present at the beginning of the meeting.

Section 4.6 Vote Required for Action. Except as otherwise provided in this section or By-Law, the act of a majority of the Directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors.

Section 4.7 Action by Directors Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto shall be signed by all the Directors and such written consent is filed with the minutes of the proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors.

Section 4.8 Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the Directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned.. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

ARTICLE FIVE

Officers

Section 5.1 Number. The executive officers of the Association shall consist of a president, a vice president a secretary and a treasurer. The Board of Directors shall from time to time create and establish the duties of such officers and elect such other officers or assistant officers as it deems necessary for the efficient management of the Association, but the Association shall not be required to have at any time any officers other than a president, secretary and treasurer. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 5.2 Election and Term. All executive officers shall be elected by the Board of Directors and shall serve at the will of the Board of Directors and until their successors have been elected and have qualified or until their earlier death, resignation, removal, retirement or disqualification.

Section 5.3. Removal. Any officer or agent elected by the Board of Directors may be removed by the Board of Directors at any meeting with respect to which notice of such purpose has been given to the members thereof.

Section 5.4 President. The president shall be the chief executive officer of the Association and shall have the general supervision of the business of the Association. He shall see that all orders and resolutions of the Board of Directors are carried into effect. The president shall perform such other duties as may from time to time be delegated to him by the Board of Directors. The president shall be elected from among the Board of Directors and preside over the meetings of the Board of Directors.

Section 5.5 Vice President. The vice president shall, in the absence or disability of the president, or at the direction of the president, perform the duties and exercise the powers of the president. Vice presidents shall perform whatever duties and have whatever powers the Board of Directors may from time to time assign.

section 5.6 Secretary. The secretary shall keep accurate records of the minutes of all meetings of Members and Board of Directors. He/she shall have authority to give all notices required by law or these By-Laws. He shall be custodian of the Association books, records, contracts and other documents. The secretary may sign such instruments as may require his signature. The secretary shall perform whatever additional duties and have whatever additional powers the Board of Directors may from time to time assign him or incident to the office of secretary.

Section 5.7 Treasurer. The treasurer shall have custody of all funds and securities belonging to the Association and shall receive, deposit or disburse the same under the direction of the Board of Directors. The treasurer shall keep the financial records and books of account and shall make such reports of the same to the Board of Directors and president upon request. The treasurer shall perform all duties as may be assigned to him from time to time by the Board of Directors or incident to the office of the treasurer.

ARTICLE SIX

Assessments

Section 6.1 Annual Assessments. Prior to the beginning of each fiscal year, the Board of Directors shall prepare an estimated budget for the next fiscal year. The assessment shall be a lien against each Unit as provided in the Declaration. The assessment shall be due from each Owner in advance and be payable annually unless provided otherwise by the Board. The Board of Director may amend the annual assessment if they determine it to be insufficient. If the Board of Directors fails to make an annual assessment the Owners shall pay the amount of the payments for the previous annual assessment.

Section 6.2 Special Assessments. The Board of Directors may impose such special assessments in the amount and provide for the time of payment as it may determine.

Section 6.3 Rate of Assessment. All assessments shall be levied against the Owners as provided in Article IX, Assessments, of the Declaration.

Section 6.4 Reserves. Beginning in calendar year 2010, the annual assessment shall include reserves for road repaving.

ARTICLE SEVEN
Miscellaneous

Section 7.1 Fiscal Year. The Board of Directors is authorized to fix the fiscal year of the corporation and to change the same from time to time as it deems appropriate.

Section 7.2 Inspection of Books and Records. Owners and their mortgagees, if applicable, may inspect the records of receipt and expenditures of the Board of Directors upon reasonable notice and during normal business hours. Any Member shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Member.

Section 7.3 Delegation of Powers and Duties of the Board of Directors. The Board of Directors may engage the services of manager or managing agent, or both; and delegate all of its powers and duties to such manager or managing agent, or both provided the delegation of such powers and duties shall not relieve the Board of Directors of its responsibility under this Declaration.

Section 7.4 Personnel. The Board of Directors may designate and remove personnel necessary to carry out the provisions of these By-Laws and the Declaration.

Section 7.5 Rules and Regulations. The Board of Directors may adopt and amend, from time to time, administrative rules and regulations governing the operation and use of the Common Area. Rules adopted shall be posted in a conspicuous area for member notification for 60 days prior to enforcement. Any new rule shall be subject to owner approval at the annual meeting for permanent adoption by the membership.

Section 7.6 Other. The Board of Directors shall procure and

maintain adequate hazard and liability insurance on property owned by the Association (Reference Article V of the Declaration) and cause the Common Area to be maintained (Reference Article IV of the Declaration).

Section 7.7 Amendment of By-Laws. The By-Laws may be amended by a majority of the votes cast at a duly constituted meeting for such purpose or by written consent of Owners holding a majority of the votes in the Association.

Section 7.8 Indemnification. The Association shall indemnify and hold harmless each of its Directors and officers, each member of any committee appointed pursuant to the By-Laws of the Association against all contractual and other liabilities to others arising out of contracts made by, or other acts of, such Directors, officers, committee members or on behalf of the Owners, or arising out of their status as Directors, officers, or committee members or unless any such contract or, act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the, foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such Director, officer, Board, or committee member may be involved by virtue of such persons being or having been such Director, officer, or committee member; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member, or (b) any matter settled or compromised, unless in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties as such Director, officer, or committee member. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that such person or entity is entitled to be

indemnified by the Association as authorized herein.


The Association and the Board of Directors shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations hereunder provided, however, that the liability of any Owner arising out of any contract made by or other acts of the Directors, member of such committees or out of the aforesaid indemnity in favor of the Directors, officers, members of such committees shall be limited to his share of the assessment. Every agreement made by the Directors, Board, officers, members of such committees, as the case may be, are acting only as agent for the Owners and shall have no personal liability thereunder, and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his share of the assessment. The indemnification provided herein shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement vote of members of the Association or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office. Such right to indemnification shall continue as to a person or entity who has ceased to be a Director, an officer of the Association or member of such committee, and shall inure to the benefit of the heirs, executors, administrator, personal representatives, successors and assigns of such person or entity.

Section 7.9 Waiver. Whenever any notice is required to be given to any Owners or Directors by law or by these By-Laws or this Declaration, a waiver thereof in writing signed by the Director or Owners entitled to such notice or by the proxy of such owner) whether before or after the meeting to which the waiver pertains, shall be deemed equivalent thereto.

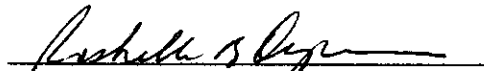
CERTIFICATE OF AMENDMENT TO GOVERNING DOCUMENTS
OF
WINDWARD PROPERTY OWNERS ASSOCIATION, INC.

THE UNDERSIGNED, as President and Secretary of WINDWARD PROPERTY OWNERS ASSOCIATION, INC. (herein referred to as "the Association"), hereby certify that the governing documents of the Association as recorded at Official Records Book 1315, pages 447 et seq, of the Official Records of Okaloosa County, Florida, were duly amended by the affirmative vote of the requisite number of members of the Association on April 30, 2008, and that the amended documents are attached to this CERTIFICATE OF AMENDMENT TO GOVERNING DOCUMENTS OF WINDWARD PROPERTY OWNERS ASSOCIATION, INC. and described as follows:

1. FIRST AMENDED AND RESTATED BY- LAWS OF WINDWARD PROPERTY OWNERS ASSOCIATION, INC.



J.V. O. Weaver, President



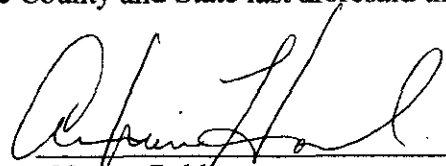
Roshelle Orgusaar, Secretary

STATE OF FLORIDA

COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 5th day of June, 2008, by J.V.O. Weaver, who is personally known to me or who provided proof and who did take an oath.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of June, 2008.



Notary Public

Print or Type Name
My Commission Expires



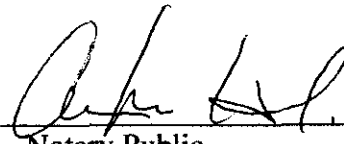
ANNAMARIE HAMMOND
MY COMMISSION # DD 517837
EXPIRES: March 29, 2010
Bonded Thru Budget Notary Services

STATE OF FLORIDA

COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 9th day of June, 2008, by Roshelle Orgusaar, who is personally known to me or who provided proof and who did take an oath.

WITNESS my hand and official seal in the County and State last aforesaid this 9th day of June, 2008.



Notary Public

Print or Type Name
My Commission Expires



ANNAMARIE HAMMOND
MY COMMISSION # DD 517837
EXPIRES: March 29, 2010
Bonded Thru Budget Notary Services