

If any director tenders his resignation to the Board, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective.

Section 4.6. Compensation: Without the prior vote or written assent of the majority of the total voting power of the Master Association, and the majority of votes of Members other than Declarant and any Participating Builders, 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 4.7. Liability of Directors; Indemnification of Directors and Agents: No Director shall have any liability based upon any alleged failure to properly discharge the obligations of a director as long as such Director performs the duties of a director in a manner not expressly contrary to law and in a manner such Director believes to be in the best interests of the Master Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. A Director shall be entitled to rely on information in any form prepared or presented by officers or employees of the Master Association whom the Director believes to be reliable and competent in the matters presented and to rely on the information and advice of other outside consultants which the Director believes to be within such person's professional or expert competence. Directors and other agents of the Master Association shall be indemnified to the full extent allowed by law without limitation.

## ARTICLE V

### MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings: Regular meetings of the Board of Directors shall be held monthly at such place located on the Properties, or as close thereto as possible, and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Notice of the time and place of each meeting shall be posted at a prominent place or places within the Properties, and shall be communicated to each director not less than four (4) days prior to the meeting; provided, however, that notice of the meeting need not be given to a director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 5.2. Special Meetings: Special meetings of the Board of Directors shall be held when called by the president of the Master Association, or by any two directors.

The notice shall specify the time and place of the meeting and the nature of the business to be conducted and shall be sent to all directors and posted in the manner prescribed for notice of regular meetings not less than seventy-two (72) hours prior to the scheduled time of the meeting; provided, however, that notice of the meeting need not be given to a director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 5.3. Quorum: A majority of the number of directors shall constitute a quorum for the transaction of business. Every act performed or decision 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 5.4. Attendance by Other Members: Regular and special meetings of the Board shall be open to all Members of the Master Association provided, however, that Master Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by vote of a majority of a quorum of the Board.

Section 5.5. Executive Session: The Board may, upon vote of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Master Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in the executive session shall first be announced in the open session.

Section 5.6. Actions Without a Meeting: The Board of Directors may take actions and exercise those powers and duties specified in Article VI or otherwise authorized by these Bylaws or statute without a meeting if all of the Directors consent in writing to the action to be taken. If the Board of Directors resolves by unanimous written consent to take an action, an explanation of the action taken shall be posted in a prominent place or places within the Master Association Maintenance Area as the Directors may direct which is convenient to the Owners within three (3) days after the written consents of all Directors have been obtained.

## ARTICLE VI

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.1. Powers: The Board of Directors shall have power to:

- (a) Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment