

Bylaws

The HOA At Westwood Lakes Inc.

**BYLAWS OF
THE HOMEOWNERS ASSOCIATION AT WESTWOOD LAKES
Dated: March 27, 1998**

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**BYLAWS
OF
THE HOMEOWNERS ASSOCIATION AT WESTWOOD LAKES
a Florida association not for profit**

**ARTICLE 1
Identity**

Section 1.1 **Name**. The name of the Association is The Homeowners Association at Westwood Lakes.

Section 1.2 **Principal Office**. Initially, the principal office of the Association will be located at c/o Rudnick & Wolfe, 101 East Kennedy Boulevard, Suite 2000, Tampa, Florida 33602. However, the Board of Directors, at any time and from time to time, may change the principal office of the Association to any other location in Florida as the Board of Directors may, in their sole discretion, select.

Section 1.3 **Other Offices**. The Association may have offices at such other place or places within or without the State of Florida as the Board of Directors may from time to time establish.

Section 1.4 **Registered Agent for Service of Process**. The Association's Board of Directors will have the right to designate a registered agent for service of process, who may be an individual or a corporation. The registered agent so designated will serve until a successor is elected by the Board of Directors. Cynthia A. Henderson, Esquire, of Rudnick & Wolfe, has been named by the Board of Directors as the initial registered agent.

**ARTICLE 2
Definitions**

For purposes of these Bylaws, the following terms will have the following definitions and meanings:

Section 2.1 **"Articles"** means the Articles of Incorporation of The Homeowners Association at Westwood Lakes, as amended from time to time.

Section 2.2 **"Assessments"** mean the Assessments provided for in the Declaration.

Section 2.3 **"Association"** means THE HOMEOWNERS ASSOCIATION AT WESTWOOD LAKES, a corporation not for profit, and its successors and assigns, and it will include in the context of acts of the Association, the acts of its officers, directors, employees and agents and independent contractors under contract with the Association, when such are acting for and pursuant to the authority or directives of the Association.

Section 2.4 "Board" or "Board of Directors" means the Board of Directors of the Association.

Section 2.5 "Bylaws" means the Bylaws of the Association as amended from time to time.

Section 2.6 "Common Expenses" means those costs, expenses and expenditures of the Association for the activities required or authorized to be performed by the Association.

Section 2.7 "Founder" means FL Tampa West, Inc., a Florida corporation, its successors and such assigns as provided for in the Declaration.

Section 2.8 "Declaration" means the Declaration of Covenants, Conditions, Restrictions and Easements for Westwood Lakes to be executed by Founder and to be recorded in the Public Records of Hillsborough County, Florida, together with all changes and amendments and supplements thereto and modifications thereof as are from time to time recorded among the Public Records of Hillsborough County, Florida.

Section 2.9 "Developer" means the Founder or any successor developer of Westwood Lakes.

Section 2.10 "FHA" means the Federal Housing Administration.

Section 2.11 "Governing Documents" means the Declaration, the Articles and the Bylaws.

Section 2.12 "Lot" means each numbered, platted and developed lot as established by the recorded Plat(s) of Westwood Lakes which is capable of separate conveyance and of which the Owner is obligated by the Governing Documents to be a Member of the Association and to pay Assessments.

Section 2.13 "Member" means an Owner or the Founder.

Section 2.14 "Owner" means any person who from time to time holds record fee simple title to any Lot. If more than one person holds such title, all such persons are Owners, jointly and severally.

Section 2.15 "Property" means and includes all lands and real property subject to the Declaration upon the recording thereof or at any time and from time to time thereafter made subject to the Declaration.

Section 2.16 "Westwood Lakes" means the community being developed by Developer on the Property pursuant to the PD and as shown on the Plat(s).

Section 2.17 "**Turnover**" means the date that is the earlier of (i) three (3) months after the Founder conveys, other than to a successor developer, all of its right, title and interest in and to seventy-five percent (75%) of the total of all existing Lots in the Property as described in the Declaration, and (ii) the date Founder records a disclaimer of its Class B Membership in the Public Records of Hillsborough County, Florida.

Section 2.18 "**VA**" means the Department of Veterans Affairs.

Section 2.19 **Other Definitions**. Other definitions contained in the Declaration are hereby specifically incorporated into these Bylaws by this reference and words used in these Bylaws without definition which are defined in the Declaration will have the same meaning in these Bylaws as in the Declaration.

ARTICLE 3 **Objects and Purposes**

The Association has been created and established for the objects and purposes of, and will have exclusive jurisdiction over and responsibility for, the ownership, leasing, administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of any public parks located on the Property and the Common Areas; the establishment, levy, imposition, enforcement and collection of all Assessments for which provision is made in the Declaration; the payment of all Common Expenses and other expenses and expenditures as provided in the Declaration; the administration and enforcement of the covenants, conditions, restrictions, easements, reservations, terms and provisions of the Declaration (except to the extent, if any, that the administration and enforcement of any of same may be vested exclusively in the Developer or the Architectural Control Committee); and the promotion and advancement of the health, safety and general welfare of the Members of the Association; all as more particularly provided in the Governing Documents and the Rules and Regulations of the Association, and all having to do with or being related to Westwood Lakes.

ARTICLE 4 **Powers and Duties**

Section 4.1 **Powers and Duties of the Association**. The Association, acting by and through its Board of Directors, will, in addition to those general and specific powers, duties, responsibilities and obligations imposed upon it by law and those specified in the Governing Documents, have the following specific powers, duties, responsibilities and obligations:

4.1.1 **Ownership, Leasing Dealing With and Management of Common Area**. Except as may be limited by the covenants, conditions, restrictions, easements, reservations, terms and provisions of the Declaration, to acquire, own, hold, control, administer, manage, operate, regulate, care for, maintain, repair, replace, restore, preserve, protect, buy, sell, lease, transfer, convey, or otherwise deal in or with real or

personal property (or any interest therein, including easements) which is, or upon its acquisition by the Association will thereupon become, Common Area.

4.1.2 Payment of Common Expenses. To pay all Common Expenses incurred by the Association in performing and carrying out its duties, responsibilities and obligations and exercising its rights, all as described in the Governing Documents and any Rules and Regulations promulgated by the Association from time to time, including, without limitation, (i) all expenses incurred in connection with the enforcement of any and all of the covenants, conditions, restrictions, easements, reservations, assessments, terms and provisions of the Governing Documents and Rules and Regulations of the Association or in evaluating and amending any of same; (ii) all expenses incurred in the administration of the business and affairs of the Association; (iii) all expenses associated with the ownership or leasing, management, holding, controlling, administration, operation, regulation, care, maintenance, repair, replacement, restoration, preservation and protection of all Common Area; and (iv) all other expenses arising from activities of the Association required or authorized by the Governing Documents or Rules and Regulations of the Association, and any amendments properly made to any of same.

4.1.3 Levy and Collection of Assessments. To establish, make, levy, impose, enforce and collect all Assessments for which provision is made in the Declaration or which will otherwise be necessary to provide and assure the availability of such funds as may be reasonably necessary to pay all Common Expenses as provided in the foregoing subsection, including, without limitation, to establish and maintain any and all reserves and sinking funds that may be necessary or appropriate to provide the funds for necessary or appropriate capital expenditures, such as, for example, and not by way of limitation, the maintenance, repair, restoration or replacement of common streets and roads, pedestrian pathways and other areas, lighting and other Common Area, or that may be required by any governmental authority or regulation. To impose, foreclose and otherwise enforce all liens for Assessments for which provision is made in the Declaration in accordance with the terms and provisions of the Governing Documents.

4.1.4 Other Services. To provide and perform such other services and tasks, the responsibility for which has been expressly or impliedly delegated to the Association pursuant to the Governing Documents.

4.1.5 Insurance. To provide and contract for adequate insurance protection on and for the Association and the Common Area and, consistent with their respective duties, responsibilities and liabilities, provide adequate insurance protection on and for the Association's Members, officers and directors, as well as for the members of the Architectural Control Committee established pursuant to the Declaration.

4.1.6 Preserve and Enhance Beauty of Westwood Lakes. To preserve, protect, maintain and enhance the appearance and natural beauty of the Common Areas, and

Westwood Lakes generally, including, without limitation, conservation areas under the SWFWMD Permits.

4.1.7 **Promotion of Health, Safety and Welfare.** To advance, promote, enhance and protect the health, safety and general welfare of the Members and residents of Westwood Lakes to the extent that the enforcement of the covenants, conditions, restrictions, easements, reservations, assessments, terms and provisions of the Declaration may affect same; provided, however, that the Association will have no right, power or authority and is hereby prohibited from engaging in any political activity or any other activity whereby its status as a corporation not for profit or its exemption from federal or state income taxation, if any, will be forfeited or jeopardized.

4.1.8 **Enforcement of Declaration.** To assure compliance with and adherence to and otherwise to enforce the covenants, conditions, restrictions, easements, reservations, assessments, terms and provisions of the Declaration.

4.1.9 **Adopt Rules and Regulations.** To adopt, publish, promulgate and enforce the Rules and Regulations provided for by the Declaration.

4.1.10 **Operate Without Profit.** To operate without profit for the sole and exclusive benefit of its Members and Westwood Lakes generally.

4.1.11 **Establish Reserves.** To create, establish, maintain and administer such reserve funds or accounts, and to make expenditures therefrom, as will, in the discretion of the Board of Directors, be reasonably necessary or appropriate to provide and assure the availability of the funds necessary for the care, maintenance, repair, replacement, restoration, preservation and protection of all common streets and roads, pedestrian pathways and other Common Areas and for such other purposes as its Board of Directors, in its reasonable discretion, will deem necessary or appropriate.

4.1.12 **Sue and Be Sued.** To sue and be sued, to prosecute to completion or settle any suits or other action to obtain or enforce its rights hereunder and to defend to completion or settle any suits or other action brought against it.

4.1.13 **Employ and Contract.** To employ such persons or to contract with such independent contractors or managing agents as will be reasonably required or appropriate, in the reasonable judgment of the Board of Directors, in order for the Association to carry out, perform and discharge all or any part of its duties, obligations and responsibilities pursuant to the Governing Documents.

4.1.14 **Provide Public or Quasi-Public Services.** To itself provide equipment, facilities and personnel for, or to contract with an independent contractor or independent contractors, for such public or quasi-public services as provided in the Declaration or as may be deemed by the Board of Directors to be reasonably necessary, appropriate or

desirable for the common health, safety and general welfare of the residents of Westwood Lakes including, without limitation, garbage and trash pickup and disposal services, landscape services, telephone or telecommunication services, and street-lighting services.

4.1.15 **Other Activities**. To engage in any and all other activities permitted to be engaged in by a corporation not for profit under the laws of the State of Florida as may be necessary or appropriate for the fulfillment of the duties, responsibilities, and obligations of the Association and for the achievement of the objects and purposes for which the Association has been created, formed and established.

Section 4.2 **Limitations on Powers**. In addition to such other restrictions or limitations on the powers of the Association as may be imposed by law, elsewhere in these Bylaws or in the Declaration, and without limiting the generality of any of same, the Association will be prohibited from taking any of the following actions without the prior approval of a majority of the votes present, in person or by proxy, at a meeting of the Association at which a quorum is present:

4.2.1 **Contracts for a Term in Excess of One Year**. Except for contracts for common lighting systems, security and cable or community antenna television, telecommunications services, or any public, quasi-public or governmentally regulated utility service, the entry into any employment contracts or other contracts for the delivery of services or materials to the Association having a term in excess of one (1) year, except in the case of prepaid insurance, casualty or liability contracts or policies for not more than three (3) years duration; provided that the applicable contract or policy provides, by its express terms, that it will be terminable (i) for cause at any time on not more than thirty (30) days written notice by the Association and (ii) without cause at any time after one (1) year on not more than ninety (90) days written notice by the Association.

4.2.2 **Pledge of Assessment Rights**. The borrowing of any funds secured by a pledge, assignment or encumbrance of the right and duty of the Association to exercise its power to establish, make, levy, impose, enforce and collect any Assessments for which provision is made in the Declaration, whereby as a result of such pledge, assignment or encumbrance such right and power of Assessment may be exercised by a party other than the Association or whereby the Association will become obligated to establish, levy, enforce and collect any Assessment or Assessments in a particular amount or within a particular time so as to effectively divest from the Association and its Board of Directors the right, duty and discretion to establish, make, levy, impose, enforce and collect Assessments in such amounts and within such time periods as the Board of Directors of the Association, in its discretion, will deem necessary and reasonable.

4.2.3 **Payment of Compensation to Officers or Directors**. The payment to the elected directors of the Association or to officers of the Association for services performed in the conduct of their duties as such directors or officers; provided, however, that nothing herein contained will preclude the Association from reimbursing any such

elected director or officer for reasonable expenses incurred in the conduct of the business and affairs of the Association; and provided, further, that nothing herein contained will preclude the employment by the Association and payment by it of compensation to a manager or executive director of the Association who will not be an elected director or officer of the Association.

Section 4.3 **Sale or Transfer of Real Property**. In addition to such other restrictions or limitations on the powers of the Association imposed by law, these Bylaws, or the Declaration, and without limiting the generality of the same, the Association is prohibited from selling, transferring or otherwise disposing of, whether or not for consideration, any real property owned or leased by the Association as Common Areas without the prior approval of two-thirds (2/3) of each class of Members. Furthermore, as long as there is Class B membership, any sale, transfer, or other disposal of the Common Areas must be approved by the FHA and the VA, which such approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, or anything contained herein to the contrary, the involuntary dedication, transfer, or conveyance of the Common Areas to any governmental or public agency, authority, or utility resulting from or in lieu of condemnation or eminent domain proceedings shall not require the prior approval of the Members, the FHA, or the VA.

Section 4.4 **Litigation**. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of not less than seventy-five percent (75%) of each class of Members. In the case of such a vote, and notwithstanding anything contained herein, the Declaration, or the Articles to the contrary, if any Member is a representative of a neighborhood or other sub-association which is subject to the Declaration, such representative shall not vote in favor of bringing or prosecuting any such proceeding unless authorized to do so by a vote of not less than seventy-five percent (75%) of all members of the neighborhood or sub-association represented by such voting representative. This Section shall not apply to (a) actions brought by the Association to enforce the provisions of the Declaration (including, without limitation, the foreclosure of liens and enforcement of restrictive covenants against Members), (b) the imposition and collection of assessments as provided in the Declaration, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Founder or is approved by the percentage votes and pursuant to the same procedures necessary to institute proceedings as provided above.

ARTICLE 5

Membership

Section 5.1 **Member**. The Association will have two (2) Classes of Members, Class A and Class B.

5.1.1 **Class A Member**. A Class A Member is any person who from time to time is the record owner of legal title to a Lot as more fully described in the Declaration. Initially there are no Class A Members.

5.1.2 **Class B Member**. The Founder is the Class B Member, as more fully described in the Declaration. The Class B Membership will cease upon Turnover and the Founder will become a Class A Member for any Lots owned by it at that time.

Section 5.2 **Eligibility**. As more particularly described in the Declaration and these Bylaws, every record owner of legal title of a Lot subject to the Declaration will become a Member of the Association. Ownership of a Lot subject to the Declaration will be the sole qualification for membership in the Association. Membership will become effective upon the recording of the instrument of conveyance to the Lot in favor of the Owner. The foregoing notwithstanding, membership will not run to persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. When any Lot is owned of record in joint tenancy or tenancy in common or by some other multiple ownership or legal entity, voting rights will be determined as provided in the Declaration. Membership will be appurtenant to and may not be separated from a Lot. Transfer of ownership of any Lot will automatically transfer membership in the Association, and the new Owner will automatically be a Member.

Section 5.3 **Default**. If a Member will be in default in the payment of any Assessment levied by the Association, or in violation of the Governing Documents or Rules and Regulations, such Member's right to the use of any Recreational Common Areas and services which the Association may provide may be suspended and fines may be levied on such defaulting Member as provided for in the Declaration.

Section 5.4 **Members' Rights**. The rights of every Member of the Association will be subject to and governed by the terms and provisions of the Governing Documents and Rules and Regulations of the Association.

ARTICLE 6 **Voting Rights**

Section 6.1 **Vesting of Voting Rights**. A Member's right to vote will vest immediately upon becoming a Member pursuant to Article 5 of these Bylaws. All voting rights of a Member will be exercised in accordance with and subject to any restrictions and limitations provided in the Governing Documents and the Rules and Regulations of the Association.

Section 6.2 **Voting Rights**. The number of votes each Member has is as set forth in the Declaration. As provided for in the Declaration, the Class B Member, for so long as there will be a Class B Member, will be entitled to elect the Board of Directors. The existence of Class B membership will cease and the Class B Member will be converted to a Class A Member with respect to each Lot then owned upon Turnover. Notwithstanding the termination of the Class B Membership, Founder may, at its option, in place of voting its Class A Membership votes for the election of the Board of Directors, appoint one of the Directors to the Board of Directors, so long as Founder holds for sale in the ordinary course of business at least five percent (5%) of the total of all existing Lots in the Property and any planned lots in the remaining Annexable Area.

Section 6.3 **Voting Rights Appurtenant to Ownership of Lots.** The voting rights of the membership will be appurtenant to the ownership of the Lots.

Section 6.4 **Voting.** There may be multiple classes of voting membership as set forth in the Declaration. At every meeting of the Members, the Members present, either in person or by proxy, will have the right to vote as set forth in the Governing Documents. The provisions of the Declaration regarding the classes and regarding the votes appurtenant to each class are, by this reference, automatically and specifically incorporated herein the same as if they were fully set forth herein. Each amendment, if any, to the Declaration having to do with the classes of Members or the votes appurtenant to each class of Member will be, by this reference, automatically incorporated herein the same as if fully set forth herein regardless of when the same may be adopted and made effective, including, without limitation, each amendment, if any, adopted at any time after the adoption of these Bylaws. Unless otherwise specified herein, or in the Declaration, the vote of the majority of all votes present, in person or by proxy (including, in the aggregate, the votes of the Class A Members and the Class B Member; provided, however, that after Turnover, the same will include only the votes of the Class A Members), will decide any question brought before a meeting at which a quorum is present and will constitute official action by the Members of the Association, or the vote of the majority of those Members (including, in the aggregate, Class A Members and, until Turnover, the Class B Member) responding to a mail referendum administered in accordance with the requirements of Section 6.5 hereof will decide any question presented to the Members by such mail referendum and will constitute official action by the Members of the Association, unless, the foregoing provisions for meetings or mail referenda notwithstanding, the question is one upon which, by express provisions of statute, or of the Governing Documents, a different vote is required, in which case such express provision will govern and control. Nothing contained herein will be construed in derogation of the rights of the Class B Member set forth in Governing Documents.

Section 6.5 **Method of Voting.** Voting on all matters except the election or removal of Directors will be by voice vote or by show of hands, unless more than one-third of the Members present at the meeting will, prior to voting on any matter, demand a written ballot vote on that particular matter. Directors will be elected or removed by written ballot. Where Directors or officers are to be elected by the Members, the solicitation of proxies for such elections may be conducted by mail. The Board of Directors may conduct a membership referendum on any specific matter by mail with only a majority of those Members responding to the mail referendum being necessary to authorize a specific act or omission; provided, however, that such mail referendum will have been mailed, at least thirty (30) days but not more than forty-five (45) days prior to the final response date, by certified mail, return receipt requested, to each Member at the address last specified by such Member to the Association.

Section 6.6 **Proxies.** A Member may appoint any person as a proxy. All proxies will be in writing, dated, state the date, time and place of the meeting for which it is given, and signed by the Member voting by proxy and filed with the Secretary at least twenty-four (24) hours before any meeting or meetings for which the proxy was given before the proxy may vote. Proxies will be valid only for the particular meeting for which it is originally given, as the

meeting may lawfully be adjourned and reconvened from time to time, and automatically expires ninety (90) days after the date of the meeting for which it is originally given. A proxy is revocable at any time by the Member executing it. If the proxy form expressly provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. If a Lot is owned jointly by two or more co-owners, and if the said co-owners have not designated one (1) of them as the voting Member, then a proxy, to be valid, must be signed by all such co-owners. Anything herein to the contrary notwithstanding, every proxy will automatically cease upon sale, transfer, demise, or other disposition by the Member of such Member's Lot.

Section 6.7 **Management**. Subject to the rights of the Founder set forth in the Declaration, the Association will be managed by the Board of Directors of the Association, and except as expressly provided to the contrary in the Governing Documents of the Association, all issues before the Association may be decided by the Board of Directors.

Section 6.8 **Annual Meetings**. The annual meetings of the Members of the Association will be held each year in the month of October. At the annual meeting, the Members will elect Directors and may transact such business of the Association as may properly come before them. The time, place, and date of all meetings will be set by the Directors, and the Directors, by majority vote, may change the month of the annual meeting.

Section 6.9 **Special Meetings**. Special meetings of the Members may be called by the President of the Association, and the President of the Association must call a special meeting of the Members upon the request in writing of a majority of the Board of Directors or at the request in writing of the Class B Member or, after Turnover, at the request in writing of one-fourth (1/4) of the total votes of the Class A Members. Such requests will state the purpose or purposes of the proposed meeting. No business will be transacted at a special meeting except as stated in the Notice.

Section 6.10 **Notice of Meetings**. It will be the duty of the Secretary to give notice of each meeting of the Members, stating the purpose thereof as well as the time and place where it is to be held, to each Member of record, at his or her address as it appears in the membership book of the Association, or if no such address appears, at his or her address as last specified for such Member, at least fourteen (14) days, but not more than forty-five (45) days, prior to such meeting. Notice must be given either personally or by telephone, telegram, cablegram, first class mail, confirmed facsimile transmission or any other means of person delivery providing evidence of actual delivery; and if mailed, the notice will be deemed to be given when deposited in the United States mail addressed to the Member at the Member's address as it appears in the records, of the Association, with postage thereon prepaid.

Section 6.11 **Waiver of Notice**. Before or after any meeting any Member may waive notice of the meeting in writing and such waiver will be deemed the equivalent of such notice. Attendance of a Member at a meeting will constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when the Member attends a meeting for

the express purpose, as stated at the beginning of the meeting, of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Members need be specified in any written waiver of notice.

Section 6.12 Closure of Membership Books. For the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or any adjournment thereof, the Board may provide that the membership books be closed for a period of not less than five (5) nor more than thirty (30) days immediately preceding such meeting. If the membership books are not closed and no record date is fixed by the Board, the date on which notice of the meeting is mailed will be the record date for the determination of Members entitled to notice, or to vote.

Section 6.13 Quorum. Except as otherwise required by the laws of the State of Florida, or the Governing Documents, the presence in person or by proxy of the Members representing one-tenth (1/10) of the total votes of the Association will constitute a quorum.

Section 6.14 Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not attended, a majority of the Members who are present, either in person or by proxy, and entitled to vote thereat may adjourn the meeting to a time not later than ten (10) days from the time the original meeting was called, and hold the meeting so adjourned, without additional notice, provided that a quorum can be obtained for such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed; but only those Members entitled to vote at the meeting as originally noticed will be entitled to vote at any adjournment or adjournments thereof.

Section 6.15 Action Without a Meeting. Any action required by law to be taken at a meeting of Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if a consent in writing setting forth the action so taken will be signed by the Members entitled to vote in such action and having not less than the minimum number of votes necessary to authorize such action at a meeting at which all Members entitled to vote on such action were present and voted, and such consent will have the same force and effect as a unanimous vote of the Members.

Section 6.16 Conduct of Meetings. The President will preside over all meetings of the Association, and the Secretary will keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as all transactions occurring at the meeting. The order of business at all annual or special meetings of the Members will be as follows:

- (a) Calling meeting to order.
- (b) Roll call.
- (c) Proof of notice of meeting, filing any waivers of notice and determination of a quorum.

- (d) Reading of the minutes of preceding meeting and any written actions in lieu of meetings signed subsequent to the preceding meeting.
- (e) Reports of officers.
- (f) Reports of committees.
- (g) Election of directors (if an election is to be held).
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

ARTICLE 7 Obligations and Rights of Members

Section 7.1 Compliance with Law, Governing Documents and Rules and Regulations. Each Member and his or her tenants, guests, and invitees are governed by and must comply with Chapter 617, Florida Statutes, the Governing Documents and the Rules and Regulations. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with the law, the Governing Documents or the Rules and Regulations may be brought by the Association or by any Member against (i) the Association, (ii) a Member, (iii) any director or officer of the Association who willfully and knowingly fails to comply with the law, the Governing Documents or the Rules and Regulations, or (iv) any Member's tenant, guest or invitee occupying a Lot or using the Common Areas. The prevailing party in any such litigation is entitled to recover reasonable attorney's fees and costs.

Section 7.2 No Authority to Act on behalf of Association. A Member does not have authority to act for the Association by virtue of being a Member.

Section 7.3 Appointment of Receiver. If the Association fails to fill vacancies on the Board sufficient to constitute a quorum, any Member may apply to the Hillsborough County Circuit Court for an appointment of receiver to manage the affairs of the Association. The Member shall provide, by certified mail, postage prepaid, the Association thirty (30) days prior written notice of such Member's intention (the "Action Notice") to bring such action if the vacancies are not filled within thirty (30) days. The Action Notice shall also be posted in a conspicuous place in the Community. If, during the thirty (30) day period, the Association fails to fill enough vacancies so that a quorum can be assembled, the Member may proceed with the action. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, attorney's fees and all other expenses of the receivership. If appointed, the receiver will have all of the powers and duties of the Board of Directors and shall serve until the Association fills enough vacancies so that a quorum can be assembled.

Section 7.4 Inspection and Copying of Records. The Official Records of the Association (as described in Article 18 of these Bylaws) will be maintained in the State of Florida and will be open to inspection and available for photocopy by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. The Board of Directors may provide in the Rules and Regulations

reasonable rules governing the frequency, time, location, notice and manner of such inspections and may impose fees to cover the costs of providing copies of the Official Records. The Association shall maintain an adequate number of copies of the recorded Governing Documents, to ensure availability to Members and prospective Members and may impose fees to cover actual costs of reproducing and furnishing such copies.

ARTICLE 8

Termination of Membership

The termination of membership in the Association will not relieve or release any such former Member from any liability or obligations incurred pursuant to or in accordance with the provisions of the Governing Documents or the Rules and Regulations or arising as a result of membership in the Association or ownership of a Lot during the period of such membership in the Association. Further, the termination of membership in the Association will not impair any rights or remedies which the Association may have against such former Member arising out of or in any way connected with membership in the Association (or the duties and obligations arising from such membership) prior to termination.

ARTICLE 9

Board of Directors

Section 9.1 **Number and Qualification.** The affairs of the Association will be governed and managed by a Board of Directors. The number of directors which will constitute the Board of Directors will not be less than three (3) nor more than nine (9). The initial Board of Directors will consist of three (3) persons. The exact number of directors will be determined by vote of the Board of Directors, provided, however, it must be an odd number. Directors need not be Members of the Association.

Section 9.2 **Term of Office of Directors.** The directors will serve for terms of three (3) years, except initially after Turnover in order to stagger the terms, some directors will serve for one (1) year, others for two (2) years and still others for three (3) years. Whenever the number of directors is increased or decreased, the terms of additional directors will be established so as to maintain as balanced staggering of terms as possible and the terms of existing directors will be adjusted if necessary to the same end. The foregoing notwithstanding, the term of each director will extend until (i) his or her successor is duly elected and qualified, or (ii) such director resigns as a director by written notice of resignation to the President of the Association, or (iii) he or she is removed in the manner hereinafter provided, whichever event occurs first.

Section 9.3 **Removal of Directors.** Any director may be removed with or without cause by (a) prior to Turnover, by the Class B Member, and (b) after Turnover, by a majority of all votes of the Class A Members cast in writing at a valid meeting of the Members. A special meeting of the Members may be called for that purpose by the Class B Member prior to Turnover or, after Turnover, by one-fourth (1/4) of the Class A Members by notice stating the

specific director sought to be removed at the special meeting. A proposed removal of a director at a meeting will require a separate vote for each member of the Board sought to be removed. If the removal is sought by written agreement, a separate agreement is required for each member of the Board to be removed. Any vacancy in the Board of Directors created by the removal of a director will be filled by the Class B Member, prior to Turnover, and thereafter by majority vote, in the aggregate, of the Class A Members present at the meeting at which the vacancy was created or at the annual meeting of the Members or at a special meeting called for such purpose. Any director who is removed from the Board will not be eligible to stand for reelection until the next annual meeting of the Members. Any director removed from office will turn over to the Board within 72 hours any and all records of the Association in his possession. If a removed director does not relinquish his office or turn over the Association's records, the Circuit Court in and for Hillsborough County, Florida may summarily order the director to relinquish his or her office and turn over the Association's records upon application by the Association or any Member.

Section 9.4 Filling of Vacancies. Except as to vacancies caused by removal of directors as hereinabove provided, vacancies in the Board of Directors occurring between annual meetings of Members will be filled by majority vote of the remaining directors.

ARTICLE 10

Election of Directors; Nominations Committee

Section 10.1 Election of Directors.

10.1.1 Directors - Election Prior to Turnover. Notwithstanding any provision to the contrary herein contained, until Turnover, the Developer, as the Class B Member, will have the sole right to nominate, vote upon and elect the members of the Board of Directors. The balance of the provisions in this Article 10 will apply only subsequent to Turnover and not prior to Turnover.

10.1.2 Directors - Election Subsequent to Turnover. After Turnover the directors or the Board of Directors will thereafter be elected by a plurality of the votes cast by written ballot of the Class A Members present in person or by proxy at an annual meeting of the Members, or a special meeting of the Members called for that purpose. After Turnover, directors will be elected by written ballot (as provided in Section 10.6 hereof) at the annual meeting (unless written ballot is waived by unanimous consent of the Members attending) and by a plurality of the votes cast at, or presented to, the meeting of the Association. Each Member will be entitled to vote in any election of directors subsequent to Turnover as provided in Section 10.6 hereof. Each Member will be entitled to vote for as many nominees as there are vacancies to be filled.

Section 10.2 Nominations Committee. Nominations for election to the Board of Directors may be made by a Nominations Committee which may be one of the standing

committees of the Association, as set forth in Article 15 of these Bylaws, and such committee will have those duties and functions set forth in this Article 10; subject, however, to the right of the Members to nominate persons for membership on the Board of Directors at the meeting at which such election of directors is held.

Section 10.3 Nominations by Nominations Committee. The Nominations Committee will make as many nominations for election to the Board of Directors as it will, in its discretion, determine, but not less than the number of vacancies on the Board of Directors that are to be filled at the ensuing election. Nominations will be placed on written ballots as provided in Section 10.5 of these Bylaws prepared by the Nominations Committee and will be delivered to the Secretary of the Association at least twenty-one (21) days in advance of the date of the meeting of the Members of the Association at which directors are to be elected. Such ballots will thereafter be sent by the Secretary of the Association to all the Members in accordance with the notice provisions of the Declaration at least fourteen (14) days in advance of the date of the meeting of the Members of the Association at which directors are to be elected.

Section 10.4 Nominations at Meeting. Notwithstanding that nominations for election to the Board of Directors will be made by the Nominations Committee as set forth in Section 10.3 of these Bylaws, at the meeting of the Members of the Association at which directors are to be elected, the Members present at such meeting will be entitled to nominate any Members of the Association for election to the Board of Directors in addition to those persons who have been nominated by the Nominations Committee. No such nominations made by Members at such meeting will be effective unless seconded by another Member present at such meeting.

Section 10.5 Ballots. All elections to the Board of Directors will be made on written ballots which will: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominations Committee for such vacancies; and (c) contain a space for a write-in vote by the Members for each vacancy. Each Member will receive as many ballots as such Member has votes. Notwithstanding that a Member may be entitled to several votes, such Member will exercise on any one ballot only one vote for each vacancy shown thereon.

Section 10.6 Vote at Meeting. All voting for directors of the Association will be by written ballot and may be as follows:

10.6.1 In Person or By Proxy at Meeting. All Members of the Association and their proxies, present and entitled to vote at the meeting at which such election of directors is held will be entitled to vote at such meeting by delivery to the Secretary of the Association, of either (i) the completed written ballot delivered to each Member in accordance with Section 10.3 of these Bylaws or (ii) a completed substitute ballot provided by the Secretary of the Association at the meeting at which such election of directors is held.

10.6.2 **Return of Ballot by Members Only.** All Members, but not their proxies, not present at such meeting at which directors are elected will be entitled to vote by return of the written ballot delivered to such Members by the Secretary of the Association in accordance with these Bylaws. The returned ballot must be received by the Secretary of the Association not later than 5:00 p.m. on the day that is two (2) days prior to the date of the meeting at which such election is to take place.

10.6.3 **No Double Voting.** Notwithstanding that each Member will have two (2) methods by which to vote for directors, as set forth in Sections 10.6.1 and 10.6.2 of these Bylaws, each Member or proxy will only be entitled to vote under one (1) of the methods of voting, as aforesaid, and will not be entitled to vote more than the number of votes such Member has for each vacancy in the Board of Directors to be filled at such election.

Section 10.7 **Election Procedure.** All voting procedures and the vote tabulation in connection with the election of directors will be administered by an Election Committee, if established by the Board, or by the Secretary of the Association.

Section 10.8 **Election; Vote Tabulation.** Upon receipt of the written ballots from the Members or their proxies present at the meeting at which directors are to be elected, the Secretary of the Association will do the following:

10.8.1 **Tabulate Votes.** Tabulate all of the votes of the Members and proxies present at the meeting and entitled to vote, and all of the votes received by the Secretary of the Association pursuant to Section 10.6.2 of these Bylaws.

10.8.2 **Announce Directors.** Announce the names of the directors elected by the membership of the Association.

Section 10.9 **Secrecy.** The aforesaid election and vote tabulation procedures will be undertaken by the Secretary of the Association in such a manner that the vote of any Member or proxy will not be disclosed to any person.

ARTICLE 11

Powers and Duties of the Board of Directors

Section 11.1 **Powers and Duties, Generally.** All of the powers and duties of the Association as are, respectively, conferred and imposed upon it pursuant to Chapter 617 of the Florida Statutes, the Governing Documents will be exercised by and through the Board of Directors.

Section 11.2 **Specific Powers and Duties.** The Board of Directors will, in addition to those general and specific powers and duties as are, respectively, conferred and imposed upon

the Association as set forth in Article 4 of these Bylaws, have the following specific powers and duties:

11.2.1 **Call Meetings.** To call special meetings of the Members whenever it deems necessary.

11.2.2 **Keep Records.** To cause to be kept a complete record of all of its acts and all affairs of the Association, including specifically, but without limitation, financial records and accounts in accordance with Article 17 of these Bylaws.

11.2.3 **Elect Officers, Etc.** In accordance with Section 14.2 of these Bylaws, to elect all officers of the Association, and with respect to such officers prescribe such duties as the Board of Directors may deem expedient.

11.2.4 **Supervise Officers, Etc.** To supervise and direct all officers, employees and agents of the Association, and to see that their duties are properly performed.

11.2.5 **Approve Budget.** To cause to be prepared, and to receive, review and approve budgets for costs and expenses incurred, or to be incurred, (a) in connection with the upkeep and maintenance of the Common Area and (b) in connection with the performance of all other duties of the Association as set forth in the Declaration, the Articles and these Bylaws.

11.2.6 **Adopt Rules and Regulations.** To adopt, publish and enforce the Rules and Regulations, as more particularly set forth in the Declaration.

11.2.7 **Require Bonding.** To require and cause, at the expense of the Association, all or any officers or employees or contractors of the Association having fiscal responsibilities for the Association to be bonded, as the Board of Directors may deem appropriate.

11.2.8 **Exercise Powers and Discharge Duties.** To generally exercise all powers, rights and privileges of the Association and to generally discharge all duties, obligations and responsibilities of the Association, as the same are conferred by and imposed in the Declaration, the Articles or these Bylaws, and to take any action which it deems necessary or advisable in connection therewith.

11.2.9 **Prepare Financial Reports.** To prepare a detailed report of the acts, accounts and statements of income and expense for the previous year, and present same in accordance with Section 17.6 hereafter.

11.2.10 **Taxes.** To pay taxes or assessments or other charges against the property of the Association. To opt to cause the Association to make the annual election

with respect to the Association's federal income tax treatment under Section 528 of the Internal Revenue Code of 1986, as amended from time to time.

11.2.11 **Handle Deposits.** To determine the depositories for the funds of the Association.

Section 11.3 **Directors' Reliance.** In performing his or her duties, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Association whom the director reasonably believes to be reliable and competent in the matters presented;
- (b) Legal counsel, public accountants or other persons as to matters which the director reasonably believes to be within such person's professional or expert competence; or
- (c) A committee of the Board of which he is not a member if the director reasonably believes the committee merits confidence.

A director will not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance described above to be unwarranted. A director is not liable for any action taken as a director, or any failure to take any action, if he performed the duties of his office in compliance with this Section 11.3.

ARTICLE 12

Meetings of the Board of Directors

Section 12.1 **All Business.** The business and affairs of the Association may be transacted by the Board of Directors at any regular or special meeting.

Section 12.2 **Annual Meetings.** An annual meeting of the Board of Directors will be held in the month of October each year immediately following and at the same place as the annual meeting of the Members of the Association for the purpose of electing officers and transacting such other business as may be brought before the meeting; provided, however, that the Board of Directors may, by resolution designate another month for the annual meetings. The Board of Directors shall by resolution provide for the specific date, time and place of each annual meeting.

Section 12.3 **Regular Meetings.** The Board of Directors may, by resolution, establish the day, hour and frequency of regular meetings.

Section 12.4 **Special Meeting.** Special meetings of the Board of Directors will be held when called by the President or by a majority of directors after notice to Members as stated in

this Article and not less than three (3) days' notice to each director, except that such notice to directors may be waived as provided in Section 12.6 hereof.

Section 12.5 Notice of Meetings. As long as the Association has less than 100 Members, notices of all board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each Board meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency.

When the Association has more than 100 Members, no notice of regular meetings of the Board of Directors need be given if Members have previously been provided with a schedule of such regular meetings. Notice of all other meetings of the Board of Directors may be made by publication.

An Assessment may not be levied at any Board of Directors meeting unless the notice of the meeting includes a statement that assessments will be considered, and the nature of the assessments.

This Section 12.5 also applies to meetings of any committee or other similar body of the Association, including the meetings of any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a Member.

Section 12.6 Majority Vote. Matters approved by a majority vote of the directors present at a meeting of the Board of Directors at which a quorum is present will constitute official action of the Board of Directors, except as may be otherwise specifically provided or required by the terms and provisions of the Declaration, the Articles or these Bylaws.

Section 12.7 Waiver of Notice and Consent. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, will 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 not 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 will be filed by the Secretary of the Association with the corporate records of the Association and made a part of the minutes of the meeting. Attendance by a director at any meeting of the Board of Directors will be a waiver of notice by him or her of the meeting and consent to the meeting, unless he or she objects at the beginning of the meeting to the lack of notice.

Section 12.8 Attendance by Telephone. Any member of the Board or any committee is deemed to be present and voting at a meeting of the Board or committee if said member or members participate in the meeting by means of communication by which all directors

participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 12.9 **Quorum**. A majority of the members of the Board of Directors from time to time will constitute a quorum thereof. If at any meeting of the Board of Directors there will be less than a quorum present, the majority of those directors present may adjourn the meeting from time-to-time until a quorum is present. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by a majority of those directors present at the time of adjournment.

Section 12.10 **Open Meeting**. Any meeting of the Board of Directors of the Association will be open to all Members of the Association for purposes of observation. Provided, however, and notwithstanding anything contained in these Bylaws to the contrary, that the Board of Directors may prohibit Members from attending meetings between the Board of Directors and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege.

Section 12.11 **Minutes**. Except as otherwise provided in these Bylaws, minutes of all meetings of the Board of Directors and any committee thereof will be kept in a business-like manner and will be available for inspection by any director or Member of the Association at any reasonable time during normal business hours. A vote or abstention from voting for each matter voted upon for each director present at a Board of Directors meeting must be recorded in the minutes. The Secretary of the Association will keep the minutes of all meetings of the Board of Directors.

Section 12.12 **Presiding Officer**. The presiding officer at all meetings of the Board of Directors will be the President of the Association and in his or her absence the Vice President will preside. In the absence of the President or Vice President, the directors present at such meeting will designate a presiding officer from among themselves.

ARTICLE 13 **Parliamentary Rules and Recording**

Section 13.1 **Parliamentary Rules**. All meetings of the Members of the Association and all meetings of the Board of Directors of the Association will be governed by the latest edition of Roberts' Rules of Order; provided, however, that if such rules of order are in conflict with any terms or provisions of Florida law or the Governing Documents, then the applicable terms and provisions of law or the Governing Documents will control.

Section 13.2 **Recording**. Any Member may tape record or videotape meetings of the Board and meetings of the Members. The Board may adopt reasonable rules governing the taping of such meetings.

ARTICLE 14
Officers

Section 14.1 Officers. The day to day business and affairs of the Association will be administered by a President, Vice President, Secretary, Treasurer, and such other officers as the Board of Directors may from time to time by resolution determine. The offices of Vice President, Secretary and Treasurer, or any other offices may be combined from time to time by the Board of Directors in its discretion, except that the office of President will not be combined with any other office. All officers of the Association must be members of the Board of Directors.

Section 14.2 Election. The officers will be elected by the directors of the Association from among themselves by majority vote at a meeting of the directors held immediately following the termination of the annual meeting of the Members at which the directors are elected.

Section 14.3 Term. All officers will hold office for a term of one (1) year or until their successors are elected, but may be removed from office by the Board of Directors, with or without cause, at any time. An officer may resign at any time by delivering notice to the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Association accepts the future effective date, the board may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date of the pending vacancy.

Section 14.4 Refund of Payment. In the event that the Internal Revenue Service determines, in whole or in part, that any payment made to an officer of the Association, is unreasonable or constitutes private inurement, such officer will reimburse the Association to the full extent of such disallowance. The Board has the duty to require each such officer to make such reimbursement, and it will be the legal duty of each such officer thus to reimburse the Association.

Section 14.5 President. The President of the Association will preside at all meetings of the Members and Board of Directors, cause to be called special meetings of the Members and the special and regular meetings of the Board in accordance with the Governing Documents, will see that orders and resolutions of the Board of Directors are carried out, will sign all notes, contracts, leases, mortgages, deeds and all other written instruments required to be executed by or on behalf of the Association, see that the books, reports, statements and certificates required by law, the Governing Documents are properly kept, made and filed, sign certificates representing shares, notes, drafts or bills of exchange, warrants or other orders for the payment of money duly drawn on behalf of the Association and have general charge of and control over the affairs of the Association and perform all the duties incident to such position and office, including the purchase by the Association of any tangible or intangible assets, the enforcement

of the Governing Documents and all other things which the President is required to do by law, or the Governing Documents.

Section 14.6 Vice President. The Vice President of the Association will perform all the duties of the President in the absence of the President and will have such other duties as may from time to time be imposed upon him by the Board of Directors.

Section 14.7 Secretary. The Secretary of the Association will be the Secretary of the Board of Directors. The Secretary will record the votes and keep or cause to be kept the minutes of all meetings of the Board of Directors and Members of the Association in a minute book or books to be kept for that purpose; will keep all other records of the Association; will see that all notices are duly given as required by law and as provided in accordance with the Governing Documents or the Rules and Regulations of the Association; will record in a book kept for that purpose the names of all Members of the Association together with their addresses as filed by such Members; will together with the President or Vice President sign all notes, contracts, leases, mortgages, deeds and all other written instruments (other than checks) executed by or on behalf of the Association; and will, in general, perform all duties incident to the office of Secretary and such duties as from time to time may be assigned by the President or imposed by the Board of Directors.

Section 14.8 Treasurer. The Treasurer of the Association will receive and deposit in appropriate federally insured bank accounts of the Association all monies of the Association and will disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors will not be necessary for disbursements of funds made in the ordinary course of business of the Association conducted within the limits of the budget adopted by the Board of Directors. Further, the Treasurer will sign all checks of the Association along with either the President, Vice President, or Secretary; provided that in the Treasurer's absence any two of the other officers may sign checks. Additionally, the Treasurer will keep or cause to be kept proper books of account of the Association; will supervise and assist in the preparation of an annual budget and other financial statements of the Association; will establish any reserves which are established in accordance with the Declaration or as required by law; may select and utilize, with the approval of the Board of Directors a Certified Public Accountant for the Association; and will, in general, perform all duties incident to the financial affairs of the Association, and such other duties as may from time to time be assigned by the President or imposed by the Board of Directors.

Section 14.9 Delegation of Duties. In the case of the absence or disability of any officer of the Association or for any other reason deemed sufficient by a majority of the Board, the Board may delegate such officer's respective powers or duties to any other officer or to any director for a specified period or until said delegation is revoked by the Board.

ARTICLE 15

Committees

Section 15.1 Standing Committees. The only standing committees of the Association required to be established will be the Architectural Control Committee and the Neighborhood Committee established pursuant to the Declaration. The Board of Directors may also in its discretion establish and make appointments to other committees of the Association, which may include a Budget Committee, Nominations Committee, Maintenance Committee, and such other committees as it deems necessary or desirable in order to facilitate the operation of the Association and to fulfill the duties and functions of the Association. No committee will have the power to:

- (a) Approve or recommend to Members actions or proposals required by law or the Governing Documents to be approved by Members;
- (b) Amend the Articles;
- (c) Adopt a plan of merger, consolidation, recapitalization or other form of reorganization;
- (d) Sell, lease, exchange or otherwise dispose of any Common Area;
- (e) Adopt a plan of voluntary dissolution of the Association;
- (f) Fill vacancies on the Board or any committee thereof;
- (g) Adopt, amend or repeal these Bylaws.

Section 15.2 Appointment of Committee Chairpersons and Members. If the Board of Directors elects to establish a committee, the Chairpersons and members of each standing committee of the Association will be appointed by the Board of Directors at each annual meeting to serve (unless earlier terminated by action of the Board of Directors) from the close of such annual meeting until the close of the next annual meeting, and such appointments will be announced at each such annual meeting.

Section 15.3 Subcommittees. Unless otherwise required by the Board of Directors, any committee of the Association will have power to appoint one or more subcommittees from among its membership and may delegate to any such subcommittee any of such committee's powers, duties and functions.

Section 15.4 Receipt of Complaints. In addition to the duties prescribed for each of the standing committees of the Association, it will be the duty of each of the standing committees to receive complaints from Members of the Association on any matter involving Association functions, duties and activities within such committee's area of responsibility. Each

standing committee will dispose of complaints as it deems appropriate or refer any complaint to such other committee, director or officer of the Association as is further concerned with the matter presented in any such complaint.

Section 15.5 **Architectural Control Committee**. Prior to the appointment of the Architectural Control Committee, its duties will be carried out by the Founder as set out in the Declaration. Members of the Architectural Control Committee will be designated by the Board and will not be required to be Directors, Owners or Members.

Section 15.6 **Neighborhood Committee**. The Neighborhood Committee shall be comprised of one (1) representative and one (1) alternate from each Neighborhood established as provided in the Declaration. The Neighborhood representative shall serve as the Neighborhood liaison with the Board of Directors and the Association. The Neighborhood representative shall have no independent authority and shall not be deemed an agent of the Board of Directors or the Association for any purpose whatsoever.

ARTICLE 16

Transactions in Which Directors or Officers are Interested

Section 16.1 **Validity of Contracts**. No contract or other transaction between the Association and one or more of its directors or any other corporation, firm, association or entity in which one or more of its directors are directors or officers or are financially interested (including, without limitation, the Developer and any affiliate of the Developer) will be either void or voidable because of such relationship or interest, because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction, or because of his or their votes are counted for such purpose, if: (i) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purposes without counting the votes or consents of such interested directors; (ii) the fact of such relationship or interest is disclosed or known to the Members entitled to vote on such contract or transaction (if any) and they authorize, approve or ratify such contract or transaction by vote or written consent; or (iii) the contract or transaction is fair and reasonable as to the Association at the time it is authorized by the Board of Directors, a committee, or the Members.

Section 16.2 **Interested Directors Counted in Quorum**. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies a contract or transaction of the type referred to in Section 16.1 of these Bylaws.

Section 16.3 **Duty to Disclose**. Notwithstanding the foregoing, any officer or director of the Association will have a duty to disclose to the Board of Directors of the Association that such officer or director is also an officer or director of or otherwise has a financial interest,

direct or indirect, in any individual or business organization or entity (other than the Developer) with which the Association proposes to contract or otherwise transact business. Such disclosure will be reflected in the minutes of the meeting at which any vote is taken on a proposed contract or business transaction with any individual or business organization or entity in which an officer or director of the Association has any interest.

ARTICLE 17

Fiscal Management

Section 17.1 **Fiscal Year**. The fiscal year of the Association will be the calendar year.

Section 17.2 **Accounting Methods**. The Association will use the accrual basis method of accounting and will maintain accounting records in accordance with good accounting practices, which will be open to inspection in accordance with Section 18.1 of these Bylaws. Written summaries of the accounting records will be prepared by the Treasurer and will be made available at least annually to the Members of the Association. Such records will include, but not be limited to, a record of all receipts and expenditures, and an accurate account for each Lot which will designate the name and address of the Owner thereof, the amount of the Regular Assessments and all other assessments, if any, assessed against or charged to such Lot the amounts and due dates for payment of same, and the amounts paid upon the account and the balance due thereunder.

Section 17.3 **Budget**. The Association will prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, the Developer, or another person. Each year, after the budget is approved, the Association must provide each Member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the Member. The budget must be provided to the Member within ten (10) business days after receipt of a written request.

Section 17.4 **No Deficit Spending**. The Board of Directors will not be required to anticipate revenue from any Assessments nor to expend funds to pay any expense of the Association not budgeted or which will exceed budgeted items, and further the Board of Directors will not be required to engage in any deficit spending. Should there exist any deficiency as a result of Association expenses exceeding monies received from Assessments for such expenses, then such deficits will be carried into the Association's next succeeding year's budget as a deficiency or will be the subject of a Special Assessment, but only in accordance with and pursuant to the Declaration.

Section 17.5 **Deposit of Funds**. The monies of the Association, whether collected by Assessments or otherwise, will be deposited in accounts in such federally insured bank or banks as will be designated from time to time by the Board of Directors. Withdrawal of monies from such accounts will be only by checks signed by such officers as are authorized pursuant to

Article 14 of these Bylaws. All sums collected by the Association from assessments or any other source may be commingled in a single fund or divided into more than one fund, as determined by the Board of Directors; provided, however, that all reserve funds will be maintained as, and deposited in, a separate bank account, and will be used only for the purpose or purposes for which such reserve fund is created and maintained.

Section 17.6 **Financial Reporting**. The Association shall prepare an annual financial report within 60 days after the close of the fiscal year. The Association shall provide each Member within ten (10) business days after receipt of a written request with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the Member. The financial report must consist of either:

- (a) Financial statements presented in conformity with generally accepted accounting principles; or
- (b) A financial report of actual receipts and expenditures, cash basis, which report must show:
 1. The amount of receipts and expenditures by classification; and
 2. The beginning and ending cash balances of the Association.

ARTICLE 18 **Books and Records**

Section 18.1 **Official Records**. Subject to the discretion of the Board of Directors to have any of such records of the Association kept, temporarily or permanently, at the offices of accountants and/or attorneys representing the Association from time to time, the Association shall maintain each of the following items (the "Official Records") of the Association:

- (a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Common Areas or other property that the Association is obligated to maintain, repair, or replace.
- (b) A copy of the Bylaws of the Association and of each amendment to the Bylaws.
- (c) A copy of the Articles of Incorporation of the Association and of each amendment thereto.
- (d) A copy of the Declaration and a copy of each amendment thereto.
- (e) A copy of the current Rules and Regulations.

- (f) The minutes of all meetings of, or record of all actions taken without a meeting of, the Board of Directors and of the Members, and a record of all actions taken by a committee of the Board, which minutes, or records of action, must be retained for at least 7 years.
- (g) A current roster, in alphabetical order, of all Members and their mailing addresses and parcel identifications.
- (h) All of the Association's insurance policies or a copy thereof, which policies must be retained for at least 7 years.
- (i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed are also Official Records and must be kept for a period of 1 year.
- (j) The financial and accounting records of the Association, kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least 7 years. The financial and accounting records must include:
 1. Accurate, itemized, and detailed records of all receipts and expenditures.
 2. A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay Assessments, the due date and amount of each Assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.
 3. All tax returns, financial statements, and financial reports of the Association.
 4. Any other records that identify, measure, record, or communicate financial information.

ARTICLE 19
Compliance and Default

Section 19.1 Violations. In the event of a violation (other than the non-payment of an Assessment or a violation specified in the Governing Documents as not requiring notice or requiring a specified shorter period of notice) by a Member, including the Member's family (or

a Member's tenants, guests or invitees), of any of the provisions of the Governing Documents or the Rules and Regulations of the Association, the Association, through its Board of Directors, may, in addition to any other remedies or sanctions provided in the Governing Documents or the Rules and Regulations, notify such Member by written notice in accordance with Article 20 of these Bylaws of such violation and demand that such violation cease and be discontinued immediately and direct that any damages or injury caused thereby be immediately repaired or corrected at the sole cost and expense of such Member. If such violation continues for a period of thirty (30) days from date of such notice as aforesaid, except as otherwise provided in Section 19.1.1 of these Bylaws, the Association, through its Board of Directors, will have the right to treat such violation as an intentional, inexcusable and material breach of the Governing Documents or the Rules and Regulations of the Association, as appropriate, and the Association may then, at its option, elect to undertake any of the rights provided to the Association in the Governing Documents, including, without limitation, the following:

19.1.1 **Fine and/or Suspension.** The Association may suspend for a reasonable length of time the right of any Member, and/or a Member's tenants, guests or invitees, to use the Recreational Common Areas. The Association may also levy a fine not to exceed \$100.00 (or such higher amount designated by the Board and as may be permitted by Florida law) per violation against any Member for the Member's violation or that of the Member's tenants, guests or invitees. The Member must be given at least fourteen (14) days written notice of the violation and the Association's intention to impose a suspension or fine. Upon written request to the Association within such fourteen-day period, the Member must then be given an opportunity for a hearing before a committee consisting of at least three (3) persons appointed by the Board who are not officers, directors or employees of the Association. No fine or suspension may be imposed unless approved by a majority of the members of such committee. No suspension will impair the right of a Member, tenant, guest or invitee to have vehicular and pedestrian ingress to and egress from the Property, including, but not limited to the right to park. The Association will not suspend the voting rights of any Member.

19.1.2 **Action at Law.** The Association may undertake an action at law against the violating Member to recover for damages suffered by or on the Association or its Members; and/or

19.1.3 **Action in Equity; Specific Performance.** The Association may undertake an action in equity against the violating Member to enforce specific performance on the part of the violating Member; and/or

19.1.4 **Action in Equity; Injunctive Relief.** The Association may undertake an action in equity against the violating Member for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Section 19.2 **Emergency Action.** Notwithstanding the foregoing provisions of this Article 19, any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof will be charged to the violating Member as a Specific Assessment in accordance with the terms and provisions of the Governing Documents.

Section 19.3 **Non-Payment of Assessments.** In the event of non-payment of Assessments pursuant to the Declaration, the Association, through its Board of Directors, will be entitled to exercise all of the rights conferred upon the Association in the Declaration, including, without limitation, the right to impose, collect, enforce and foreclose any lien for assessments in accordance with the terms and provisions of the Declaration.

Section 19.4 **Negligence or Carelessness of Member.** Each Member will be liable for the costs and expenses incurred by the Association for any maintenance, repair or replacement rendered necessary by said Member's (or a his or her tenant's, guest's or invitee's) acts, neglect or carelessness but only to the extent that such expense is not met by the proceeds of any insurance carried by the Association. Such liability will include, without limitation, any increase in insurance rates occasioned by the use, misuse, occupancy or abandonment of any Lot or any Common Area or the appurtenances thereto. Nothing herein contained, however, will be construed so as to constitute any waiver by any insurance company of its rights of subrogation. The costs and expenses for any maintenance, repair or replacement required, as provided in this Section 19.4, will be charged to said Member as a Specific Assessment pursuant to the Declaration.

Section 19.5 **Costs and Attorneys' Fees.** In any proceeding arising because of an alleged default by a Member under the Governing Documents or the Rules and Regulations of the Association, the prevailing party will be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, including costs (including, without limitation, charges for paralegal, expert, investigative and word processing services) and reasonable attorneys' fees on appeal, as may be determined by the Court or other body having jurisdiction over the proceeding.

Section 19.6 **No Waiver of Rights.** The failure of the Association or of any Member to enforce any right, provision, covenant or condition which may be granted by the Governing Documents or the Rules and Regulations of the Association will not constitute a waiver of the right of the Association or any Member to enforce such right, provision, covenant or condition in the future.

Section 19.7 **Election of Remedies.** All rights, remedies and privileges granted to the Association or any other party pursuant to the Governing Documents or the Rules and Regulations of the Association, or at law or in equity, will be deemed to be cumulative and the exercise of any one (1) or more of the same will not be deemed to constitute an election of remedies, nor will it preclude the party exercising the same, or any other party, from exercising such other and additional rights, remedies or privileges as may be granted by the Governing

Documents or the Rules and Regulations of the Association, whether the exercise of any of same be at law or in equity or both.

ARTICLE 20

Notice

Section 20.1 Notice to Members. Except as may be specifically provided to the contrary in these Bylaws, any notice required or permitted to be given to a Member pursuant to the provisions of these Bylaws will be deemed to have been properly delivered and given on the third day after being placed in the first class United States mail, postage prepaid, or on the next business day following the date sent by commercial express next day courier, such as Federal Express, Purolator, Airborne, etc., to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address has been furnished, then to the street address of such Owner's Lot. In the case of co-owners, any such notice may be delivered or sent to any one of the co-owners and will be deemed to be and constitute delivery on all such co-owners. If a Member wishes to use an address for notices and other mailings in connection with the Governing Documents or the Rules and Regulations other than the Member's Lot, then such Member shall file with the Secretary of the Association, in writing, a statement of the mailing address to which such Member wishes all notices and other mailings, statements, or other communications sent. Such address may be changed from time to time by such Member upon a proper filing of a revised statement by such Member in accordance with this Section 20.1.

Section 20.2 Notice to Association. Any notice required or permitted to be given to the Association will be deemed to have been properly delivered on the third day after being placed in the first class United States mail, postage prepaid or on the next business day following the date sent by commercial express courier, such as Federal Express, Purolator, Airborne, etc., to the address furnished by the Association or to the address of its principal place of business.

Section 20.3 Notice to the Developer. Any notice required or permitted to be given to the Developer will be deemed to have been properly delivered on the third day after being placed in the first class United States mail, postage prepaid or on the next business day following the date sent by commercial express courier, such as Federal Express, Purolator, Airborne, etc., to the address furnished by the Developer to the Association or the address of its principal place of business.

Section 20.4 Affidavit. The affidavit of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Member at the address shown on the records of the Association, or otherwise in accordance with these Bylaws, will be deemed conclusive proof of the delivery of such notice, whether or not such notice is actually received.

ARTICLE 21
Paramount Rights of Founder; Conflicts

Section 21.1 **Paramount Rights of Founder**. With respect to any rights, privileges or powers reserved by, conferred upon or granted to the Founder pursuant to the Declaration or the Articles, all of the terms and provisions of these Bylaws will be subject thereto, and the terms of the Declaration and Articles will be deemed to be paramount to any provisions of these Bylaws or any amendments hereto.

Section 21.2 **Conflicts**. In the case of any conflict between Florida law and these Bylaws, Florida law will control; in the case of any conflict between the Articles and these Bylaws, the Articles will control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

ARTICLE 22
Amendments to Articles

Section 22.1 **Amendments, Generally**. Except as otherwise provided in the Declaration, the Articles may only be changed, amended, modified or rescinded in the following manner:

22.1.1 **Resolution of Board of Directors**. The Board of Directors will initially propose any amendments to the Articles. Any such proposal will be by resolution duly adopted by the Board of Directors setting forth the specific terms and provisions of the proposed amendment and directing that the proposed amendment be submitted to a vote of the Members of the Association at the next annual meeting or at a special meeting of the Members of the Association duly called for such purpose.

22.1.2 **Notice of Meeting**. Written notice setting forth the date and time of the meeting at which the proposed amendment is to be voted upon and also setting forth the specific terms and provisions of proposed amendment, or a summary of the changes to be effected by the proposed amendment, will be given in accordance with the provisions of these Bylaws to each Member of the Association entitled to vote thereon. Such meeting may not occur less than thirty (30) days nor more than forty-five (45) days from the date of the giving of the notice of the meeting at which the proposed amendment is to be considered and voted upon.

22.1.3 **Vote of Members**. A vote of the Members of the Association entitled to vote thereon, will be taken on the proposed amendment at the meeting of which notice has been duly given. The proposed amendment will be adopted upon receiving the affirmative vote of not less than seventy-five percent (75%) of the Members of the Association. Any number of amendments may be proposed by the Board of Directors and voted upon by the Members of the Association at any one meeting.

Section 22.2 **Articles of Amendment**. Upon the approval of an amendment to the Articles in accordance with the provisions of this Section 22, the officers of the Association will cause amended Articles of Amendment to be executed and delivered to the Office of the Secretary of State of the State of Florida as provided by law.

Section 22.3 **FHA/VA Veto Power**. Notwithstanding anything contained herein to the contrary, any amendments to the Articles must be approved by the FHA and the VA as long as Class B Membership exists as set forth in the Declaration.

ARTICLE 23

Amendments to Bylaws

Section 23.1 **Vote of Directors**. These Bylaws may be changed, amended, modified or repealed, and any new Bylaws of the Association may be adopted, only by resolution approved by no less than a majority of a quorum of Members present in person or by proxy at a regular or special meeting of the Members of the Association duly called for such purpose.

Section 23.2 **Limitations on Amendment**. Notwithstanding anything to the contrary set forth in the Declaration, the Articles or these Bylaws of the Association, these Bylaws may not be changed, amended, modified or rescinded in any fashion or respect which would result in any change, amendment, modification, diminution or elimination of, or otherwise affect the rights, privileges or benefits accruing hereunder to the Founder without first receiving the prior written consent and approval of the Founder.

Section 23.3 **Instrument of Amendment**. Any resolution of the Board of Directors amending, modifying or repealing any provisions of, or adding any provisions to, these Bylaws will identify the particular Articles and Sections affected and set forth the exact language of such modification, amendment, or addition, or of the provisions repealed. A copy of each such resolution, certified by the Secretary of the Association, will be placed in the record books of the Association, and a copy thereof will be delivered to each Member of the Association in accordance with the provisions of Section 20.1 of these Bylaws.

Section 23.4 **FHA/VA Veto Power**. Notwithstanding anything contained herein to the contrary, any amendments to the Bylaws must be approved by the FHA and the VA as long as Class B membership exists.

ARTICLE 24

General Provisions

Section 24.1 **Seal**. The Association will adopt a seal capable of making a circular impression on bond paper, which impression contains within the circle the name of the Association and the year of its establishment. The seal will contain the words "corporation not for profit."

Section 24.2 Vote by Presiding Officer. The person acting as presiding officer at a meeting held pursuant to these Bylaws will, if a voting member thereof, be entitled to vote on the same basis as if not acting as presiding officer.

Section 24.3 Gender and Number. Whenever the context requires, the gender of all words used herein will include the masculine, feminine and neuter, and the number of all words will include the singular and plural thereof.

Section 24.4 Articles and Other Headings. The Article and Section headings contained in these Bylaws are for reference purposes only and will not affect the meaning or interpretation of these Bylaws.

Section 24.5 Annual Report for Department of State. The Association will file an annual report with the Department of State of the State of Florida as required by Florida Statutes, §617.1622 (1995).

Section 24.6 Statutory Cites. Any references to sections of the Florida Statutes in these Bylaws will include all revisions and amendments to such sections. Any references to statutes contained in Chapter 607 of the Florida Statutes will be deemed to apply to the Association only to the extent that such sections are applicable to not for profit corporations.

ARTICLE 25

Emergency Provisions

Section 25.1 Definition of Emergency. For purposes of this Article, and in accordance with Florida Statutes, §617.0207, an emergency will be deemed to exist if a quorum of the Association's directors cannot readily be assembled because of some catastrophic event.

Section 25.2 Emergency Powers of Acting Officers. If, as a result of an emergency, the President and/or other officers are unable to perform their duties, (a) the powers and duties of the President will be held and performed by that officer of the Association highest on the list of successors (adopted by the Board of Directors for such purpose) who will be available and capable of holding and performing such powers and duties; and, absent any such prior designation, by that Vice President who will be available and capable of holding and performing such powers and duties whose surname commences with the earliest letter of the alphabet among all such Vice Presidents; or, if no Vice President is available and capable of holding and performing such powers and duties, then by the Secretary or if the Secretary is likewise unavailable, by the Treasurer; (b) the officer so selected to hold and perform such powers and duties will serve as Acting President until the President again becomes capable of holding and performing the powers of President, or until the Board of Directors will have elected a new President or designated another individual as Acting President; (c) such officer (or the President, if such person is still serving) will have the power, in addition to all other powers granted to the President by law, the Articles of Incorporation, these Bylaws and the Board of Directors, to appoint acting officers to fill vacancies that may have occurred, wither permanently or

temporarily, by reason of such disaster or emergency, each of such acting appointees to serve in such capacity until the officer for whom the acting appointee is acting is capable of performing the duties of such office, or until the Board of Directors will have designated another individual to perform such duties or will have elected or appointed another person to fill such office; (d) each acting officer so appointed will be entitled to exercise all powers vested by law, the Articles, these Bylaws and the Board of Directors in the office in which such person is serving; and (e) anyone transacting business with the Association may rely upon a certificate signed by any officer of the Association that a specified individual has succeeded to the powers and duties of the President or such other specified officer and any person, firm, corporation or other entity to which such certificate has been delivered by such officers may continue to rely upon it until notified of a change by means of a writing signed by an officer of this Association.

Section 25.3 Emergency Powers of Board of Directors. In anticipation of or during an emergency, the available Directors may relocate the Association's principal office or designate alternative offices or regional offices or authorize the officers to do so, for the duration of the emergency.

In accordance with Florida Statutes, §617.0303, during an emergency:

(a) Notice of a meeting of the Board of Directors need be given only to those Directors whom it is practicable to reach and may be given in any practicable manner, including by publication or radio;

(b) One or more officers of the Association present at a meeting of the Board of Directors may be deemed to be Directors for the meeting, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum; and

(c) The Director or Directors in attendance at a meeting will constitute a quorum.

Section 25.4 Validity of Emergency Corporate Action. Corporate action taken in good faith during an emergency to further the ordinary affairs of the Association under this Bylaw:

(a) Binds the Association; and

(b) May not be used to impose liability on a corporate Director, Officer, employee, or agent.

Section 25.5 Liability. An Officer, Director, or employee acting in accordance with this or any other emergency Bylaw is only liable for willful misconduct.

Section 25.6 Termination of Effectiveness of Emergency Bylaws. To the extent not inconsistent with any emergency Bylaw, the Bylaws of the Association will remain in effect

during any emergency, and upon termination of the emergency, the emergency Bylaws will cease to be operative.

Section 25.7 Additional Emergency Bylaws. The Board of Directors or Members may adopt additional Bylaws to be effective during an emergency.