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**AMENDED AND RESTATED**

**BYLAWS  
OF  
STONEBROOK AT VENICE COMMUNITY ASSOCIATION, INC.**

**ARTICLE 1.  
NAME, PRINCIPAL OFFICE, DEFINITIONS, CORPORATE SEAL**

These are the Bylaws of STONEYBROOK AT VENICE COMMUNITY ASSOCIATION, INC., (herein "the Association"), a Florida corporation not for profit organized for the purposes set forth in the Articles of Incorporation.

**1.1 PRINCIPAL OFFICE.** The principal office of this corporation shall be located at 2365 Estuary Drive, Venice, Florida 34292, and subsequently at such other place as may be established by resolution of the Board.

**1.2 DEFINITIONS.** All terms defined in the Declaration of Covenants, Conditions and Restrictions for Stoneybrook at Venice (herein "the Declaration") to which these Bylaws were attached as an exhibit when it was originally recorded, shall be used with the same meanings as defined therein.

**1.3 CORPORATE SEAL.** The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "corporation not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required. Alternatively, the words "Corporate Seal" or "Seal" may serve as the seal of the Association. In no event shall a seal be required to validate corporate actions unless specifically required by law.

**ARTICLE 2.  
MEMBERSHIP AND VOTING PROVISIONS**

**2.1 MEMBERSHIP.** Every person or entity who or which is a record Owner of a fee or undivided fee interest in any Lot or Tract which is subject to the Declaration shall be a Member of the Association, provided that any such person or entity who holds record ownership merely as security for the performance of an obligation shall not be a Member of the Association.



**2.2 VOTING RIGHTS.** The Members of the Association are entitled to one (1) vote for each Lot owned by them. The total number of votes (herein "Voting Interests") is equal to the total number of Lots. The vote of a Lot is not divisible. The right to vote may be denied because of delinquent Assessments. If one natural person owns a Lot, individually or as trustee, the Owner's right to vote shall be established by the record title to the Lot. If two or more persons own a Lot jointly, that Lot's vote may be cast by any of the Owners. If two or more Owners do not agree among themselves how their one vote shall be cast, that vote shall not be counted. If the Owner is a corporation, any officer of the corporation may cast the vote on behalf of that Lot. If a Lot is owned by a partnership, any general partner may cast its vote.

### **2.3 RIGHTS AND PRIVILEGES OF MEMBERS.**

A. Every Member in good standing shall have the right to:

1. Have his vote cast by his voting representative at the meetings of the Members;
2. Serve on the Board if elected;
3. Serve on committees; and
4. Attend membership meetings.

Each Member is encouraged to take an active interest in Association affairs.

B. Every Member in good standing shall have the privilege of using and enjoying the Common Areas, subject to the rules of the Association and the right of the Association to charge admission and other fees for the use of any facilities.

C. A Member is in good standing if he is current in the payment of all Assessments and other financial obligations to the Association, compliant with the Governing Documents, and his membership is not suspended.

### **2.4 DELEGATION OF RIGHTS TO USE COMMON AREAS.**

A. In accordance with the Declaration, a Member may delegate his privilege to use the Common Areas to:

1. A reasonable number of guests if accompanied by the Member; or
2. Residential tenants who reside in the Member's Unit.

B. In the case of residential tenants of the Member's Unit, the delegating Member must give prior written notice to the Association of such delegation. The written notification shall state the name, age, permanent address, intended length of time the

delegation will be effective, and such other information about each residential tenant as the Board shall require.

C. A Member who has delegated his use privileges and is not in residence in Stoneybrook at Venice may not use Common Areas during the period of the delegation, except as a guest of another Member. A Member may not be the guest of his tenant.

D. Members shall be responsible for keeping the Association informed as to the identity and relationship of any persons who normally reside with the Member and intend to utilize the Common Areas.

E. The Board may limit the number of guests or the frequency or duration of any Member's delegation of use rights, and may impose fees for the delegation of such rights of use of the facilities by renters or guests, which fees may be different from fees charged to Members for their use.

F. The delegation of membership is subject to the one (1) family limitation described in the Declaration.

**2.5 PROXIES.** Members may vote in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular Members' Meeting designated in the proxy and must be filed with the Secretary at or before the appointed time of the meeting or any adjournment of the meeting. Any person who has reached the age of majority may be named a proxy. Any proxy given shall be effective only for the specific meeting for which originally given, including those meetings which are continued and reconvened at a later date, and any other lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the first meeting for which it was given. A proxy is revocable at any time at the pleasure of the Owner executing it. An executed photographic, photostatic, facsimile, electronically transmitted or equivalent reproduction of a proxy is a sufficient proxy. Owners may retroactively cure any alleged defect in a proxy by signing a statement ratifying the Owner's intent to cast a proxy vote and ratifying the vote cast by his or her proxy.

### **ARTICLE 3. MEMBERS' MEETINGS**

**3.1 ANNUAL MEETING.** The annual meeting shall be held in Sarasota County during either February or March of each year, at a day, place and time designated by the Board, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the Members. The annual meeting is a general meeting, and unless otherwise required by law, notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called.

**3.2 SPECIAL MEETINGS.** Special Members' meetings must be held whenever called for by the President or by a majority of the Directors, and must be promptly called by the Board

upon receipt of a request signed by voting Members entitled to cast at least ten percent (10%) of the total number of votes. Such requests shall be in writing and shall state the purpose or purposes of the meeting. Business at any special meeting shall be limited to the item specified in the request or contained in the notice of meeting.

**3.3 QUORUM.** A quorum shall be attained at a Members' meeting by the presence in person or by proxy of at least thirty percent (30%) of the total Voting Interests. A quorum is not required for the election of Directors.

**3.4 VOTE REQUIRED TO TRANSACT BUSINESS.** The acts or resolution approved by at least a majority of the votes cast at a duly called meeting at which a quorum has been attained shall be the act of the Members, unless a higher vote is specifically required by law or by these Bylaws or the Declaration or Articles of Incorporation.

**3.5 NOTICE OF MEETINGS.** Notice of all meetings of the Members, stating the time, place and, if a Special Meeting, the purpose(s) for which the meeting is called, shall be given by the President or Vice President or Secretary or by such other officer of the Association as may be designated by the Board. Written notice of meetings shall be mailed, hand-delivered, or delivered by electronic transmission to each Member. The notices must be mailed or delivered by the Association not less than fourteen (14) days prior to the date of the meeting. Notice may also be provided by electronic transmission so long as the Member provides the Association with a signed written consent to receive notice by this method.

**3.6 ADJOURNED MEETINGS.** Any duly called meeting of the Members may be adjourned to be reconvened at a later time by vote of the majority of the Voting Interests present, regardless of whether a quorum has been attained. Adjournment of an annual or special meeting to a different date, time or place must be announced at that meeting before an adjournment is taken. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting.

**3.7 ORDER OF BUSINESS.** The order of business at Members' meetings shall be substantially as follows:

- A. Determination that a quorum of Members has been attained;
- B. Reading or waiver of reading of minutes of last Members' meeting;
- C. Reports of Officers;
- D. Reports of Committees;
- E. Election of Directors (when appropriate);
- F. Unfinished Business;
- G. New Business;
- H. Adjournment.

Such order may be waived in whole or in part by direction of the President or the chairperson of the meeting.

**3.8 MINUTES.** Minutes of all meetings of the Members must be maintained in written form, or in another form that can be converted into written form within a reasonable time.

**3.9 PARLIAMENTARY RULES.** Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Governing Documents or State law. The presiding officer may appoint a Parliamentarian, but the decision of the presiding officer on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

**3.10 ACTION BY MEMBERS WITHOUT A MEETING.** Except the holding of the annual meeting and annual election of Directors, any action required or permitted to be taken at a meeting of the Members may be taken by mail without a meeting if written instruments expressing approval of the action proposed to be taken are signed and returned by Members having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all of the Voting Interests were present and voting. If the requisite number of written consents are received by the Secretary within sixty (60) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect as if the action had been approved at a meeting of the Members held on the sixtieth (60th) day. Within ten (10) days thereafter, the Board shall send written notice of the action taken to all Members who have not consented in writing. Nothing in this paragraph affects the rights of Members to call a special meeting of the membership, as provided for by Section 3.2 above, or by law.

#### **ARTICLE 4. BOARD OF DIRECTORS**

The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration, Articles of Incorporation, and these Bylaws, shall be exercised by the Board, subject to the approval or consent of the Members only when such is expressly required.

**4.1 AUTHORITY.** Without limiting the generality of the preceding sentence, or any power vested in it by law, the Board shall have the power to:

- A. Manage and control the affairs of the Association;
- B. Appoint and remove at its pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient. Nothing in these Bylaws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity whatsoever;
- C. Establish, levy, assess, and collect any Assessment or charge provided for in the Governing Documents;

D. Designate one or more financial institution(s) as depository for Association funds, and the officer(s) authorized to make withdrawals therefrom;

E. With the prior consent of at least a majority of the Voting Interests in good standing, borrow money for Association purposes, and assign, pledge, mortgage or encumber any Common Areas or future revenues of the Association as security therefor;

F. Adopt, amend or revoke Rules and Regulations relating to the use of Common Areas, and such sanctions for noncompliance therewith, as it may deem necessary for the best interest of the Association and its Members. The Board may also establish and levy fees for the use of Common Areas or Association property;

G. Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association;

H. Negotiate and enter into contracts for the maintenance and operation of the Common Areas;

I. Make improvements to the Common Areas;

J. Establish committees of the Association and appoint the members thereof. It may assign to such committees responsibilities and duties not inconsistent with the provisions of these Bylaws as it may deem appropriate;

K. Acquire property, real or personal, and enter into agreements with any persons relating to the orderly transfer of property from said person to the Association and such other matters as the Board may deem appropriate; and

L. Perform all other acts not inconsistent with law or the Governing Documents and necessary for the proper functioning of the Association.

**4.2 COMPENSATION OF DIRECTORS AND OFFICERS.** Neither Directors nor officers shall receive compensation for their services as such. Directors may not also be employees of the Association. Directors and officers may be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

#### **4.3 DIRECTORS' MEETINGS.**

A. **Organizational Meeting.** An organizational meeting of a new Board shall be held within ten (10) days after the election of new Directors at such place and time as may be fixed by the new Directors at the meeting when they were elected.

B. **Regular Meetings.** Regular meetings of the Board shall be held at such time and place in Sarasota County, Florida, as shall be determined from time to time by the Directors. A regular meeting of the Board is any meeting held according to a regular weekly, monthly or

other periodic schedule adopted from time to time by the Board. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, telegram, facsimile, or electronic transmission at least ten (10) days before the day named for such meeting.

C. Special Meetings. Special meetings of the Board are all meetings other than the annual organizational meeting and regular meetings. Special meetings may be called by the President, the Secretary, or by a majority of the Directors. Not less than forty-eight (48) hours' notice of a special meeting shall be given to each Director, personally or by mail, facsimile, telephone, telegram, or electronic transmission, which notice shall state the time, place, and purposes of the meeting. Business conducted at a special meeting shall be limited to the items specified in the notice of the meeting.

D. Waiver Of Notice By Directors. Any Director may waive notice of a Board meeting before or after the meeting, and such waiver shall be deemed equivalent to the receipt of notice. Attendance at a meeting by any Director constitutes waiver of notice, unless that Director objects to the lack of notice at the beginning of the meeting.

E. Board Meetings; Notice To Members. A meeting of the Board occurs whenever a quorum of the Board gathers and conducts Association business. All meetings of the Board shall be open to all Members, except as otherwise provided by law. Notice of all Board meetings shall be posted in a conspicuous place on the Common Areas at least forty-eight (48) hours in advance of a meeting, except in an emergency. An Assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that Assessments will be considered and the nature of such Assessments. Any Owner may tape-record or videotape meetings of the Board and meetings of the Members. The Board may adopt reasonable rules governing the taping of meetings of the Board and the membership.

F. Special Notice Of Certain Board Meetings. A nonemergency special Assessment may not be levied at a Board meeting nor may any rule regarding the use of Lots in the Subdivision be adopted, amended, or revoked unless a written notice of the Board meeting is provided to all Members at least fourteen (14) days before the meeting, which notice includes a statement that a special Assessment will be considered at the meeting and the nature of the special Assessment or that a rule regarding Lot use will be considered at the meeting and the nature of that action.

G. Quorum Of Board; Vote; Telephonic Participation. A quorum at a Board meeting shall exist only when a majority of all Directors are present in person. Directors may not vote by proxy or secret ballots at Board meetings, except that secret ballots may be used in electing officers. Any Director has a right to participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person.

H. Adjourned Meetings. The majority of the Directors present at any meeting of the Board, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a later time. When the meeting is reconvened, provided a quorum exists, any business that might have been transacted at the meeting originally called may be transacted without further notice.

I. The Presiding Officer. The President of the Association, or in his absence, the Vice-President, shall be the presiding officer at all meetings of the Board. If neither is present, the presiding officer shall be selected by majority vote of those present.

J. Vote Required. Except as otherwise required by law or the Governing Documents, the acts approved by a majority of the Directors present and voting at a duly called Board meeting at which a quorum exists shall constitute the acts of the Board.

K. Presumption Of Assent. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of the point of view that prevails on any question, unless he voted against such action or abstained from voting because of an asserted conflict of interest. The vote of each Director on each matter considered, including abstention because of an asserted conflict of interest, must be recorded in the minutes of the meeting.

**4.4 NUMBER AND TERM.** The affairs of the Association shall be managed by a Board of not less than five (5) nor more than seven (7) Directors, the exact number to be determined by the Board. The determination regarding the number of Directors to serve on the Board shall be made by the Board at least sixty (60) days prior to the annual Members' meeting at which the election of Directors will occur and if the number is not timely changed, then it remains the same as for the prior year. All Directors shall be elected on a staggered two (2) year term basis, provided, however, that the Board shall have the authority to temporarily assign a one (1) year term to one or more Director positions if necessary to re-implement a scheme of staggering the Board to promote continuity of leadership. All Directors shall serve until their respective successors shall have been duly elected and qualified, or until their earlier resignation or removal.

Commencing with the 2017 Annual Meeting of the membership, at which five (5) to seven (7) Directors will be elected, the three (3) Directors receiving the highest number of votes shall serve two (2) year terms, and the other elected Directors shall serve one (1) year terms.

## **ARTICLE 5. ELECTION OF DIRECTORS**

**5.1 DIRECTOR QUALIFICATIONS.** Every Director must be at least eighteen (18) years of age and a competent person under the law. Each member of the Board shall be a Member of the Association or spouse of a Member. No Lot may be represented by more than one (1) person on the Board at any given time. A grantor of a trust described in Section 733.707(3), Florida Statutes, or a beneficiary (as defined in Section 736.0103, Florida Statutes) of a trust which holds title to a Lot shall be eligible to serve as a Director of the Association, provided that said trustee or beneficiary permanently occupies the Unit.

**5.2 ELECTION OF DIRECTORS.** The election of Directors shall be conducted in the following manner:

A. Election of Directors shall be held concurrent with the annual Members' meeting. The election may be conducted even if the Members' meeting quorum is not attained.

B. A "Notice of Intent to Run" form shall be delivered, by mail, electronic transmission or hand delivery, to each Member at least sixty (60) days before the date of the annual Members' meeting at which the election of Directors shall be held. Any Member interested in being a candidate for the Board shall fill out the above mentioned form as per instructions and return it to the Association management, or if directed to do so then to another person or entity, by the date indicated on the form. Notice forms delivered to the Association after five o'clock (5:00) p.m. on the date when due shall not be considered for purposes of the upcoming election.

C. Management will review its files to ensure that each candidate is in "good standing" with the Association. Candidates must be current in payment of Assessments and compliant with the Governing Documents at the time they intend to be a candidate for the Board and during their term as a Director. Current in payment, as used herein, is defined as payment received within fifteen (15) days of the Assessment due date. A background check to determine a felony conviction shall be requested of each candidate and the candidate shall provide the necessary signature and complete the proper paperwork for this request. In the event the candidate review process uncovers issues regarding the above factors, then the candidate will receive written notification of the issues and, if regarding Assessments or compliance with the Governing Documents, an opportunity of no more than ten (10) days from the date of the written notice to cure the same. If a candidate has a felony conviction for which civil rights have not yet been restored for at least five (5) years as of the date on which such person seeks election to the Board, that candidate shall not be eligible to run for or serve on the Board.

D. The ballot prepared for the Election of Directors shall list all Director candidates in random order by last name. Ballots shall be delivered to all Members with notice of the Annual Meeting and may be returned to the Association prior to the meeting, or if returned at the meeting then prior to the call for ballots not yet cast.

E. The election shall be by ballot (unless dispensed with by unanimous consent or if the number of Directors on the ballot is the same or less than the number of expiring Director terms) and by a plurality of the votes cast, each person voting being entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. Nominations from the floor shall not be permitted.

F. In the event that candidates for an open position receive the same number of votes, the elected Director will be determined by lot, such as the flipping of a coin by a neutral party.

G. No election shall be necessary if the number of candidates is less than or equal to the number of vacancies. The candidates shall automatically be installed as Directors and their names announced at the annual Members' meeting.

**5.3 VACANCIES.** Except as to vacancies provided by removal of Directors by Members, vacancies in the Board occurring between annual meetings of Members shall be filled by the remaining Directors for the unexpired portion of the term.

#### **5.4 VACANCIES AND REMOVAL.**

A. Any Director elected by the Voting Members may be removed by concurrence of a majority of the votes of the Members at a special meeting called for that purpose or by written agreement signed by the Voting Members entitled to cast a majority of the votes. The procedures for recall of Directors in Chapter 720 of the Florida Statutes shall be followed.

B. If a vacancy on the Board results in the inability to obtain a quorum of Directors in accordance with these Bylaws, any Owner may apply to the Circuit Court within whose jurisdiction the Association is located for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Owner shall mail to the Association a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these Bylaws. If, during such time, the Association fails to fill the vacancy(ies), the Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these Bylaws.

### **ARTICLE 6. EMERGENCY BOARD POWERS**

In the event of any "emergency" as defined in Section 6.G. below, the Board may exercise the emergency powers described in this Article 6, and any other emergency powers authorized by Sections 617.0207 through 617.0303, Florida Statutes, as amended from time to time.

A. The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers of whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

B. The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

C. During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practical manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

D. Corporate action taken in good faith during an emergency under this Article to further the ordinary affairs of the Association shall bind the Association; and shall have the rebuttable presumption of being reasonable and necessary.

E. Any officer, Director or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.

F. The provisions of these emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

G. For purposes of this Section, an "emergency" exists only during a period of time that Sarasota County, or the immediate geographic area in which the Subdivision is located, is subject to:

1. a state of emergency declared by law enforcement authorities;
2. a hurricane warning;
3. a partial or complete evacuation order;
4. designation by federal or state government as a "disaster area;" or

5. a catastrophic occurrence, whether natural or man-made, which seriously damages or threatens serious damage to the Subdivision, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

An "emergency" also exists for purposes of this Article during the time when a quorum of the Board cannot readily be assembled because of the occurrence of a catastrophic event, such as a hurricane, earthquake, act of terrorism, or other similar event. A determination by any two (2) Directors, or by the President or by a Director and the manager that an emergency exists shall have presumptive quality.

## **ARTICLE 7. OFFICERS**

**7.1 EXECUTIVE OFFICERS.** The executive officers of the Association shall be a President, and one or more Vice-Presidents, who must be Directors of the Association, as well as a Treasurer and a Secretary, all of whom shall be elected annually by majority vote of the Board. Any officer may be removed, with or without cause, by vote of a majority of all Directors at any meeting. Any person except the President may hold two or more offices. The Board shall, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice-President.

**7.2 PRESIDENT.** The President shall: be the chief executive officer of the Association; preside at all meetings of the Members and Directors; be ex-officio a member of all standing committees; have general and active management of the business of the Association; and see that all orders and resolutions of the Board are carried into effect. The President shall execute bonds, mortgages and other contracts or documents requiring the seal of the Association, except where such are permitted by law to be otherwise executed, and the power to execute is delegated by the Board to another officer or agent of the Association.

**7.3 VICE-PRESIDENTS.** The Vice-Presidents in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board shall prescribe.

**7.4 SECRETARY.** The Secretary shall attend the meetings of the Board and meetings of the Members, and shall record all votes and the minutes of all proceedings in a book or books to be kept for the purpose, and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board, and shall perform such other duties as may be prescribed by the Board or the President. He or she shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the Governing Documents. Any of the foregoing duties may be performed by an Assistant Secretary, if any has been designated.

**7.5 TREASURER.** The Treasurer shall have responsibility for the collection, safe-keeping, and disbursement of funds and securities of the Association, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board, and prepare the budget for the Association. He or she shall disburse the funds of the Association, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated.

**7.6 DELEGATION OF FUNCTIONS.** The Board may delegate any or all of the functions of the Secretary or Treasurer to a management agent, employee, accountant or other trained professional provided that the Secretary or Treasurer shall in such instance generally supervise the performance of the agent, employee, accountant or other trained professional in the performance of such functions.

## **ARTICLE 8. COMMITTEES**

**8.1 STANDING COMMITTEES.** The Board may appoint such standing committees of the Association as it shall determine at its discretion, including but not limited to an Architectural Review Committee.

**8.2 NOTICE.** Committees with the power to approve or disapprove architectural decisions with respect to a specific Parcel or Lot or that may make a final decision regarding the expenditure of Association funds must follow the same procedures as the Board for the calling and conducting of meetings, including without limitation the posting or mailing of meeting notices, preparation of agendas and meeting minutes, and must provide Members the right to attend, record the meeting, and speak as to all agenda items. All other committees are exempt from such requirements and other meeting requirements of State law and these Bylaws. Such exempt committees may establish and follow their own procedures, as the committees deem appropriate from time to time.

**8.3 ARCHITECTURAL REVIEW COMMITTEE.** The Architectural Review Committee (herein "the ARC") provided for in the Declaration shall be selected, and conduct its affairs as follows:

A. **Members; Qualification.** The ARC shall be composed of five (5) persons and two (2) alternates. No member of the ARC shall be a Director, spouse, parent, child, brother, or sister of an officer, Director, or employee. Whenever possible and practical, one of the committee members should be an architect, general contractor, or other person with professional expertise in building, landscaping, or architectural design.

B. **Selection; Terms.** The members of the ARC shall be appointed by the President of the Association to serve terms of one year. The committee members shall be appointed at the organizational meeting of the Board or as soon as possible thereafter. The committee member term shall end at the Annual Members' Meeting date of each year. If a mid-term vacancy occurs for any reason, the President shall appoint a successor to fill the unexpired term. Members of the ARC, once appointed, may be removed by a majority vote of the Board.

C. **Compensation.** Members of the ARC may not be compensated for their services. If approved by the Board, the ARC may determine that professional services are necessary for review of certain situations which come before the committee. The costs for the professional review shall be the responsibility of the Lot Owner requesting the ARC approval.

D. **Meetings.** The ARC shall meet as necessary, and otherwise at the call of the Chairman as necessary, to carry out its duties and functions. The ARC shall meet with the same formalities and notice requirements as required for Board meetings, unless otherwise permitted by law.

E. **Procedures; Voting.** A majority of the members of the ARC present in person at any duly called meeting shall constitute a quorum. All questions shall be decided by a majority of the entire committee. Where a question involves proposed changes to a Lot or Unit owned by a member of the ARC, that member shall be disqualified from participation in the proceedings, and his place shall be taken by an alternate. If a proposed change is not approved, the reasons for disapproval shall be stated in writing. Minutes of all meetings of the ARC shall be kept in a business-like manner, and shall be available at reasonable times for inspection or photocopying

by any Owner. Copies of the plans and specifications for all approved changes and construction shall be kept for at least seven (7) years.

## **ARTICLE 9. FINANCES**

The provisions for Assessments and fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions:

**9.1 DEPOSITORY.** The Association shall maintain its accounts in federally insured accounts at financial institutions doing business in the State of Florida as may be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles, provided they are federally insured, or backed by the full faith and credit of the United States.

**9.2 BUDGET.** The Board shall, at a November meeting each year, adopt a budget of general expenses for the next fiscal year. 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 or another person. The Association shall 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 proposed budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications.

**9.3 RESERVES.** The Board may establish in the budgets one or more reserve accounts for contingencies, repairs, improvements, capital expenditures or deferred maintenance. The purpose of the reserves is to provide financial stability and to avoid the need for special Assessments. The amounts proposed to be so reserved shall be shown in the proposed annual budgets each year. These funds may be spent only for purposes for which they were reserved.

**9.4 BOARD OF DIRECTORS INSURANCE.** Fidelity bonds or proper liability insurance shall be required by the Board from all persons authorized to sign checks or otherwise disburse or withdraw Association funds. The bonds or liability insurance shall be determined by the Directors, shall protect the Association against theft or embezzlement of the maximum amount of funds held by the Association at any time and shall in no event be less than one-half of the total annual Assessment. The premiums on such bonds shall be paid by the Association as a common expense.

**9.5 ACCOUNTS AND ACCOUNTING PROCEDURES.** The financial and accounting records of the Association, must be kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

A. Accurate, itemized, and detailed records of all receipts and expenditures;

B. A current account and a period 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;

C. All tax returns, financial statements, and financial reports of the Association; and

D. Any other records that identify, measure, record or communicate financial information.

**9.6 FINANCIAL REPORTING.** The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The Association shall, within ten (10) business days after the report is prepared, provide each Member with a copy of the report, or a written notice that a copy of the financial report is available upon request at no charge to the Member. Financial statements (whether it be a report of cash receipts and expenditures, a compiled financial statement, a reviewed financial statement or an audited financial statement) shall be based on the Association's total annual revenues as provided in Section 720.303(7) of the Florida Statutes.

**9.7 AUDITS.** A formal certified audit of the accounts of the Association, only if required by law, or by a majority of the Voting Interests, or by a majority of the Board, may be made by an independent certified public accountant, and a copy of the audit report may be available on request to each Member.

**9.8 APPLICATION OF PAYMENTS AND COMMINGLING OF FUNDS.** All monies collected by the Association may be commingled, for investment purposes only, in a single fund, or divided into two or more funds, as determined by the Board. The books and records of the Association shall be kept in conformity to generally accepted accounting principles, and the audit and accounting guide for Common Interest Realty Associations of the American Institute of Certified Public Accountants. All payments on account by an Owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, and annual or special Assessments, in such manner and amounts as the Board may determine, or as may be required by law.

**9.9 FISCAL YEAR.** The fiscal year for the Association shall begin on the first day of January each year. The Board may change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed in the Internal Revenue Code of the United States.

**9.10 PAYMENT OF ASSESSMENTS.** Annual Assessments based on the adopted budgets shall be payable annually (due on January 1 of each year or such other date as the Board may determine). Assessments and Special Assessments as the term is used in this Section 9.10 and 9.11 are Assessments levied by the Association and shall not be confused with Assessments

which are levied by any local government (County, municipality or CDD). Written notice of the annual Assessment shall be sent to all Owners at least thirty (30) days prior to the due date. Failure to send or receive such notice shall not, however, excuse the obligation to pay. By resolution, the Board may establish the place for payment, the method of payment, and a late payment fee.

**9.11 SPECIAL ASSESSMENTS.** Special Assessments may be imposed by the Association's Board whenever necessary to meet unbudgeted, emergency, or non-recurring expenses, or for such other purposes as are authorized by the Declaration or these Bylaws. Special Assessments are due on the day specified in the resolution of the Board approving such Assessment. The notice of any special Assessment must contain a statement of the purpose(s) of the Assessment, and the funds collected must be spent for the stated purpose(s) or returned to the Members in a manner consistent with law. The total of all special Assessments payable by the Members generally shall not exceed two hundred dollars (\$200) per Lot or Unit in any fiscal year unless approved in advance by a majority of the Voting Interests.

**9.12 PROOF OF PAYMENT.** Within fifteen (15) days after receipt of request from the Owner, mortgagee, or purchaser of a Lot or Unit, the Association shall furnish a written statement certifying that all Assessments then due from any Lot or Unit have been paid, or indicating the amounts then due. Anyone other than the Owner who relies upon such statement shall be protected thereby.

**9.13 SUSPENSION.** The Association shall not be required to transfer memberships on its books or to allow the exercise of any rights or privileges of membership on account thereof to any Owner, or to any persons claiming under an Owner, unless and until all Assessments and charges to which said Owner and his Lot or Unit is subject have been paid in full.

## **ARTICLE 10. FINING AND SUSPENSION**

The Association may impose fines and suspensions in the following manner:

**10.1 AUTHORITY TO LEVY FINES AND SUSPENSIONS.** In addition to other remedies provided to the Association for enforcement of the rules and restrictions, the Association may levy a fine and/or impose a suspension against any Owner for failure of the Owner or of a tenant or guest of the Owner to comply with the Declaration or Association Rules and Regulations.

**10.2 APPOINTMENT OF HEARING COMMITTEE.** The Board shall appoint a Hearing Committee, which shall be composed of at least three (3) Owners who are not officers, Directors or employees of the Association, or the spouse, parent, child, brother, or sister of an Association officer, Director, or employee.

**10.3 NOTICE OF HEARING.** At least fourteen (14) days prior to imposing a fine or suspension, the Association shall provide written notice to the Owner and alleged violator (if not the same person) by certified mail, which notice shall include the following:

A. A short plain statement of the matters asserted by the Association to constitute the violation(s), including but not limited to the specific violation alleged, and the date, time and location of each alleged violation for which a fine may be imposed.

B. A statement that the Association will provide a hearing before the Hearing Committee not less than fourteen (14) days after receipt of notice. The date, time and place of the hearing will be stated in the notice.

C. A statement that the Owner and the alleged violator (if not the same person) will have an opportunity at such hearing to respond to the alleged violation(s), present evidence and provide written and verbal argument on all pertinent issues, as well as to review, challenge and respond to any material considered by the Hearing Committee.

**10.4 HEARING.** The Hearing Committee shall consider all evidence and testimony presented at the hearing prior to the determination of whether to approve a proposed fine or suspension. If the Hearing Committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. The role of the Hearing Committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board. After a fine is imposed, the Association shall provide a demand for payment to the Owner and/or violator. After a suspension is imposed, the Association shall provide notice of the suspension to the Owner and/or violator. Fines shall be paid in full within thirty (30) days of receipt of the Association demand for payment.

**10.5 AMOUNT OF FINE.** A fine may not exceed the amount of One Hundred Dollars (\$100.00) per violation, provided that a fine for a continuing violation may be in an amount up to One Hundred Dollars (\$100.00) for each day, up to a maximum of Two Thousand Five Hundred Dollars (\$2,500.00). If permitted by law, a fine shall become a lien upon a Lot.

**10.6 FAILURE TO PAY.** An Owner shall be responsible for paying all fines properly levied against the Owner for a violation by any person who is on the Property with the express or implied permission of the Owner, including without limitation, the Owner's tenants, guests, family members, invitees, employees or contractors. In the event an Owner refuses or otherwise fails to pay a fine, the Association may mediate if and as required and proceed with legal action in a court of competent jurisdiction to collect the sum due together with costs and reasonable attorneys' fees of the Association incurred incident to such collection action. Failure or refusal to pay a fine shall be a violation of these Bylaws.

**10.7 INAPPLICABILITY OF THIS ARTICLE.** The requirements of this Article shall not apply to the imposition of suspensions, fines or fees upon any Member because of the failure of the Member to pay Assessments or other charges when due if such action is authorized by the Governing Documents.

## **ARTICLE 11. AMENDMENTS**

Amendments to these Bylaws shall be proposed and adopted in the following manner:

**11.1 PROPOSAL.** Amendments to these Bylaws may be proposed either by a resolution approved by a majority of the whole Board, or by a petition to the Board signed by the voting representatives of at least twenty-five percent (25%) of the Voting Interests of the Association. Once so proposed, the amendments shall be submitted to a vote of the Members at a meeting no later than the next annual meeting for which notice can still properly be given.

**11.2 VOTE REQUIRED.** These Bylaws can be amended, altered, or replaced only upon an affirmative vote of not less than two-thirds (2/3) of the Members who cast a vote, in person or by proxy, at a properly called Members' Meeting at which a quorum is present, or as described in Section 3.10 of these Bylaws. Members not present in person at the Members' Meeting considering the amendment may express their approval in writing, by proxy, provided such proxy vote is delivered to the Secretary prior to the Members' Meeting.

**11.3 CERTIFICATE; RECORDING.** A copy of each approved amendment shall be attached to a certificate reciting that the amendment was duly adopted, which certificate shall be executed by the President or Vice-President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of the County. The certificate must identify the book and page of the Public Records where the Declaration was originally recorded.

## **ARTICLE 12. MISCELLANEOUS**

**12.1 GENDER; NUMBER.** Whenever the masculine or singular form of the pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, as the context requires.

**12.2 SEVERABILITY.** Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.

**12.3 CONFLICT.** If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration or the Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail over the provisions of these Bylaws.

**12.4 GENERAL MATTERS.** When reference is made herein, or in the Declaration, Bylaws, Rules and Regulations, Management Contracts, or otherwise, to a majority or specific percentage of the Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of the Members eligible to be cast by their respective Voting Members present at a duly constituted meeting thereof (i.e., one for which proper notice has

been given and at which a quorum exists) and not of the Members themselves (or their Lots) or the individual Voting Members themselves.