

**AMENDED AND RESTATED
BYLAWS***

HERITAGE POINTE MASTER ASSOCIATION, INC.

1. IDENTITY. These are the Amended and Restated Bylaws (hereinafter "Bylaws") of Heritage Pointe Master Association, Inc., a Florida not-for-profit Corporation which exists for the purpose of administering Terrace I at Heritage Pointe, a Condominium, Terrace II at Heritage Pointe, a Condominium, Terrace III at Heritage Pointe, a Condominium, Terrace IV at Heritage Pointe, a Condominium, Terrace V at Heritage Pointe, a Condominium, and Terrace VI at Heritage Pointe, a Condominium, (hereinafter "the Condominiums") and Heritage Pointe ("the Community") which are located in Fort Myers, Lee County, Florida, upon the lands described in the Declarations of Condominium and the Declaration of Covenants, Conditions and Restrictions for the Community, as follows: the Declaration of Condominium for Terrace I at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4126, Page 4368 *et seq.*, of the Public Records of Lee County, Florida; the Declaration of Condominium for Terrace II at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4216, Page 2147 *et seq.*, of the Public Records of Lee County, Florida; the Declaration of Condominium for Terrace III at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4416, Page 0586 *et seq.*, of the Public Records of Lee County, Florida; the Declaration of Condominium for Terrace IV at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4477, Page 0387 *et seq.*, of the Public Records of Lee County, Florida; the Declaration of Condominium for Terrace V at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4569, Page 3708 *et seq.*, of the Public Records of Lee County, Florida; the Declaration of Condominium for Terrace VI at Heritage Pointe, a Condominium, which is recorded at O.R. Book 4781, Page 2771 *et seq.*, of the Public Records of Lee County, Florida; and Declaration of Covenants, Conditions and Restrictions for Heritage Pointe ("Master Declaration"), which is recorded at O.R. Book 4126, Page 4281 *et seq.*, of the Public Records of Lee County, Florida. (The corporation may hereafter be referred to as the "Association".) (The Declarations of Condominium may collectively be referred to as the "Declarations of Condominium" or "Declarations".)

1.1 Office. The office of the Association shall be at a location within Lee County as may from time to time be determined by the Board of Directors.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year, unless otherwise determined by the Board of Directors.

1.3 Seal. The corporate seal of the Association shall be adopted and may be changed by the Board of Directors and shall bear the name or abbreviated name of the Association, the word "Florida," the year of establishment, and shall identify the Association as a not-for-profit corporation. A common seal may be used in lieu of a raised corporate seal and in no event shall a seal be required to validate corporate actions unless specifically required by law.

* This document is a compilation of the current Bylaws as most recently amended through May 31, 2012. The "official" Bylaws for Heritage Pointe Master Association, Inc. are as recorded in the Lee County Public Records.

1.4 Definitions. All terms used in each of the Declarations of Condominium and Declaration of Covenants for the Community and these Bylaws shall have the same meaning, to the extent applicable, as set forth below and the Florida Condominium Act (Chapter 718, Florida Statutes, 2009), all as amended from time to time.

1.4.1 "Act" or "Condominium Act" means the Condominium Act, (Chapter 718 of the Florida Statutes) as it now exists or as may be amended from time to time including the definitions therein contained.

1.4.2 "Association" (sometimes interchangeably referred to as "**Master Association**") means HERITAGE POINTE MASTER ASSOCIATION, INC., a Florida Corporation not-for-profit, as successor by merger to Terrace I at Heritage Pointe Condominium Association, Inc., Terrace II at Heritage Pointe Condominium Association, Inc., Terrace III at Heritage Pointe Condominium Association, Inc., Terrace IV at Heritage Pointe Condominium Association, Inc., Terrace V at Heritage Pointe Condominium Association, Inc., Terrace VI at Heritage Pointe Condominium Association, Inc., and Heritage Pointe Master Association, Inc. The Association is the entity responsible for the operation of Terrace I at Heritage Pointe, a Condominium, Terrace II at Heritage Pointe, a Condominium, Terrace III at Heritage Pointe, a Condominium, Terrace IV at Heritage Pointe, a Condominium, Terrace V at Heritage Pointe, a Condominium, Terrace VI at Heritage Pointe, a Condominium, and the Heritage Pointe Community.

1.4.3 "Board of Directors" or "Board" or "Directors" means the representative body which is responsible for the administration of the Association's affairs, and is the same body that is sometimes referred to in the Act as the "Board of Administration".

1.4.4 "Common Area" are the properties owned by the Association, not included within the Condominium Property of the individual Condominiums. "Common Areas" may interchangeably be referred to as "Association Property".

1.4.5 "Common Expenses of the Association" means those expenses for which all Unit Owners are liable to the Association, including but not limited to expenses of administration and operation of the Association and Common Areas of Heritage Pointe and such other expenses as may be declared Common Expenses of the Association either by this Declaration, the Master Declaration, the Articles of Incorporation, the By-Laws or by the Board of Directors. Common Expenses of the Association include, but are not limited to, such items as wages and fees for managerial and other services. Common Expenses of the Association also include reasonable insurance for directors and officers, commonly used road maintenance and operation expenses, expenses for any jointly used recreational facilities, amenities or easements and other expenses which are reasonably related to the general benefit of the Unit Owners of the Condominiums even if such expenses do not attach to the property or the Condominiums of the Association. Common Expenses of the Association specifically include all costs and expenses related to landscaping and irrigation within Heritage Pointe Community whether or not part of the Condominium Properties of the individual Condominiums or Common Areas.

Common Expenses (and Common Surplus) of the Association shall be shared on a 1/384 basis by the Unit Owners in Terrace I at Heritage Pointe, a Condominium, Terrace II at Heritage Pointe, a

Condominium, Terrace III at Heritage Pointe, a Condominium, Terrace IV at Heritage Pointe, a Condominium, Terrace V at Heritage Pointe, a Condominium, and Terrace VI at Heritage Pointe, a Condominium. Determining the allocation of the Common Expenses (and Common Surplus) of the Association as opposed to Common Expenses (and Common Surplus) of the Condominium shall be in the sole discretion of the Board of Directors of the Association.

1.4.6 “Common Expenses of the Condominium” means those expenses for which Unit Owners in the individual Condominiums are liable to the Association. Expenses pertaining to the maintenance, repair, and replacement of the Common Elements of the individual Condominiums are Common Expenses of the Condominium. By way of example, but not limitation, building painting, roof repair, casualty insurance, repairs after casualty and water and sewer charges where separate meters serve a Condominium are Common Expenses of the Condominium. Legal fees and liabilities involving the physical property within a particular Condominium, including but not limited to assessment collection matters pertaining to the Common Expenses of the Condominium, shall be a Common Expense of the Condominium. By way of further example, but not limitation, any judgment, award, penalty, fine or other monetary exaction that involves or arises from the physical property of a particular Condominium shall be a Common Expense of the Condominium. Determining the allocation of Common Expenses (and Common Surplus) of the Condominium as opposed to Common Expenses (and Common Surplus) of the Association shall be in the sole discretion of the Board of Directors of the Association. When the Association receives a single billing for an item that is declared a Common Expense of the Condominium, the Board may allocate segments of said invoices to the individual Condominiums as the Board in its sole discretion deems fair and equitable. Common Expenses (and Common Surplus) of the Condominium shall be shared by Terrace I at Heritage Pointe Unit Owners on a 1/64 basis; by Terrace II at Heritage Pointe Unit Owners on a 1/64 basis; by Terrace III at Heritage Pointe Unit Owners on a 1/72 basis, by Terrace IV at Heritage Pointe Unit Owners on a 1/72 basis, by Terrace V at Heritage Pointe Unit Owners on a 1/72 and by Terrace VI at Heritage Pointe Unit Owners on a 1/40 basis. Reserves required by the Condominium Act and the Condominium Documents are a Common Expense of the Condominium.

1.4.7 “Condominium Documents” means the Declarations of Condominium; the Surveyor’s Plats; Articles of Incorporation for Heritage Pointe Master Association, Inc.; these Bylaws for Heritage Pointe Master Association, Inc.; and the Rules and Regulations Governing Terrace at Heritage Pointe Condominiums. The Rules and Regulations need not (but may) be recorded in the County Public Records in order to be valid.

1.4.8 “Governing Documents” means the Declaration of Covenants, Conditions and Restrictions for Heritage Pointe, the Articles of Incorporation for Heritage Pointe Master Association, Inc.; these Bylaws for Heritage Pointe Master Association, Inc.; and the Rules and Regulations of the Master Association. In the event of a conflict in the interpretation of the Governing Documents, they shall be applied in the order of priority as listed herein.

1.4.9 “Voting Interests of the Association” means and refers to the arrangement established in the Condominium Documents by which the Owners of each unit collectively are entitled to vote in the Association matters. There are 384 units, so the total number of Voting Interests of the Association is 384. Matters affecting the entire Association

(all Condominiums), as determined by the Board of Directors, shall be decided by the Voting Interests of the Association. By way of example, but not limitation, the election of Directors, the recall of Directors, the waiver of financial reporting requirements, amendments to the Articles of Incorporation, and amendments to the Bylaws, are decided by the Voting Interests of the Association. Determining whether a voting item involves the Voting Interests of the Association as opposed to the Voting Interest of the Condominium, shall be determined in the sole discretion of the Board of Directors of the Association.

1.4.10 "Voting Interests of the Condominium" means those voting items which are to be considered for vote by the Unit Owners in individual Condominiums in accordance with the Class Quorum and Voting procedures specified in Article 2.11 of the Bylaws. By way of example, but not limitation, certain amendments to the Declarations, the waiver or reduction of reserve funding, and decisions regarding rebuilding after a casualty shall be based upon the Voting Interests of the Condominium. Determining whether a voting item is a matter involving the Voting Interests of the Condominium, as opposed to Voting Interests of the Association, shall be determined in the sole discretion of the Board of Directors of the Association.

2. MEMBERS' MEETINGS.

2.1 Annual Meetings. Annual Members' meetings shall be held at such convenient location in Lee County as may be determined by the Board of Directors. The annual meeting shall be held during the first quarter of each year on the date and time determined by the Board for the purpose of transacting any business authorized to be transacted by the Members.

2.2 Special Meetings. Special Members' meetings shall be held whenever called by the President or by a majority of the Board of Directors, and shall be called by the President or Secretary within a reasonable time of receipt of written notice from 25% of the Voting Interests of the Association (or 25% of the Voting Interests of the Condominium, where appropriate). Members' meetings to recall a Member or Members of the Board of Directors may be called by 10% of the Voting Interests of the Association who shall give notice of the meeting, stating the purpose of the meeting, pursuant to Section 718.112(2)(k), Florida Statutes (2009), as amended from time to time.

2.3 Notice of Members' Meetings. Notice of all Members' meetings, stating the time, place, and purpose(s) of the meeting, shall be sent to each Member by United States regular mail, unless waived in writing, at least 14 days prior to the meeting as to annual meetings and 10 days as to special meetings. Hand delivery and electronic notice is acceptable where permissible by law. Officers required to give notice may delegate the actual giving of notice to another person, such as an Assistant Officer or managing agent. Any Members' meeting or election at which one or more Directors are to be elected must be noticed as provided for in Section 2.4 next following. An Officer of the Association or other person providing notice shall execute an affidavit of mailing per Section 718.112(2)(d)(2), Florida Statutes (2009), as amended from time to time, which shall be retained in the official records of the Association as proof of such mailing. The notice of the annual meeting shall include an agenda for all known substantive matters to be discussed, or have such an agenda attached to it. A copy of the notice and agenda

shall be posted at a conspicuous location, designated by Board resolution, in the Community at least 14 days in advance of the meeting.

Notice of specific meetings may be waived before or after the meeting and the attendance of any Member (or person authorized to vote for such Member) shall constitute such Member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the sole and express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

2.4 Board of Directors Election Meetings - Notice and Procedure. The regular election of Directors shall occur as the first item of business at the annual meeting.

2.4.1 Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Member entitled to vote, a first notice of the date of the election. Any person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than 40 days before scheduled election. Not less than 14 days before the election, the Association shall mail or deliver a second notice of the election to all Members entitled to vote therein, together with a written secret ballot which shall include an information sheet (if provided by the candidate), no larger than 8½ inches by 11 inches furnished by the candidate, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association.

2.4.2 There is no quorum requirement necessary for an election. However, at least twenty percent (20%) of the Voting Interests of the Condominium (for Condominium Directors) or twenty percent (20%) of the Voting Interests of the Association for the At-Large Director must cast a ballot in order to have a valid election and elections shall be decided by a plurality of those votes cast.

2.4.3 In the event that there are only as many (or fewer) candidates pre-qualified for election as there are open seats on the Board, no election shall be held and the pre-qualified candidates shall automatically become Members of the Board after the annual meeting.

2.4.4 The Board may establish additional election rules or procedures as it deems appropriate to ensure a fair election process. Substantial compliance with these Bylaws and the Act relative to election procedures is sufficient.

2.5 Quorum/Voting. A quorum at Members' meetings shall consist of persons entitled to cast at least one-third (1/3rd) of the Voting Interests of the Association (or at least one-third (1/3rd) of the Voting Interests of the Condominium, as appropriate). Decisions made by a majority of the Voting Interests present and voting, in person or by proxy, at a meeting at which a quorum is present shall be binding and sufficient for all purposes except such decisions as may by Chapter 718, Florida Statutes (2009) or the Condominium Documents require a larger percentage in which case the percentage required in Chapter 718, Florida Statutes (2009), or the Condominium Documents shall govern. To the extent lawful, Members may join in any action taken at a meeting of the Members through written approval of such action executed after the

meeting, and such approval shall be as though the Member duly approved the action of the meeting in question.

2.5.1 Units Owned by Association. No Voting Interest or consent right allocated to a Unit owned by the Association shall be exercised or considered for any purpose, whether for a quorum, an election or otherwise, as provided in Section 718.112(2)(b)2., Florida Statutes (2009), as amended from time to time.

2.6 Indivisible Vote. Each Unit shall have one indivisible vote. If a Unit is owned by a corporation, any officer may vote on behalf of said corporation. If a Unit is owned by a partnership, any partner may vote on behalf of the partnership. If a Unit is owned in trust, any trustee of a trust shall be entitled to vote. If a Unit is owned by a limited liability company, any member or manager may vote on behalf of the limited liability company. Any person with apparent authority asserting the right to vote on behalf of a Unit owned by an artificial entity shall be conclusively presumed to be entitled to vote on behalf of said Unit, unless the Unit has filed voting instructions with the Association designating some other person entitled to vote. If multiple Owners or non-individual Owners of a Unit cannot agree on a vote, the vote shall not be counted as to the issue upon which disagreement exists. Voting certificates are not necessary.

2.7 Voting/Proxies. Votes may be cast in person or by proxy. Members and proxy holders may participate in Association meetings via telephone conference, if permitted by the Association. Absent a resolution of the Board to the contrary, the President of the Association shall have the authority to determine whether Members or holders of proxies should be allowed to participate in any particular meeting of the Membership by telephonic conference. In order for a proxyholder to participate telephonically in an Association meeting, a copy of the proxy must be provided to the Association, at the meeting location, prior to the start of the meeting. Only Members or the spouse of a Member may be delegated to hold proxies, provided that the Board may designate agents of the Association (including but not limited to Association legal counsel or the Association's manager) as an eligible proxy holder. Proxies shall be in writing, signed and dated, and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than 90 days, and must be filed with the Association before or at the voter registration immediately preceding the meeting, or adjournment thereof. Except as specifically otherwise provided by law, Members may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Condominiums, Timeshares and Mobile Homes (the "Division"). Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes regarding reserves; for votes taken to waive financial statement requirements; for votes taken to amend the Declaration; for votes taken to amend the Articles of Incorporation or Bylaws; and for any other matter which Chapter 718, Florida Statutes (2009) requires or permits a vote of the Members. To the extent permissible by law, it is the intent of these Bylaws that Members who are given the opportunity to vote by limited proxy, but decline to do so, may grant general powers (including the right to vote with respect to designated agenda items) to the holder of their proxy. No proxy, limited or general, shall be used in the election of Board Members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. A photographic, photostatic, facsimile, electronic or equivalent reproduction of a signed 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. The use of proxies is to be liberally construed.

2.8 No Quorum. If any meeting of Members cannot be organized because a quorum is not present, or if insufficient Voting Interests are represented to approve a proposed item of Association business, or if the Members believe that the best interests of the Association should be served by the adjournment of the meeting, the Members who are present and voting, either in person or by proxy, may adjourn the meeting from time to time.

2.9 Order of Business. The order of business at annual Members' meetings and, as far as applicable at all other Members' meetings, shall be:

2.9.1 Call to order by the President;

2.9.2 At the discretion of the President, appointment by the President of a chairman of the meeting (who need not be a Member or a director);

2.9.3 Appointment by the Chair of inspectors of election;

2.9.4 Election of Directors;

2.9.5 Calling of the roll, certifying of proxies and determination of a quorum; or, in lieu thereof, certification and acceptance of registration procedures establishing the number of persons present in person or by proxy;

2.9.6 Proof of notice of the meeting or waiver of notice;

2.9.7 Disposal of unapproved minutes;

2.9.8 Reports of Officers;

2.9.9 Reports of Committees;

2.9.10 Unfinished business;

2.9.11 New business;

2.9.12 Adjournment.

2.10 Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of Members, or any action which may be taken at any annual or special meeting of such Members, may be taken without a meeting, without prior notice, and without a vote if a consent in writing setting forth the action so taken, shall be signed by the requisite number of Voting Interests to approve the action.

2.11 Class Quorums and Voting. The Members in Terrace I at Heritage Pointe, a Condominium, Terrace II at Heritage Pointe, a Condominium, Terrace III at Heritage Pointe, a

Condominium, Terrace IV at Heritage Pointe, a Condominium, Terrace V at Heritage Pointe, a Condominium, and Terrace VI at Heritage Pointe, a Condominium, shall constitute a separate voting category and the membership of each category shall be entitled to vote upon matters having an effect solely upon its interests, as determined by the Declarations or these Bylaws. The Board of Directors shall, in all instances, determine which categories shall be entitled to vote upon matters, and the Board's determination shall be binding and final provided, however, that the Board's determination must be made in good faith and have a reasonable basis. Notice of meeting need only be given to Unit Owners in the applicable Condominium when a matter is the subject of voting by an individual Condominium.

3. BOARD OF DIRECTORS.

3.1 Number, Term, and Qualifications. The affairs of the Association shall be governed by a Board composed of seven (7) Directors. All Directors shall be elected at-large. All Directors shall be Members or the spouse of a Member. Co-owners of a Unit cannot simultaneously serve on the Board. Trustees and beneficiaries of trusts (provided that the beneficiaries reside in the Unit), and the spouses of such persons, shall be considered eligible for Board membership. Persons who are convicted felons, who have not had their civil rights restored for at least five (5) years, are not eligible to serve on the Board. All Directors will be elected for a two-year, staggered term. The term of each Director's service shall extend until their elected term is completed. Resignations of Directors are effective when received by the Association in writing, unless a later date is stated.

3.2 Board Vacancies. Vacancies in the Board of Directors shall be filled by appointment by a majority vote of the remaining Directors for the remainder of the unexpired term as provided in Article 3.1; provided that when a Director has been recalled by the membership, the vacancy created by his removal cannot be filled with the same person as has been removed from the Board, and when a majority of the Board has been recalled, vacancies shall be filled by the membership, as provided by law. Vacancies may be filled by any eligible person in any Condominium.

3.3 Organizational Meeting. The organizational meeting of each newly-elected Board of Directors to elect Officers shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present. Unless otherwise noticed, the organizational meeting shall be held immediately following the annual meeting of the Members.

3.4 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings, unless fixed by Board resolution, shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile at least two days prior to the day named for such meeting.

3.5 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than two days' notice of the meeting (except in an emergency) shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile, which notice shall state the time, place, and purpose of the meeting. Twenty percent (20%) of the Voting Interests may

petition for the Board to take up an item of business at a regular or special meeting of the Board. Such meeting must be held within 60 days of receipt of the petition. The Board is not required to take any particular action as a result of such petitions.

3.6 Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

3.7 Notice to Owners of Board Meetings. Notice of meetings, which notice shall specifically include an agenda, shall be posted conspicuously as provided in Section 2.3 of these Bylaws at least 48 continuous hours in advance of the meeting for the attention of Members, except in an emergency. Meetings at which a regular monthly or quarterly assessment or special assessments are to be considered shall specifically state that assessments will be considered and the nature, estimated cost, and description of the purpose of such assessments. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding Unit use will be considered, or where the Board will establish the deductible feature of the Association's insurance policies, shall be mailed or delivered (including electronic delivery as provided by law) to the Members (or Unit Owners in an affected Condominium, where applicable) and posted conspicuously as provided in Section 2.3 of these Bylaws not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by an affidavit executed by the person giving notice, where required by law, and shall be filed among the official records of the Association.

3.8 Owner Participation in Board Meetings. Meetings of the Board of Directors at which a majority of the Board Members are present, shall be open to all Members. Members may not designate third persons, through power of attorney or otherwise, to attend Board meetings, unless agreed to otherwise by the Board. The Member's right to attend Board meetings includes the right to speak with reference to all designated agenda items; provided, however, the Board may adopt reasonable rules governing the frequency, duration, and manner of Member statements. Unless otherwise provided by the Board, each Member is entitled to speak for three minutes with reference to designated agenda items. Board meetings subject to the attorney-client privilege shall not be subject to Member attendance.

3.9 Board Meetings, Quorum, and Voting. The designation of the agenda for Board meetings shall be at the discretion of the President. However, the President shall be obligated to include any item on the agenda for a Board meeting, if requested, in writing, by two Board Members, and where required due to petition from twenty percent (20%) of the Voting Interests. A quorum at Directors' Meetings shall consist of a majority of the Directors. The acts approved by a majority of the Board of Directors present and voting at a meeting shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings (except that Directors may vote by secret ballot when electing Officers) and a vote or abstention for each Member present shall be recorded in the minutes. A Director who abstains from voting on any action taken on any corporate matter shall be presumed to have taken no position with regard to the action. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present and no further notice need be given except for announcement at the meeting as to the date, time and place of the adjournment. At any adjourned meeting, any business which might have been

transacted at the meeting as originally called may be transacted. Absent Directors may later sign written joinders in Board actions, but such joinders may not be used for purposes of creating a quorum or counted as official vote for the Board's meeting. Directors may participate telephonically in Board meetings, as provided by law.

3.10 Presiding Officer. The presiding Officer at Directors' meetings shall be the President, and in his absence, the Vice President. In the absence of the presiding Officer, the Directors present shall designate one of their number to preside.

3.11 Director Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred.

3.12 Recall of Directors. Directors elected by Members may be recalled in the manner provided in Section 718.112(2)(j), Florida Statutes (2009), as amended from time to time. Directors shall be recalled and, where applicable, their vacancies after recall filled, by the Voting Interests of the Condominium in the case of Directors representing individual Condominiums. A Director appointed by the Board may be removed from the Board with or without cause by a vote of two-thirds of the Directors then in office, to the extent permissible by law.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS. All of the powers and duties of the Association existing under the laws of Florida generally, Florida Not For Profit Corporation Statute, the Condominium Act, and the Condominium Documents, all as amended from time to time, shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees, when said powers and duties have been delegated by the Board, subject only to the approval by Members when such is specifically required. The powers of the Directors shall include, but shall not be limited to, the power:

4.1 To Assess. The Directors shall adopt budgets and make and collect special and periodic assessments against Owners to defray the costs of the Association.

4.2 To Expend Association Funds. The Directors shall use the proceeds of assessments in the exercise of its powers and duties.

4.3 To Maintain The Condominium Property and Common Areas. The Directors shall maintain, repair, replace, and operate the property within the Condominiums and the Community.

4.4 To Adopt Regulations. The Directors shall enact and may amend Rules and Regulations concerning the transfer, use, appearance, maintenance, and occupancy of the Units, Common Elements, Limited Common Elements, and Common Areas, and to enact rules, policies, and resolutions pertaining to the operation of the Association, subject to any limitations contained in the Declarations of Condominium or Master Declaration.

4.5 To Reconstruct After Casualty. The Directors may reconstruct the Units, Common Elements, Limited Common Elements and Common Areas improvements after casualty and to further improve the property, as specified in the Declarations of Condominium and Master Declaration.

4.6 To Approve Transfers. The Directors may approve or disapprove proposed transactions or transfers in the manner provided by the Declarations of Condominium, and to charge a preset fee, not to exceed the maximum permissible by law, in connection with such right of approval. In connection with the lease of Units, the Board may require the posting of a security deposit to protect against damages to the Common Elements or Common Areas, in the manner provided by law.

4.7 To Enforce. The Directors may enforce by legal means the provisions of applicable laws and the Governing Documents and Condominium Documents, and may interpret the Governing Documents and Condominium Documents, as the final arbiter of their meaning, unless such interpretation is wholly arbitrary, or contrary to law.

4.8 To Contract. The Directors may contract for management, maintenance, and operation of the Condominiums and the Community.

4.9 To Insure. The Directors shall carry insurance for the protection of the Members and the Association, pursuant to requirements contained in the Declarations of Condominium and Chapter 718, Florida Statutes (2009), both as amended from time to time.

4.10 To Pay Utility Bills. The Directors shall pay the cost of all utility services rendered to the Condominiums and Community and not billed to Owners of individual Units.

4.11 To Hire and Discharge. The Directors may employ personnel and designate other Officers to be paid a reasonable compensation and grant them such duties as seem appropriate for proper administration of the purposes of the Association.

4.12 To Sue and Be Sued. The Directors may bring and defend suits and other proceedings and may exercise its business judgment as to whether the interests of the Association are best served with respect to settlement of a matter or whether a suit or other proceeding should be commenced.

4.13 To Deal in Real and Personal Property. The Directors may make and execute contracts, deeds, mortgages, notes and other evidence of indebtedness, leases, and other instruments by its Officers and may purchase, own, lease, convey, and encumber real and personal property subject to the provisions of the Declarations of Condominium and Master Declaration. The Directors may grant or modify easements and licenses over the Condominium Property or Common Areas necessary or desirable for proper operation of the Condominiums or the Community.

4.14 To Enter Into Contracts for Products and Services. All contracts for the purchase, lease, or renting of materials or equipment, or which are not to be fully performed within one year, and all contracts for services shall be in writing. As to any such contract which requires payment exceeding 5% of the gross budget (including reserves) except for contracts with employees of the Association, attorneys, accountants, architects, engineers, landscape architects, and community association managers, the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency or unless the desired supplier is the only source of supply within the County serving the Association. The Association

need not accept the lowest bid. If a contract was awarded under the competitive bid procedures of this Section, any renewal of that contract is not subject to such competitive bid requirements if the contract contained a provision that allowed the Board to cancel a contract on thirty days' notice. Materials, equipment, or services provided to a condominium under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this Section.

4.15 To Levy Fines. The Directors may, pursuant to Section 718.303, Florida Statutes (2009), impose fines against a Unit not to exceed the maximum permissible by law, for failure to comply with the provisions of the Board policies and resolutions, the Condominium Documents, including the Rules and Regulations, and applicable laws by owners, occupants, licensees, tenants, and invitees.

4.15.1 A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law.

4.15.2 The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing by being given notice of not less than twenty (20) days. Notice shall be effective when mailed by United States Mail, certified, return receipt requested, to the address of the Member listed in the official records of the Association, and as to tenants, to the mailing address for the Unit. Said notice shall include:

4.15.2.1 A statement of the date, time, and place of the hearing;

4.15.2.2 A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Board policies and resolutions or laws which have allegedly been violated; and

4.15.2.3 A short and plain statement of the matters asserted by the Association.

4.15.3 The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be held before a Committee of Members appointed by the Board, which may not include Board Members nor persons residing in a Board Member's household. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect said fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal. Members shall be jointly and severally liable for the payment of fines levied against tenants, guests, invitees, or other occupants of a Unit.

4.16 To Appoint Committees. The Directors may appoint Committees and delegate to such Committees those powers and duties of the Association as the Board deems advisable.

All Committees and Committees Members shall serve at the pleasure of the Board. Committees of the Association as defined in Section 718.103(7), Florida Statutes (2009), as amended from time to time, shall conduct their affairs in the same manner as provided in these Bylaws for Board of Director meetings. All other Committees may meet and conduct their affairs in private without prior notice or Owner participation, unless otherwise directed by the Board of Directors.

4.17 To Ensure Fire Safety Compliance. The Directors may accept a Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the Condominium Units with the applicable Fire and Life Safety Code.

4.18 To Approve the Installation of Hurricane Shutters. The Directors shall adopt hurricane shutter specifications for the Condominiums which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code, or shall be structured to ensure that installed shutters are in compliance with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board, provided that the Board may condition approval upon the Member's agreement to execute appropriate documentation regarding same.

4.19 To Exercise Emergency Powers. In the event of any "emergency" as defined in Section 4.19.10 below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Section 617.0207, Florida Statutes (2009), Section 617.0303, Florida Statutes (2009), and Section 718.1265, Florida Statutes (2009), all as amended from time to time.

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

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

4.19.3 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 practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

4.19.4 The Board may change or postpone the annual meeting date to a date and time determined by the Board, even if such change will result in not holding an annual meeting in a particular calendar year, as long as the annual meeting is held no more than eighteen (18) months after the prior annual meeting.

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

4.19.6 The Board may use reserve funds to meet Association needs, and may use reserve funds as collateral for Association loans. The Board may adopt emergency assessments with such notice deemed practicable by the Board.

4.19.7 The Board may adopt emergency Rules and Regulations governing the use and occupancy of the Units, Common Elements, Limited Common Elements, and Association Property, with notice given only to those Directors with whom it is practicable to communicate.

4.19.8 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.

4.19.9 These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

4.19.10 For purposes of this Section only, an "emergency" exists only during a period of time that the Condominium, or the immediate geographic area in which the Condominiums are located, is subjected to:

4.19.10.1 a state of emergency declared by local civil or law enforcement authorities;

4.19.10.2 a hurricane warning;

4.19.10.3 a partial or complete evacuation order;

4.19.10.4 federal or state "disaster area" status;

4.19.10.5 a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the condominium, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism; or

4.19.10.6 an unanticipated set of circumstances, which, if not acted upon with immediacy, is likely to cause imminent and significant financial harm to the Association, the Members, the Condominium Property, or Association Property.

4.20 To Enter Into Contracts and Borrow Money. The Directors may make contract and incur liabilities, borrow money at such rates of interest as the Association may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage and pledge of all or any of its property, franchises or income. Loans for the improvement of Common Areas are subject to Article 4.2(6) of the Master Declaration.

5. OFFICERS.

5.1 Executive Officers. The executive Officers of the Association shall be the President, one or more Vice Presidents, a Secretary, a Treasurer, and such Assistant Officers as

may be desired, all of whom shall be elected annually by and from the Board of Directors, and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. Assistant Officers need not be Directors.

5.2 President — Powers and Duties. The President shall be the Chief Executive Officer of the Association, shall preside at all meetings of the Board of Directors and Association meetings. The President shall have general supervision over the affairs of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

5.3 Vice-President — Powers and Duties. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

5.4 Secretary — Powers and Duties. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep and have custody of the records of the Association, except those of the Treasurer. He shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

5.5 Treasurer — Powers and Duties. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer of a corporation.

5.6 Officers' Compensation. Officers shall not be entitled to compensation for service as such, but shall be entitled to reimbursement of expenses reasonably incurred. This provision shall not preclude the Board of Directors from employing an Officer or Director as an agent or employee of the Association.

6. INDEMNIFICATION.

6.1 Indemnity. The Association shall indemnify any Officer, Director, or Committee Member who was or is a party or is threatened to be made a party to any threatened, pending, or contemplated action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a Director, Officer, or Committee Member of the Association, against expenses (including attorney's fees and appellate attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, unless (i) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or

proceeding, that he had reasonable cause to believe his conduct was unlawful, and (ii) such court also determines specifically that indemnification should be denied. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person failed to act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. It is the intent of the membership of the Association, by the adoption of this provision, to provide the most comprehensive indemnification possible to their Officers, Directors, and Committee Members as permitted by Florida law.

6.2 Defense. To the extent that a Director, Officer, or Committee Member of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 6.1 above, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees and appellate attorney's fees) actually and reasonably incurred by him in connection therewith.

6.3 Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the affected Director, Officer, or Committee Member to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized by this Article 6.

6.4 Miscellaneous. The indemnification provided by this Article 6 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by law, agreement, vote of Members, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, or Committee Member and shall inure to the benefit of the heirs and personal representatives of such person.

6.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, Committee Member, employee, or agent of the Association, or a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the duty to indemnify him against such liability under the provisions of this Article.

7. MINUTES AND INSPECTION OF RECORDS. Minutes of all meetings of Members and of the Board of Directors shall be kept in a business-like manner. These, plus records of all receipts and expenditures and all other official records, as defined in Section 718.111(12), Florida Statutes (2009), as amended from time to time, shall be available for inspection by Members and Board Members at all reasonable times. Provided, however, that the Directors may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and any copying.

8. FISCAL MANAGEMENT. Shall be in accordance with the following provisions:

8.1 Budget. The budget shall be adopted by the Board. A proposed annual budget of Common Expenses and anticipated revenues shall be prepared by the Board of Directors which shall include all anticipated income/revenue and expenses for operation, maintenance, and administration of the Condominiums and the Association Property. The proposed budget may also include expenses of security, in-house communications, Directors and Officers insurance, transportation services, bulk cable or master antenna television, and interior pest control, all of which are declared to be Common Expenses under these Bylaws. The proposed budget shall include reserves per Section 718.112(2)(f)2, Florida Statutes (2009), as amended from time to time, the funding of which may be waived or reduced by vote of a majority of the Voting Interests present (in person or by proxy) and voting at a duly noticed meeting of the Association, or by written agreement of a majority of the entire Voting Interests. Reserve funds and any accrued interest on the funds shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the Voting Interests present (in person or by proxy) and voting at a duly called meeting of the Association, or by the written approval of a majority of the entire Voting Interests. Class voting shall be utilized for all votes regarding reserves. The budget may contain a reasonable allowance for contingencies and provide funds for all operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year, provided that notice of the Board meeting at which the revised budget will be considered along with a copy of the proposed revisions to the budget shall be mailed to each Member as provided in Article 8.2 hereof.

If an adopted budget requires Assessments against the Units in any fiscal year which exceed 115 percent of the Assessments for the preceding fiscal year, the Board shall conduct a special meeting of the Members to consider a substitute budget if the Board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10 percent of all Voting Interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall hand deliver to each Member or mail to each Member at the address last furnished to the Association, a notice of the meeting. An Officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement. Such affidavit shall be filed among the official records of the Association. At the special meeting, Members shall consider and enact a substitute budget. The adoption of the substitute budget requires a vote of not less than a majority vote of all the Voting Interests. If a meeting of the Members has been called and a quorum is not attained or a substitute budget is not adopted by the Members, the budget adopted by the Board of Directors goes into effect as scheduled. In determining whether Assessments exceed 115 percent of similar Assessments in prior the prior fiscal year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property must be excluded from the computation.

8.2 Mailing. A copy of the proposed annual budget shall be mailed or hand-delivered to the Members not less than 14 days prior to the meeting of the Directors at which the budget will be adopted together with a notice of the meeting, and also posted 14 days in advance in a conspicuous location on the Condominium Property. The Board may include notice of its meeting to set the insurance deductible with notice of the budget meeting.

8.3 Assessments. The annual shares of the Units of the Common Expenses shall be made payable in installments due monthly or quarterly (as determined by the Board) in advance and shall become due on the first day of each such period and shall become delinquent 10 days thereafter. No invoice need be sent by the Association, although the Association may do so. The Association shall have the right to accelerate assessments of an Owner delinquent in the payment of Common Expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.

8.4 Special Assessments. Special assessments for Common Expenses which are not funded through the budget may be made by the Board of Directors, and the time of payment shall likewise be determined by them. Notice of the Board meeting at which such assessments shall be considered shall be posted and mailed to each Member as provided in Article 3.7 hereof, except in the event of an emergency. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, upon completion of such specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the Board, either be returned to the Members or applied as a credit towards future assessments.

8.5 Assessment Roll. The assessments for Common Expenses and charges shall be set forth upon a roll of the Units which shall be available for inspection at all reasonable times by unit owners. Such roll shall indicate for each Unit the name and address of the Owner, and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative of the Association or by the Board of Directors as to the status of a Unit's account may be relied upon for all purposes by any person for whom made.

8.6 Liability for Assessments and Charges. A Member shall be liable for all assessments and charges coming due while the Owner of a Unit, and such Member and Member's grantees or successors after a conveyance or other transfer of title shall be jointly and severally liable for all unpaid assessments and charges due and payable up to the time of such voluntary conveyance. Liability may not be avoided by waiver of the use or enjoyment of any Common Elements or Association Property or by abandonment of the Unit for which the assessments are due. Where a mortgagee holding a first mortgage of record obtains title to a Unit by foreclosure, such mortgagee shall be liable for such Unit's unpaid assessments, charges, or share of the Common Expenses which became due prior to acquisition of such mortgagee's title as provided in the Florida Condominium Act (2009), as amended from time to time. Such mortgagee or its successors and assigns are liable for all assessments and charges accruing after their taking of title.

8.7 Liens for Assessments. The unpaid portion of an assessment, including an accelerated assessment which is due, together with all costs, collection expenses, interest, late fees, and reasonable attorney's fees for collection, including appeals, shall be secured by a continuing lien upon the Unit.

8.8 Lien for Charges. Unpaid charges due to the Association together with costs, interest, late fees, expenses and reasonable attorney's fees shall be secured by a common law and

contractual lien upon the Unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association.

8.9 Collection — Interest; Administrative Late Fee; Application of Payments.

Assessments or charges paid on or before ten days after the date due shall not bear interest, but all sums not paid on or before ten (10) days shall bear interest at the highest rate permitted by law from the date due until paid. In addition to such interest the Association may charge an administrative late fee in an amount not to exceed the greater of \$25.00 or 5% of each installment of the assessment for which payment is received more than ten (10) days after the date due, or the maximum late fee permissible by law. The Association may also accelerate all assessments or charges which are accrued, but not yet due, in the manner provided by law. All payments upon account shall be first applied to interest, then the late fee, then to any costs and collection expenses and reasonable attorney's fees incurred, and then to the assessment payment first due.

Except as otherwise provided in the Florida Condominium Act (2009), no lien may be filed by the Association against a Condominium Unit until thirty (30) days after the date on which a notice of intent to file a lien has been delivered to the Owner pursuant to Section 718.121(4), Florida Statutes (2009), as amended from time to time.

8.10 Collection — Suit. The Association, at its option, may enforce collection of delinquent assessments or charges by suit at law, by foreclosure of the lien securing the assessments or charges, or by any other remedy available under the laws of the State of Florida, and in any event the Association shall be entitled to recover the payments which are delinquent at the time of collection, judgment, or decree, together with those which have become due by acceleration or which have thereafter become due, plus interest thereon, and all costs and expenses incident to the collection and the proceedings, including reasonable attorney's fees, incurred before trial, at trial, and on appeal. The Association may attach rental income for delinquent Units and may withhold approval for the sale, lease, or other transfer of a Unit, or any interest therein, until all past due assessments, interest, late fees, costs, and attorney's fees have been paid in full. The Association must deliver or mail by certified mail to the Member written notices of its intention to file a lien and to foreclose the lien, as provided by law.

8.11 Association Depository. The Depository of the Association in which the funds of the Association shall be deposited, shall be financial institutions authorized to do business in Florida which carry FDIC insurance or equivalent private insurance such provided that such insurance is backed by the full faith and credit of the United States of America. Alternatively, the Association may deposit funds with brokerage houses or institutions which are Members of the National Association of Securities Dealers, Inc. and insured by industry insurance backed by the full faith and credit of the United States of America. Principal of Association funds, whether reserves or operating funds, may not be placed at risk for investment purposes. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the Directors.

8.12 Commingling of Funds. All funds of the Association shall be maintained separately in the Association's name. No community association manager or business entity required to be licensed or registered under Section 468.432, Florida Statutes (2009), as amended

from time to time, no agent, employee, Officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in Section 468.431, Florida Statutes (2009), as amended from time to time, or with those of any other entity. Reserve funds and operating funds of the Association may be commingled for investment purposes, as provided by law.

8.13 Financial Reports. A complete financial report of actual receipts and expenditures of the Association shall be made annually which shall comply with Rule 61B-22, Florida Administrative Code (2009), as amended from time to time, and with Section 718.111(13), Florida Statutes (2009), as amended from time to time.

8.14 Fidelity Bonding. The Association shall obtain and maintain adequate fidelity bonding in the minimum principal sum set forth in the Act, for each person (whether or not a Director) who controls or disburses Association funds, and the President, Secretary and Treasurer. The Association shall bear the cost of bonding of Directors and Officers. In the case of a community association manager or management firm, the cost of bonding may be allocated as the parties may agree. All persons providing management services to the Association, or otherwise having the authority to control or disburse Association funds, shall provide the Association with a certificate of insurance evidencing compliance with this paragraph, naming the Association as an insured under said policy.

9. PARLIAMENTARY RULES. Robert's Rules of Order (latest edition) shall be used as a guide in the conduct of Members' meetings, Board meetings, and Committee meetings to ensure fairness, impartiality, and respect for minority views without unduly burdening majority rights. Meetings shall also be conducted in accordance with these Bylaws and the procedures established by the Board from time to time, including the form of voting documents to be used. The ruling of the Chair of the meetings unless he or the Board of Directors designates a third person, as Parliamentarian, shall be binding unless contrary to law.

10. BY-LAW AMENDMENTS. Amendments to the Bylaws shall be adopted in the following manner:

10.1 Proposal of Amendments. An amendment may be proposed by the President of the Association, a majority of the Directors, or by twenty-five percent (25%) of the entire Voting Interests.

10.2 Proposed Amendment Format. Proposals to amend existing Bylaws shall contain the full text of the article to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BYLAWS. SEE BY-LAW NUMBER FOR PRESENT TEXT."

10.3 Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

10.4 Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of two-thirds (2/3rds) of the Voting Interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present, or by the written agreement of two-thirds (2/3rds) of the entire Voting Interests of the Association. Amendments correcting errors, omissions or scrivener's errors may be executed by the Officers of the Association, upon Board approval, without need for Association membership vote.

10.5 Effective Date. An amendment when adopted shall become effective after being recorded in the Lee County Public Records according to law.

10.6 Proviso. Provided, however, that no amendment shall change the configuration of any Unit or the share in the Common Elements appurtenant to it, or increase the Owner's proportionate share of the Common Expenses, unless the record Owner of the Unit concerned and all record Owners of the mortgages on such apartment shall join in the execution of the amendment, and all other Members approve the amendment.

11. DISPUTE RESOLUTION.

11.1 Mandatory Arbitration. If unresolved, disputes between the Board and Members as defined in Section 718.1255(1), Florida Statutes (2009), as amended from time to time, must be arbitrated in mandatory non-binding arbitration proceedings as provided in the Condominium Act prior to commencing litigation, so long as the Condominium Act requires such arbitration.

11.2 Member Inquiries. When a Member files a written inquiry by certified mail with the Board, the Board shall respond in writing to the Member within 30 days of receipt of said inquiry. The Board's response shall either give a substantive response to the inquirer, or notify the inquirer that legal advice has been requested, or notify the inquirer that advice has been requested from the Association's counsel or the Division. If the Board requests advice from the Division, the Board shall, within ten days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the inquiry, provide in writing a substantive response to the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the Association from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. Absent a different rule adopted by the Board of Directors, the Board shall only be obligated to respond to one inquiry per month pertinent to any particular Unit. In the event of a grievance of a Member against the Association, the Board of Directors, or a Member thereof, written notice in detail of the grievance shall be given the Directors prior to the institution of litigation, (including but not limited to arbitration) and they shall be allowed a period of 30 days in which to resolve the grievance.

11.3 Other Remedies. Nothing herein shall preclude the Association from pursuing any remedy for the violation of the Condominium Documents or disputes with a Member or other party as may be available to the Association under the laws of the State of Florida or the Condominium Documents.

12. MISCELLANEOUS. The following miscellaneous provisions shall apply to these Bylaws and the Condominium Documents.

12.1 Conflicts. The term “Governing Documents” and “Condominium Documents” as used in these Bylaws and elsewhere shall include the Master Declaration and the Declarations of Condominium, Articles of Incorporation, these Bylaws, the Rules and Regulations of the Association, the Plats, Surveys, Plot Plans, and graphic descriptions of improvements of record, and all other exhibits to the original Declarations of Condominium or Master Declaration. In the event of a conflict between the language in the Governing Documents and/or the Declarations of Condominium and the graphic descriptions of record, the graphic description of record shall control. In the event of a conflict between language in any of the other Condominium Documents, the following priorities shall control:

12.1.1 Master Declaration;

12.1.2 Declarations of Condominium;

12.1.3 Articles of Incorporation;

12.1.4 Bylaws; and

12.1.5 Rules and Regulations.

12.2 Gender. The use of the term “he,” “she,” “his,” “hers,” “their,” “theirs” and all other similar pronouns should be construed to include all genders and encompass the plural as well as the singular.

12.3 Severability. In the event that any provisions of these Bylaws is deemed invalid, the remaining provisions shall be deemed in full force and effect.

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