
HARBOR COVE RESIDENT OWNED
COMMUNITY, INC.

AMENDED AND RESTATED BYLAWS

HARBOR COVE
A COOPERATIVE MANUFACTURED
HOUSING COMMUNITY

****A 55+ AND OLDER COMMUNITY****

12/12/2013

HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

AMENDED AND RESTATED BYLAWS

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AMENDED AND RESTATED
BYLAWS
HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

ARTICLE 1.
IDENTIFICATION

- 1.1 Corporate Documents.** These are the Corporate Bylaws of HARBOR COVE RESIDENT OWNED COMMUNITY, INC. (herein, "the Association"), a corporation not for profit under the laws of the State of Florida. The original Articles of Incorporation of the Association were filed in the office of the Secretary of State on October 15, 1997, Charter Number N97000002159. The original Bylaws of the Association were recorded at Official Records Book 2977, Page 549 et seq. of the Public Records of Sarasota County, Florida. The Original Declaration of Master Form Occupancy Agreement for HARBOR COVE, A COOPERATIVE MANUFACTURED HOUSING COMMUNITY (herein, "the Cooperative") was recorded at Official Records Book 2977, Page 633 et seq. of the Public Records of Sarasota County, Florida.
- 1.2 Purpose.** The general purpose for which the Association is organized is to provide an entity pursuant to Chapters 617, 719 and 723, Florida Statutes, as amended from time to time, for the operation and management of the affairs and property of the Cooperative.
- 1.3 Principal Office.** The principal office of the Association shall be 499 Imperial Drive, North Port, Florida 34287. The Association Board of Directors may change the location of the principal office of the Association from time to time as provided by law.
- 1.4 Seal.** The seal of the Association shall be in circular form, bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit" and the year of incorporation (1997).
- 1.5 Definitions.** The word "Corporation" shall be the equivalent of "Association", as defined herein and in the Declaration of Master Form Occupancy Agreement. The terms used herein shall have the same definitions as stated in Chapter 719, Florida Statute (herein, "the Cooperative Act"), unless the context requires otherwise.

**ARTICLE 2.
DEFINITIONS**

- 2.1 Common Area.** Common Area or Common Areas shall mean and refer to all real property (including the improvements thereon) now or hereafter owned by the Association which is not included in the Unit/Lots, or as to which it has been granted easement rights, for the common use and enjoyment of the Members of the Association.
- 2.2 Community or Cooperative.** Community or Cooperative shall mean and refer to that certain residential development known as HARBOR COVE, A COOPERATIVE MANUFACTURED HOUSING COMMUNITY as described in the Master Form Occupancy Agreement.
- 2.3 Member.** Member shall mean and refer to those persons entitled to Membership in the Association as provided for in Article 4 of the Articles of Incorporation and these Bylaws.
- 2.4 Membership Certificate.** Membership Certificate shall mean and refer to the certificate or certificates issued to each Member by the Association evidencing Membership held thereby.
- 2.5 Owner or Unit Owner.** Owner or Unit Owner shall mean and refer to the owner, whether one or more persons or entities, of any Unit/Lot within the Cooperative.
- 2.6 Master Occupancy Agreements.** Master Occupancy Agreement or Declaration of Master Form Occupancy Agreement shall mean the Declaration of Master Form Occupancy Agreement originally recorded at Official Records Book 2977, Page 633 et seq. of the Public Record of Sarasota County, Florida. These Bylaws and the powers and duties of the directors and officers of the Association shall be subject to the terms of such Master Occupancy Agreement, as amended from time to time.
- 2.7 Occupancy Agreement.** Occupancy Agreement shall mean that Occupancy Agreement entered into between the Association and the Members of the Association to occupy a Unit/Lot in the Cooperative.
- 2.8 Unit or Lot.** Unit or Lot shall mean and refer to any mobile home lot within the Cooperative as shown on the Plot Plan of Units in the Master Occupancy Agreement which is subject to exclusive use and possession of the Member.

ARTICLE 3.
ASSOCIATION MEMBERSHIP

3.1 Membership. Every person or entity who has entered into an occupancy agreement with the Association for a unit/lot in the Cooperative and who has purchased a Membership Certificate in the Association shall be a Member of this Association. The foregoing is not intended to include persons or entities who hold an interest in a Membership Certificate merely as security for the performance of an obligation. Ownership of a Membership Certificate and an occupancy agreement shall be the sole qualifications for Membership. When any such occupancy agreement is owned of record by two or more persons or other legal entity and such persons also own a Membership Certificate, all such persons or entities shall be Members. An occupant of more than one mobile home lot shall be entitled to one Membership Certificate for each such unit/lot occupied by a mobile home owned by him. Membership shall be appurtenant to and may not be separated from the occupancy agreement and the Membership Certificate and may only be transferred by the conveyance or other transfer of that occupancy agreement and Membership Certificate pursuant to and as determined by the Bylaws of the Association. If the Membership Certificate is vested in more than one person, all of the persons owning the Membership Certificate shall be eligible to attend meetings and act as full Members of the Association.

3.2 Issuance of Membership Certificate. The issuance of Membership Certificates shall be limited to eight hundred five (805) certificates, representing one (I) certificate for each Unit/Lot in the Cooperative. The number of Membership Certificates may be increased if additional units are created by a vote of the Membership as provided herein. The Board of Directors shall have the right to increase the price of Membership Certificates, from time to time, at its sole discretion.

~~The Association's initial price for each Membership Certificate was:~~

<u>CATEGORY</u>	<u>PRICE</u>
A	\$28,000
B	\$29,000
C	\$30,000
D	\$30,500
E	\$33,000
F	\$35,000
G	\$36,500
H	\$38,200
I	\$39,900

3.3 Transfer of Membership. In order for a transfer to be valid, the transferring Member must produce the Membership Certificate or post bond if the Membership Certificate is lost or destroyed. Prospective buyers into Harbor Cove must complete an application for purchase. Approval can be granted by an appointed board director or its designee (manager or board directors). Board vote is required to deny a prospective buyer. New Membership Certificates are signed by two officers and transferred on the books of the Association. Transferability of each Membership Certificate shall be restricted and limited to a transfer in conjunction with the Master Occupancy Agreement pursuant to the terms of such Master Occupancy Agreement.

~~**3.3 Transfers.** Transferability of each Membership Certificate shall be restricted and limited to a transfer in conjunction with the Master Occupancy Agreement pursuant to the terms of such Master Occupancy Agreement the actual Membership Certificate is an essential instrument to a transfer. In order for a transfer to be valid, the transferring member must produce the Membership Certificate (or post bond if the Membership Certificate is lost or destroyed) and have it transferred on the books of the Association.~~

~~**3.4 Notification and Price.** No transfer of a Membership Certificate shall be effective unless the Board of Directors is first notified of the transfer in writing at least fifteen (15) days prior thereto and the Board of Directors issues its written approval of the transfer, which approval shall not be unreasonably withheld.~~

~~**3.4 3.5 Ownership.** Each Membership Certificate shall be titled in the same manner as the respective Member's Occupancy Agreement.~~

~~**3.5 3.6 Restriction.** No Member shall be permitted to pledge, assign, transfer, lien, hypothecate, sell, convey or otherwise dispose of its Membership Certificate(s) in contravention of these Bylaws, as amended from time to time.~~

~~**3.6 3.7 Inscription of Membership Certificate.** All Membership Certificates shall be inscribed with the following statement:~~

“The rights of any Holder of this Membership Certificate are subject to the Articles of Incorporation and the Bylaws of the Association and all terms and conditions of the Occupancy Agreement made between the Association and the person in whose name this certificate is issued, which limit and restrict the title and rights of any transferee of this certificate and impose a lien on this certificate to secure payment of assessments, indebtedness, common expenses and other sums which may become due to the Association from the holder hereof.”

ARTICLE 4. MEMBERS' MEETINGS

4.1 Annual Membership Meetings. The annual meeting of the Association Membership shall be convened during the first calendar quarter of each year on a specific date, time and location set by the Board of Directors ~~from time to time. The Board of Directors may change the date, time and location of the annual membership meeting from time to time~~ as it determines to be in the interests of the Association. The purposes of the annual meeting shall be to elect directors and to transact any other business authorized to be transacted by the Members.

4.2 Special Membership Meetings. Special meetings of the Members shall be held whenever called by the President, Vice President(s) or by a majority of the entire Board of Directors, and must be called by the President or Vice President(s) upon receipt of a request in writing by Members entitled to cast not less than one-third (1/3rd) of the votes of the entire Membership. A meeting requested by the Members shall be called for a date not less than fourteen (14) days nor more than sixty (60) days after the request is received by the Board of Directors. The notice of a special Membership meeting shall state a valid purpose or purposes for the meeting and the business conducted therein shall be limited to those matters.

- 4.3 Special Meeting to Recall Board Members.** A special meeting of the Members to recall a Member or Members of the Board of Directors may be called by not less than ten percent (10%) of the Members entitled to vote giving notice of the meeting as required for a meeting of Members, stating the purpose of the meeting, and including such other information required by the Department of Business and Professional Regulation, Division of ~~Florida Land Sales~~ Condominiums, Time Shares and Mobile Homes (~~herein, the "Division"~~).
- 4.4 Notice of Members' Meeting.** Written notice of all Members' meetings shall state the date, time and place for which the meeting is called. The notice shall include a meeting agenda and shall be given by the President, Vice President(s), Secretary or Association Manager. Such a notice and agenda shall be mailed or hand-delivered to each Member at the Member's address as it last appears in the official records of the Association. Each Member is responsible for promptly notifying the Association in writing of any change of address. The Association shall mail or hand-deliver the notice and agenda to the Members not less than fourteen (14) days nor more than sixty (60) days prior to the date of the Membership meeting. The Association shall also conspicuously post the meeting notice and agenda on the Cooperative property at least fourteen (14) continuous days prior to the meeting. When required by the Cooperative Act, proof of such mailing or delivery and posting of notice shall be given by the affidavit of the person giving the notice.
- 4.5 Quorum.** A quorum at Members' meetings shall be obtained by the presence, either in person or by proxy, of persons entitled to cast at least one-third (1/3rd) of the votes of the Membership. ~~The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Members, except where approval by a greater number of Members is required by the Declaration of Master Form Occupancy Agreement, the Articles of Incorporation, these Bylaws or by law.~~
- 4.6 Waiver.** Notice may be waived by a Member before or after a Membership meeting. A Member waives any defect or lack of notice by attending a meeting, except when that attendance is for the expressed and sole purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- 4.7 Voting Rights.** At any meeting of Members, each Member shall be entitled to cast one (1) vote for each Membership Certificate owned. If a Membership Certificate is owned by one person, the right to vote shall be established by the record title to the Membership Certificate. The Association shall not be entitled to vote the Membership Certificates it holds which have never been issued to a third party.
- 4.8 Voting for Membership Certificates Jointly Owned.** If a Membership Certificate is owned by more than one person, the person entitled to cast the vote conferred by the Membership Certificate shall be designated by a voting certificate signed by all of the record owners of the Unit and filed with the Association Secretary. The person designated in a certificate pursuant to this section who is entitled to cast the vote for a Membership Certificate, as well as any sole owner of a Membership Certificate, shall be known as the "Voting Member." The certificate remains valid until revoked or superseded by a subsequent voting certificate or until a change in the ownership of the Membership Certificate concerned. A certificate designating the person entitled to cast the vote conferred by the Membership Certificate may be revoked by any owner of the Membership Certificate.

4.9 Voting for Husband and Wife. If a Membership Certificate is owned jointly by a husband and wife, the following provisions are applicable thereto:

- a) They may, but they shall not be required to, designate a Voting Member.
- b) If they do not designate a Voting Member and if both are present at a meeting, either one present may cast the vote (but only one [1] vote), just as though he or she owned the Membership Certificate individually and without establishing the concurrence of the other person. If the votes conflict, then no vote shall be counted for that Membership Certificate.
- c) If they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the vote, just as though he or she owned the Membership Certificate individually and without establishing the concurrence of the absent person

4.10 Voting for Membership Certificates Held by a Corporation, Trust or Partnership. If a Membership Certificate is owned by a corporation, the person entitled to cast the vote for the Membership Certificate shall be designated by a voting certificate signed by the President or Vice President(s) of the Corporation and attested by the Secretary or Assistant Secretary of the Corporation. If the Membership Certificate is owned by a partnership, the person entitled to cast the vote for the Membership Certificate shall be designated by a voting certificate signed by a partner. If the Membership Certificate is owned by a trust, the person entitled to cast the vote for the Membership Certificate shall be designated by a voting certificate signed by a trustee of the trust. All such voting certificates must be filed with the Association Secretary. Such voting certificate shall be valid until revoked, until superseded by a subsequent certificate or until a change in the ownership of the Membership Certificate concerned. A certificate designating the person entitled to cast the vote conferred by Membership Certificate ownership may be revoked by any person authorized to sign the voting certificate. If a voting certificate is not on file for a Membership Certificate owned by a corporation, partnership or trust, then the vote conferred by Membership Certificate ownership shall not be considered in determining a quorum nor for any other purpose.

4.11 Proxies. Votes may be cast in person or by proxy substantially complying with the requirements of the Cooperative Act. A proxy must be filed in writing and signed by the person or persons authorized to cast the vote for the Membership Certificate. A proxy may be made by any person entitled to vote, and must be filed with the Association Secretary before the appointed time of the meeting or prior to the reconvening of an adjourned meeting. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjournment thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Member executing it and shall automatically cease upon transfer of the Membership Certificate. Proxies shall not be used in electing Members of the Board of Directors.

4.12 Number of Votes Required to Approve Acts. The acts approved by ~~a majority~~ at least fifty-one percent (51%) of the votes present at a meeting at which a quorum is present, including proxies, shall constitute the acts of the Members, except where approval by a greater or lesser number of Members is required by the Declaration of Master Form Occupancy Agreement, The Articles of Incorporation, these Bylaws or by law.

4.13 ~~4.12~~ **Order of Business.** The order of business at annual Membership meetings, and as far as practical at other Membership meetings, shall be:

- a. Call to Order by the President
- ~~b. At the discretion of the President, appointment by the President of a chairperson of the meeting~~
- b. Appointment of Inspectors of Election
- c. Election of directors
- d. ~~e.~~ Calling of the roll, ~~or~~ certifying of registration and proxies, and establishing a quorum
- e. ~~d.~~ Proof of notice of meeting or waiver of notice
- ~~e. Appointment of Inspectors of Election~~
- ~~f. Election of directors~~
- f. ~~g.~~ Reading and disposal of any unapproved minutes
- g. Reports of officers
- h. Reports of committees
- i. Unfinished business
- j. New business
- k. Adjournment

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

4.14 ~~4.13~~ **Adjourned Meeting.** The Members who are present, either in person or by proxy, may adjourn a Membership meeting from time to time as they determine appropriate. Any business may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called without further notice. If additional business will be transacted, the adjourned meeting must be noticed as provided in Article 4.4 hereof.

4.15 ~~4.14~~ **Presiding Officer.** The chairperson at all Members' meetings shall be the President, or in the President's absence or disability, the 1st Vice President. In the absence of the 1st Vice President, the chairperson shall be the 2nd Vice President. ~~or disability of both the President and the Vice President, the President may designate any other person to preside.~~ In the absence of all of the above, the Board of Directors Members present shall may designate any other person to preside as chairperson of the meeting subject to the approval of the Members present.

4.16 **Voting Records.** Ballots, sign-in sheets, inner and outer Ballot envelopes, voting proxies, and all other papers relating to the voting by Members shall be maintained for a period of one (1) year after the date of the election vote or meeting to which the document relates or as otherwise required by the Cooperative Act.

4.17 ~~4.15~~ **Minutes of Meetings.** The minutes of Members' meetings shall be kept in a book available for inspection by Members or their authorized representatives at any reasonable time. The Association shall maintain these minutes for a period of not less than seven (7) years or as otherwise required by the Cooperative Act.

4.18 ~~4.16~~ **Action by Written Agreement.** Anything to the contrary herein notwithstanding, to the extent lawful, any action required or permitted to be taken at any annual or special meeting of Members may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action ~~to be so taken, shall be~~ is signed by the Members having the requisite number of votes necessary to approve the action. A vote conducted under this Section must comply with any applicable requirements contained in the Corporations Not For Profit Act, Chapter 617, Florida Statutes, as may be amended from time to time. ~~not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of Members at which a quorum of Members entitled to vote thereon were present and voted. 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 by a vote of the Members at a meeting of the Members held on the sixtieth (60) day. Within ten (10) days after obtaining such authorization by written consent notice must be given to Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.~~

4.19 ~~4.17~~ **Actions Specifically Requiring a Member Vote.** The following actions require approval ~~by~~ of at least fifty-one percent (51%) of the votes of the Members present at a meeting at which a quorum is present, including proxies, and may not be taken by the Board of Directors acting alone:

- (a) ~~Changes in~~ Change the configuration or size of a Unit, including merger of two (2) or more Unit/Lots to form a single Unit/Lot, division of areas into additional lots or other use
- (b) Purchase and/or sell of real property, land within the Cooperative (note: This provision does not apply to any legal action taken by the Association against a Member to collect unpaid assessments or other authorized charges pursuant to the rights contained within these Bylaws, the Articles of Incorporation, the Master Form Occupancy Agreement and/or the laws of the State of Florida. This provision also does not apply to the purchase of a Unit/Lot by the Association.)
- (c) ~~Sale of land within the Cooperative~~
- (c) ~~(d)~~ Amend the Master Occupancy Agreement
- (d) ~~(e)~~ Provide no reserves, or less than adequate reserves
- (e) ~~(f)~~ Recall of Members of Board of Directors
- (f) ~~(g)~~ Change other matters contained in the Articles of Incorporation, these Bylaws or the laws of the State of Florida that specifically require a vote of the Members
- (g) Materially alter any Common Area.

ARTICLE 5.
BOARD OF DIRECTORS

5.1 Number. The affairs and operation of the Association shall be managed by a Board of Directors. ~~The number of directors Board shall be composed of not less than nine (9) ten (10) nor more than twenty one (21) directors, and shall always be an odd number. The Members, by resolution adopted at a Membership meeting may increase or decrease the number of directors. The number of directors shall be eleven (11) until such time as the Members exercise their right to adopt a resolution to change the number of directors. The Members of the Board of Directors shall be elected at the annual Membership meetings.~~

5.2 Powers and Duties of the Board of Directors. ~~All of the powers and duties of the Association existing under the Cooperative Act (Chapter 719, Florida Statutes), the Florida Not for Profit Corporation Act (Chapter 617, Florida Statutes), the Mobile Home Act (Chapter 723, Florida Statutes), the Master Occupancy Agreement Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors, subject only to approval by Members when such is specifically required. The Board may delegate its authority to its officers, agents, contractors or employees, except where prohibited by law. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and may do all acts except such acts which by law or these Bylaws may not be delegated to the Board of Directors by the Members.~~

The Board of Directors shall have the power and duty to:

- a. Operate and maintain the common areas
- b. Determine the expenses required for the operation of the common areas
- c. Determine the expenses required for the operation of the Corporation
- d. Collect rents, user fees, and assessments necessary for the common expenses of the Corporation
- e. Employ personnel necessary for the operation of the common areas
- f. Adopt rules and regulations covering the details of the operation of the Cooperative
- g. Maintain bank accounts, purchase, lease, or acquire Membership certificates and dwelling units, as applicable thereon, in the name of the Corporation
- h. Sell, sublet, transfer, mortgage or otherwise deal with the corporate assets
- i. Obtain insurance
- j. Borrow money on behalf of the Corporation when required in connection with capital improvements, operation, care, upkeep and maintenance of the common areas, or refinancing of the cooperative mortgage

- k. Exercise any other powers and duties of the Association existing under the Cooperative Act (Chapter 719, Florida Statutes), the Florida Not For Profit Corporation Act (Chapter 617, Florida Statutes), the Mobile Home Act (Chapter 723, Florida Statutes), The Master Occupancy Agreement, Articles of Incorporation and These Bylaws; such powers and duties to be exercised exclusively by the Board of Directors, subject only to approval by Members when such is specifically required
- l. Delegate its authority to its officers, agents, contractors or employees, except where prohibited by law.

5.3 Qualifications. Every Director must be a Member, a Co-Member, a Member's spouse or the designated voter of a Member who is not a natural person (i.e., a corporation, partnership, trust, etc.), shall be at least eighteen (18) years of age and must fulfill all other requirements of eligibility provided in the Master Occupancy Agreement and these Bylaws. A grantor of a trust described in Section 733.707(3), Florida Statutes, or a beneficiary (as defined in Section 737.303(4)(b), Florida Statutes) of a trust which owns a Membership Certificate shall be eligible to serve as a Director of the Association, provided that said trustee or beneficiary occupies the Unit. No Director shall continue to serve as such if he ceases to be a Member.

5.4 Election of Directors. The election of directors shall be held at the annual Membership meetings, in the manner provided by law.

- (a) At least sixty (60) days before a scheduled election, the Association shall mail, whether by separate Association mailing or included in another Association mailing (including regularly published newsletters) or hand-deliver to each Member entitled to vote, a first notice of the date of the election. Any Member or other eligible person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than forty (40) days before the scheduled election. If furnished to the Association by the Director candidate not less than thirty-five (35) days prior to the election, the Association shall include with the mailing of the second notice of election a one-sided candidate information sheet, not larger than 8-1/2 inches by 11 inches. The Association is not responsible for and shall not alter the content of the Director candidate information sheet. At least fourteen (14) days before the election meeting, the Association shall mail or hand-deliver a second notice of the Membership meeting to all Members entitled to vote, together with the candidate information sheets and a written ballot which shall list alphabetically by surname all Director candidates who timely provided written notice to the Association. The Association shall pay the costs of mailing and copying of the candidate information sheets. The Association may copy candidate information sheets on both sides of a sheet of paper. There shall be no nominations from the floor on the date of election.

- (b) At the discretion of the Board of Directors, either written ballots or a voting machine will be available for use by those owners attending the meeting in person. A Member who needs assistance in voting due to blindness, disability or inability to read or write may obtain assistance, but no Member shall permit another person to cast his or her ballot and any such improperly cast ballot shall be deemed invalid.
- (c) If more persons are timely nominated than there are vacancies to be filled, the election shall be by secret ballot cast in the manner required by the Cooperative Act. The nominees receiving the greatest number of votes cast shall be elected. Voting shall be non-cumulative. If two or more candidates for the same position receive the same number of votes, which would result in one or more candidates not serving or serving a lesser period of time, the Association shall conduct a runoff election in accordance with the procedures set forth herein. Within seven (7) days of the date of the election at which the tie vote occurred, the Board shall mail or personally deliver to the voters, a notice of a runoff election. The only candidates eligible for the runoff election to the Board position are the runoff candidates who received the tie vote at the previous election. The notice shall inform the voters of the date scheduled for the runoff election to occur, shall include a ballot conforming to the requirements of Florida law, and shall include copies of Candidate Information Sheets previously submitted by those director candidates to the Association. The runoff election must be held not less than twenty-one (21) days, nor more than thirty (30) days, after the date of the election at which the tie vote occurred.
- (d) There shall be no quorum requirement for an election of directors; however, at least twenty percent (20%) of the eligible voters must cast a ballot to have a valid election. Notwithstanding the foregoing, an election and balloting are not required unless more candidates file a notice of intent to run or are nominated than vacancies exist on the Board of Directors.

5.5 Term. Directors shall be elected to serve a three (3) ~~two (2)~~ year term of office. A Director's term of service shall extend to the annual election at which the Director's successor is ~~duly elected and qualified,~~ after three (3) years of service, or until the Director's early resignation, removal or death.

5.6 Vacancies. Except as to vacancies provided by removal of a majority of the directors by Members (which shall be filled in the manner provided by the Cooperative Act), vacancies in the Board of Directors occurring between annual meetings of the Members may be filled by a majority of the remaining Directors, though less than a quorum. All directors shall be elected to serve for the remainder of the unexpired Director term, unless otherwise provided by law.

5.7 Removal. Any Director may be recalled or removed from office with or without cause, by a majority vote of all Association Members at a duly noticed and convened Membership meeting or by written petition signed by at least a majority of all Association Members, in the manner provided by the Cooperative Act. A special meeting of the Members to recall a Member of the Board may be called in the manner provided in Article ~~3~~ 4.3 of these Bylaws.

A Director may be deemed to have automatically resigned his or her position if he or she misses three (3) consecutive regular Board meetings. A majority of the Board may, upon petition, excuse such absences due to reasonable cause, including but not limited to death in the family, illness, vacation, etc.

- 5.8 Quorum.** A quorum at Board of Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of the votes present at a meeting when a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Declaration of Master Form Occupancy Agreement, Articles of incorporation, these Bylaws or by law. Directors may not vote by proxy. Directors may vote by secret ballot only for the election of officers. Directors may not abstain from voting except in the case of an asserted conflict of interest. Directors may appear at a Board meeting by telephone conference call, with a two-way speaker attached at the meeting place.
- 5.9 Organization Meeting.** The organization meeting of the newly-elected Board of Directors for the purpose of electing officers shall be held within fifteen (15) days of the election at such date, time and place as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary unless business in addition to the election of officers is to be considered by the Board.
- 5.10 Regular Meetings.** Regular meetings of the Board of Directors may be held at such date, time and place as shall be determined from time to time, by a majority of the directors or on the call of the President or Vice President(s). Except for meetings with the Association's attorney with respect to threatened, proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice, all meetings of the Board of Directors shall be open to all Members who may participate in accordance with any written policy established by the Board of Directors.
- 5.11 Special Meetings.** Special meetings of the Board may be called by the President or Vice President(s) and must be called by the President, Vice President(s) or Secretary at the written request of one-third (1/3) of the directors. Special meetings of the Board of Directors must be noticed and conducted in the same manner as provided herein for regular meetings.
- 5.12 Notice of Meetings.** Notice of each Board meeting shall be given to each Director, personally or by mail, e-mail, telephone, facsimile transmission or telegraph, and shall be conspicuously posted on the cooperative property at least forty-eight (48) continuous hours before the meeting, except in the case of an emergency. Any item may be taken up on an emergency basis by a vote of at least a majority plus one of the Members of the Board of Directors. Such emergency action shall be noticed and ratified at the next regular meeting of the Board of Directors. All notices shall include an agenda for all known substantive matters to be discussed. Also, not less than fourteen (14) continuous days notice shall be mailed or hand delivered to the unit owners and posted conspicuously on the Cooperative of any Board meeting

which will consider the levy of a non-emergency special assessment, the approval of the annual budget or the adoption of a proposed rule regarding unit use. Evidence of compliance with this fourteen (14) day notice requirement shall be by affidavit by the person giving the notice and filed among the official records of the Association.

5.13 Voting. A Director who is present (in person or by two-way conference call) at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the Director votes against the action or expressly abstains from voting thereto because of an asserted conflict of interest. Directors shall not vote by proxy or secret ballot, except officers may be elected by secret ballot. A vote or abstention by each Director shall be recorded in the minutes on each matter which properly comes before the Board.

5.14 Waiver of Notice. Any Director may waive notice ~~to that Director~~ of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. ~~to that Director.~~ Attendance by any Director at a meeting shall constitute a waiver of notice ~~of such meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called.~~

5.15 Adjourned Meetings. At any meeting of the Board of Directors the majority of those present may adjourn the meeting from time to time, provided notice of the date, time and location of the newly scheduled meeting is given as required herein. At any newly scheduled meeting, any business that might have been transacted at that meeting as originally called may be transacted without further notice. If new business will be conducted at the adjourned meeting, the Association shall notice the meeting as required by Article 5.12 and by law.

5.16 Joinder. The subsequent joinder of an absent Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute that Director's approval of the actions taken at that meeting, but shall not be considered in determining a quorum.

5.17 Order of Business. The order of business at Board of Directors' meetings shall be, to the extent applicable:

- a) Roll call/Certification of a Quorum
- b) Proof of due notice of meeting
- c) Reading and disposal of any unapproved minutes
- d) Reports of officers and committees
- e) ~~Election of officers~~
- e) ~~f~~) Unfinished business
- f) ~~g~~) New business
- g) ~~h~~) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer of the meeting.

- 5.18 Directors' Fees.** Directors shall receive no fee or compensation. The Association may reimburse directors for any expenses or mileage charges incurred in their official capacity upon written request and after obtaining prior approval from the Board of Directors.
- 5.19 Presiding Officer.** The chairperson at all Board of Directors' meetings shall be the President, or in the President's absence or disability, or, in his/her absence, the 1st Vice President. In the absence of the President and the 1st Vice President, the Chairperson shall be the 2nd Vice President. In the absence of all of the above, the Directors present may shall designate one of their Members to any other Director to preside as chairperson of the meeting.
- 5.20 Minutes of Meetings.** The minutes of all meetings of the Board, Executive and Appointed Committees meetings shall be kept in a book available for inspection by the unit owners or their authorized representatives at any reasonable time. A vote or abstention for each Director present on every matter put to vote shall be recorded in the minutes. The Association shall maintain these minutes for a period of not less than seven (7) years or as otherwise required by the Cooperative Act. ~~Ballots, sign in sheets, inner and outer Ballot envelopes, voting proxies, and all other papers relating to the voting by Members shall be maintained for a period of one (1) year after the date of the election vote or meeting to which the document relates.~~
- 5.21 Resignation.** A Director or officer may resign at any time by delivering written notice to the Board of Directors or any Association officer. A resignation is effective when the notice is delivered unless the notice specifies a later date. If the resignation is made effective at a later date, the remaining Members of the Board of Directors (including the Director whose resignation is not yet effective) may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.
- 5.22 Open Board Meetings.** Except as otherwise provided in Article 5.10 hereof; meetings of the Board of Directors shall be open to all Members. Any Member may tape record or videotape meetings of the Board of Directors subject to reasonable rules adopted by the Board of Directors. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items in accordance with any rules adopted by the Board of Directors.

ARTICLE 6. OFFICERS

- 6.1 Designation, Election, Term and Removal.** The executive officers of the Association shall be a President who shall be a Director, one or more Vice Presidents, who shall be a Director, a Secretary and a Treasurer. The Board of Directors may also elect such other officers and agents from time to time to serve the terms and have the powers and duties that the Board of Directors shall find to be required, to manage the affairs of the Association and the Cooperative. All officers shall be elected annually by the Board of Directors and may be peremptorily removed with or without cause by a majority vote of the Board of Directors at any duly noticed Board meeting. Any person may hold two (2) or more offices, except that the President shall not also be the Secretary or an Assistant Secretary. The officers of the Association shall be elected annually

by the Board of Directors and each shall hold office for one (1) year and until his/her successor is duly elected and qualified, unless he/she shall sooner resign, be removed, or be otherwise disqualified to serve.

- 6.2 President.** The President shall be the chief executive officer of the Association. The President shall have all the powers and duties usually vested in the office of president of a corporation, including but not limited to presiding at meetings of the Membership and the Board of Directors, executing documents on behalf of the Association, appointing Members to committees from time to time as the President, in his or her discretion, may determine is appropriate to assist in the conduct of the affairs and operation of the Association.
- 6.3 Vice President(s).** The Vice President(s) ~~(or if more than one, the one serving via the oldest appointment)~~ shall act as President in the absence or inability to serve of the President. ~~The Vice President(s) shall also assist the President and the Board of Directors generally and perform such other duties prescribed by the Board of Directors.~~ shall assist the President and the Board of Directors generally and perform such other responsibilities prescribed by the Board of Directors, including but not limited to:
- (a) The 1st Vice President shall act as President in the absence or inability to serve by the President.
 - (b) The 2nd Vice President shall act as President if both the President and the 1st Vice President are unavailable. The 2nd Vice President shall also act as Committee Coordinator for all ROC Committees.
- 6.4 Secretary.** The Secretary shall have ~~custody of~~ access to and maintain all the corporate records, except the Treasurer's financial records. The Secretary shall attend to the proper taking of the minutes of meetings of the Board of Directors and the Membership. The Secretary shall attend to the giving and serving of all notices to the Members and directors and other notices required by law. The Secretary shall have ~~custody of~~ access to the corporate seal, if any, and shall perform all other duties prescribed by the Board of Directors or the President. The Assistant Secretary may perform the duties of Secretary in the absence or disability of the Secretary.
- 6.5 Treasurer.** The Treasurer shall have ~~custody of~~ access to all property of the Association, including corporate funds, securities, evidence of indebtedness and financial records. The Treasurer shall keep full and accurate accounts of receipts and disbursements in accordance with good accounting practices and render accounts of them when required by the President or Board of Directors. The Treasurer shall perform all other duties prescribed by the Board of Directors or incident to the office of Treasurer. In the absence of the Treasurer, the Assistant Treasurer may perform the duties of the Treasurer.
- 6.6 Delegation.** The Board of Directors may delegate any or all of the functions of the Secretary or Treasurer to a management agent or employee, provided that the Secretary or Treasurer shall in such instance generally supervise the agent or employee in the performance of such functions.
- 6.7 Compensation.** The compensation of employees of the Association shall be fixed by the Board of Directors. Officers and directors shall receive no compensation for serving in their capacity as officers and directors of the Association. The provision that there shall be no officer or directors' fees shall not preclude the Board of Directors from

employing directors or officers as employees of the Association, nor preclude the Association from contracting with directors or officers for the management of the Cooperative.

ARTICLE 7. COMMITTEES

- 7.1 Appointment.** With the exception of the Executive Committee, the President shall have the authority, with the confirmation of the Board of Directors, to create committees and to appoint and remove (with or without cause) Members to such committees, from time to time, as he/she determines appropriate to assist in the conduct of the affairs and operation of the Association.
- 7.2 Term of Office.** Each Member of a committee shall continue as such until in the next annual Membership meeting and until his or her successor is appointed, unless the committee be terminated sooner or the Member be removed from the committee by the President, with the confirmation of the Board of Directors, the Member resigns, or unless such Member shall cease to qualify as a Member thereof.
- 7.3 Quorum.** A committee may act only when a quorum (a simple majority) is present. The act of a majority of the Members present at a committee meeting at which a quorum is present shall be the act of the committee.
- 7.4 Procedures.** Any committee with authority to take final action on behalf of the Board of Directors or make recommendations to the Board regarding the Association budget shall follow the same procedures as the Board of Directors with regard to posting or mailing of meeting notices for unit owners, agendas attendance and participation by unit owners, as required by the Cooperative Act. Committees that do not take final action on behalf of the Board or that do not make recommendations to the Board regarding the Association budget are exempt from the requirements of Section 719.106, Florida Statutes and these Bylaws.
- 7.5 Scope and Rules.** Each committee shall abide by the scope and stated purpose of the committee as defined by the President and as confirmed by the Board of Directors, and may adopt rules for its operation not inconsistent with these Bylaws and with rules adopted by the Board of Directors.
- 7.6 Reports and Action.** Every committee shall report its findings directly to the Board of Directors. A committee may not take action on behalf of the Association unless the Board adopts a written resolution specifically empowering the committee to take such action.
- 7.7 Candidate Search Committee.** A director candidate search committee composed of not less than three (3) Members may be appointed by the President and confirmed by the Board of Directors not less than ninety (90) days prior to the annual Membership meeting. The purpose of the committee shall be to seek out qualified director candidates and encourage those persons to

nominate themselves as a director candidate. The candidate search committee shall in no event nominate or recommend a specific candidate to run for a director position, but shall generally recruit and encourage eligible persons to run as director candidates.

7.8 Executive Committee. The Board of Directors, by resolution may appoint an Executive Committee to consist of three (3) or more Members of the Board. The Executive Committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Association during the intervals between the meetings of the Board insofar as may be permitted by law. The Executive Committee, however, shall not have power to:

- a) Determine the common expenses required for the operation of the Cooperative and the Association
- b) Determine the assessments payable by the Members to meet the common expenses of the Association
- c) Adopt or amend rules and regulations covering the details of the operation and use of the Cooperative
- d) Purchase, enter into Occupancy Agreements or otherwise acquire Unit/Lots in the Cooperative in the name of the Association
- e) Approve or recommend to Members any action or proposal required by the Articles of Incorporation, these Bylaws, or the laws of the State of Florida to be approved by Members
- f) Fill vacancies on the Board of Directors.

7.9 Committee Members' Compensation. The Association may reimburse committee Members for any mileage charges, or related expenses, incurred when performing committee duties upon written request and after obtaining prior approval from the committee chair and the manager.

ARTICLE 8. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Master Form Occupancy Agreement and Articles of Incorporation shall be supplemented by the following provisions:

8.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to operating and reserve accounts in accordance with Florida law and generally acceptable accounting principles.

8.2 Budget Requirements. The Board of Directors shall, upon not less than fourteen days advance written notice to the Members of the Association as required by the Cooperative Act, adopt in advance a budget for the Association for each fiscal year. The annual budget shall include the estimated funds

required to defray the common expenses and to provide and maintain funds for current expenses and reserves according to good accounting practices, as follows:

- a) **Current expenses**, which account, if applicable, shall include, but not be limited to the following items:
 1. Administration of the Association
 2. Management fees
 3. Maintenance
 4. Rent for recreational and other commonly used facilities
 5. Taxes upon Association property and leased areas
 6. Insurance
 7. Security provisions
 8. Other expenses
 9. Operating capital
 10. Fees payable to the Division
 11. Debt service.
- b) **Reserve accounts** in accordance with Section 8.3 hereof.
- c) Any Board meeting at which a proposed annual Budget will be considered by the Board shall be open to all Members. At least fourteen (14) days prior to such meeting, the Board shall hand-deliver to each Member, or mail to each Member at the address last furnished to the Association by the Member, a notice of such meeting and a copy of the proposed annual Budget. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with such notice requirement, and such affidavit shall be filed and maintained among the official records of the Association.
- d) If the Board adopts in any fiscal year an annual Budget which requires assessments against the Members which exceed one hundred fifteen percent (115%) of assessments for the preceding fiscal year, the Board shall conduct a special Membership meeting of the Members to consider a substitute budget if the Board receives, within twenty-one (21) days after adoption of the annual Budget, a written request for a special Membership meeting from at least ten percent (10%) of the Members of the Association. The special Membership meeting shall be conducted within sixty (60) days after the Board's adoption of the annual Budget. At least fourteen (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 special Membership 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, and such affidavit shall be filed and maintained among the official records of the Association. Members may consider and adopt a substitute budget at the special Membership meeting. A substitute budget is adopted if approved by a majority of all Members. If there is not a quorum at the special Membership meeting or a substitute budget is not adopted by the required vote, the annual budget previously adopted by the Board of Directors shall take effect as scheduled. If the annual Budget proves to be insufficient the Board may amend the annual Budget at any duly-noticed Board meeting.

- e) Any determination of whether the assessments exceed one hundred fifteen percent (115%) of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for maintenance, repair or replacement of the Cooperative property and Association real and personal property, anticipated expenses of the Association which the Board does not expect to be incurred on a regular or annual basis, or assessments for betterments to the Cooperative property.

8.3 Reserves. The Association shall maintain separate ledger accounts for roof replacement, repaving, building exterior, pools and for any other item of capital replacement or deferred (that is, not annual) maintenance which will exceed the amount of Ten Thousand Dollars (\$10,000.00), together with any other reserves designated in the annual Budget. Each reserve account shall be fully funded each year as provided in the Cooperative Act unless the Members for a fiscal year determine otherwise in the manner provided by that Act. Such vote shall be taken (if at all) each year, for only one year's reserves. Funds in any reserve account may (including any accrued interest) not be used for any purpose which is not appropriate to that account, unless approved by the Members as provided in the Cooperative Act.

8.4 Annual Budget Assessment. The annual assessment to fund the annual Budget shall be paid by the Members in equal monthly installments due on the first day of each month of the year for which the Budget is adopted. The Association shall provide the Members notice of the amount of the monthly payments on or before December 20 proceeding the budget year. If an annual Budget is not adopted or notice of a budget or monthly installments is not provided to the Members, the preceding budget or amount of monthly installments shall continue until such budget is adopted or such notice is provided, as applicable.

8.5 Special Assessments. Special assessments for common expenses of emergencies or other specific purposes that cannot be paid from the annual assessment for common expenses shall be made by the Board of Directors after at least fourteen (14) days' advance written notice is given to the Members at their last known address on the books of the Association. Special assessments shall be paid at the times and in the manner that the Board of Directors may require in the notice of assessment. The specific purposes of any special assessment shall be set forth in the notice and the funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in the notice.

8.6 Depository and Commingling. The funds of the Association may be kept in such bank or banks, savings and loan Association or other federally insured depository or depositories as shall be designated from time to time by the Board of Directors. Withdrawal of funds from such accounts shall be only by electronic transfers approved by or checks or other appropriate instruments signed by such persons as are authorized by the Board of Directors. All funds shall be maintained separately in the Association's name. Reserve and operating funds shall not be commingled unless combined for investment purposes, but such funds must be accounted for separately.

8.7 Financial Reporting. Within sixty (60) days after the end of the fiscal year, the Association shall prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. Within twenty-one (21) days after the financial report is completed by the Association or received by the Association from a third party, the Association shall mail to each Member at the address last furnished to the Association by the Member, or hand-deliver to each Member, a copy of the financial statement 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 719.104(4), Florida Statutes. The Association Board of Directors may elect to provide a greater level of financial review than required by the Cooperative Act. As provided in Section 719.104(4), Florida Statutes, the unit owners may vote to reduce the level of financial reporting prepared or caused to be prepared. Such a meeting and approval must occur prior to the end of the fiscal year and is effective only for the fiscal year in which such vote is taken.

8.8 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors from all persons with custody or access to custody of Association funds and from all other persons as required by the Cooperative Act. The amount of such bonds shall be determined by the Board of Directors but shall be not less than the amount required by the Cooperative Act. The premiums on such bonds shall be paid by the Association as a common expense.

8.9 Employee Compensation. The Board of Directors shall determine the compensation to be paid to corporate employees from time to time.

8.10 Fiscal Year. The corporate fiscal year shall begin on January 1 and end on December 31. The Board of Directors may change the fiscal year of the Association by a duly-adopted resolution if it is determined to be in the interests of the Association.

8.11 Acceleration of Assessment Installments upon Default. If a Member shall be in default in the payment of an installment of an assessment or a special assessment the Board of Directors may accelerate the remaining installments of the annual assessment upon not less than twenty (20) days' notice to the unit owner, delivered by certified or registered mail, return receipt request, and then the total unpaid balance of the annual assessment shall come due and payable upon the date stated in the notice.

8.12 Annual Election of Income Reporting Method. The Board of Directors shall make a determination annually, based on competent advice, as to which method of reporting shall best serve the interests of the Association for the reporting period under consideration.

8.13 Interest and Late Charge, Application of Payments. Assessments and installments on such assessments paid on or before ten (10) days after the date when due, shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate allowed by law from the date when due until paid and shall incur a late charge equal to the greater of twenty-five dollars (\$25.00) or five percent (5%) of the delinquent payment. All payments upon account shall be first credited to any interest and late charges, then to any collection costs and attorney's fees and then to the assessment payments first due. All interest and late charges collected shall be credited to the general expense account. Interest shall accrue on judgments obtained by the Association at the rate of eighteen percent (18%) per annum.

8.14 Lien for Rents and Assessments. Pursuant to Section 719.108, Florida Statutes, the Association shall have a lien on each cooperative parcel for any unpaid rents and assessment and interest thereon against the owner of such cooperative parcel until paid. Such lien shall also secure subsequent assessments, interest and late charges, as well as reasonable attorneys' fees and costs incurred by the Association incident to the collection of such assessment or enforcement of such lien. Such lien shall be executed and recorded in the Public Records of Sarasota County, Florida, and perfected as provided by Section 719.108, Florida Statutes. The foreclosure proceeding shall be brought in the name of the Association.

8.15 Rental Pending Foreclosure. In any foreclosure of a lien for rents and assessments, the unit owner subject to the lien shall be required to pay reasonable rental for the cooperative parcel and the Association shall be entitled to the appointment of a receiver to collect the same.

ARTICLE 9. REMEDIES FOR VIOLATIONS

9.1 Compliance and Default. Each unit owner shall be governed by and shall comply with the terms of the Declaration of Master Form Occupancy Agreement Articles of Incorporation, Bylaws and Rules adopted by the Association Board of Directors. Failure of a Member to comply therewith shall entitle the Association or any Member to recover damages or obtain injunctive relief or both, but such relief shall not be exclusive of other remedies provided by law. The Association shall arbitrate prior to litigation in such instances and manner as required by state law. Also, the Association Board of Directors' may levy fines for enforcement of rules and restrictions after notice and opportunity for a hearing and subject to limits, as provided in Article 12 of these Bylaws and by Association Rule in accordance with the requirements of state law.

9.2 Negligence. A Member shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any Member of his/hers family, or his/hers guests, employees, agents or tenants. A Member shall pay the Association the amount of any increase in its insurance premium occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the common areas, by the Member, a Member of his/her family, or his/hers guests, employees, agents or tenants.

9.3 Costs and Attorney's Fees. In any proceeding arising out of an alleged failure of a Member to comply with the requirements of the Cooperative Act the Declaration of Master Form Occupancy Agreement the Articles of Incorporation, these Bylaws, or the Rules adopted pursuant to said documents, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable trial and appellate attorneys' fees and costs.

9.4 No Waiver of Rights. The failure of the Association or any unit owner to enforce any covenant restriction or other provision of the Cooperative Act, the Declaration of Master Form Occupancy Agreement, the Articles of Incorporation, these Bylaws, or the rules adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

ARTICLE 10. PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall ~~govern~~ guide the conduct of all Association meetings and the operation of the corporate affairs when not in conflict with the Cooperative Act or the Not-for-Profit Corporate Act, Declaration of Master Form Occupancy Agreement, Articles of Incorporation, these Bylaws or the Rules and Regulations adopted by the Board of Directors.

ARTICLE 11. RULES AND REGULATIONS

11.1 Board May Adopt. The Board of Directors may adopt and amend, from time to time, reasonable rules and regulations governing the details of the use and operation of the Cooperative, including, but not limited to, the common areas and recreational facilities.

11.2 Posting and Furnishing Copies. A copy of the rules and regulations adopted from time to time by the Board of Directors, and any amendments to existing rules and regulations, shall be posted in a conspicuous place on the Cooperative and a copy furnished to each Member. No rule, regulation or amendment may become effective until ninety (90) days after posting, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately upon posting.

11.3 Limitations on Authority. The Board of Directors may not unreasonably restrict any Member's right;

- (a) to peaceably assemble ~~or right~~
- (b) to invite public officers or candidates for public office to appear and speak in the common areas and recreational facilities. ~~The Board~~

- (c) And may not deny any resident of the Cooperative, whether tenant or owner, access to any available franchised or licensed cable television service or exact a charge or anything of value in excess of charges normally paid for like services by residents ~~of single-family homes~~ within the same franchise or license area.

11.4 Reasonableness Test. All rules and regulations approved by the Board of Directors must be reasonably related to the promotion of health, happiness and peace of mind of the Members and residents of the Cooperative and uniformly applied and enforced.

ARTICLE 12. ENFORCEMENT FINES

12.1 Authority. In addition to other remedies provided to the Association for enforcement of the Association rules and restrictions, the Association may levy a fine against the owner or resident of any Unit as to which the owner, tenant, occupant or guest of which fails to comply with the Master Occupancy Agreement, Articles of Incorporation, Bylaws or Association Rules and Regulations.

12.2 Amount. Each fine shall be in an amount determined in each instance as provided in Article 12.4, not to exceed the amount of One Hundred Dollars (\$100.00) provided that a fine for a continuing violation may be in an amount up to One Hundred Dollars (\$100.00) for each day thereof not to exceed the total amount of One Thousand Dollars (\$1,000.00).

12.3 Notice. Prior to levying any fine, the Association shall provide written notice to the owner or resident of the Unit by personal delivery or by certified mail, return receipt requested, which notice shall include the following:

- (a) A statement of the provisions of the Master Occupancy Agreement, Articles of Incorporation, Bylaws or Association Rules which are alleged to have been violated;
- (b) A short plain statement of the matters asserted by the Association to constitute the violation, including but not limited to the date or dates of each alleged violation for which a fine may be imposed, as best as can be reasonably determined;
- (c) A statement that the Member or resident will be provided an opportunity for a hearing before a Committee of other Members, appointed by the Board of Directors in the event such a request is received by the Association not later than fourteen (14) days after receipt of the notice if by personal delivery or by certified mail or not later than twenty (20) days after the mailing of the notice if by certified mail;
- (d) A statement of the name and address of the person to whom the Member or resident may request a hearing;

- (e) The time, date and place on and at which the hearing shall be held in the event it is timely requested;
- (f) A statement that the Member or resident shall, if a hearing is timely requested, have an opportunity at such hearing to respond to the alleged violation, present evidence and provide written and oral argument on all issues involved, as well as to review, challenge and respond to any material considered by the Committee.

12.4 Hearing. In the event a hearing is timely requested and therefore held, the Committee shall consider all evidence and testimony presented at the hearing prior to the determination whether to impose a fine. Whether or not a hearing is requested and held, the Committee shall determine the amount of the fine, if any, which shall be levied, consistent with Article 12.2 above. The Committee's determination shall be transmitted to the Board of Directors which shall formally approve and levy any fine provided by that determination. After a fine is levied, the Association shall provide a demand for payment to the unit owner.

12.5 Failure to Pay. In the event a Member or resident refuses or otherwise fails to pay a fine properly levied, the Association may arbitrate 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 in such collection action, including appellate attorney's fees and costs. If a fine is levied, it shall not be a lien against a Unit, and no fine can be levied against an unoccupied unit.

ARTICLE 13. ROSTER OF MEMBERS

The Association shall maintain a roster of the names, addresses and telephone numbers and may rely upon the accuracy of such information for all purposes until notified in writing of changes by the unit owner.

ARTICLE 14. AMENDMENTS

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

14.1 Notice. The text of a proposed amendment to these Bylaws shall be included in or with the notice of any Membership meeting at which a proposed amendment will be considered.

14.2 Proposal and Approval. An amendment may be proposed either by the Board of Directors or by not less than thirty percent (30%) of the Members of the Association. Except as elsewhere provided, an amendment must be approved of by not less than fifty-one percent (51%)

of the Membership of the Association present (in person or by proxy) and voting at a Membership meeting and by the approval of not less than fifty-one percent (51%) of the Board of Directors.

14.3 Certification. Each amendment hereto shall be recorded in the Public Records of Sarasota County, Florida along with a duly-executed Certificate of Amendment.

**ARTICLE 15.
PRIORITY OF DOCUMENTS**

If there is a conflict between any provisions of the cooperative documents, they shall take priority in the following order:

- 1) Chapters 719 and 723, Florida Statutes
- 2) ~~4)~~ Master Form Occupancy Agreement
- 3) Articles of Incorporation
- 4) ~~3)~~ Bylaws
- 5) Rules and Regulations.

**ARTICLE 16.
ALTERATIONS AND IMPROVEMENTS**

~~After obtaining the approval of not less than fifty one percent (51%) of the Association's voting interest either at a duly noticed membership meeting or in writing in the manner provided in Article 4.16 of the bylaws, the Association Board of Directors may materially alter or substantially improve the common areas, Association properties and recreational facilities. The Board may materially alter or substantially improve the common areas, Association properties and recreational facilities without and membership approval if reasonably necessary to properly maintain, repair, replace the foregoing, or comply with a governmental order or requirement.~~