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LAKE COUNTY  
RECORDING FEES 81.00  
TRUST FUND 10.50

# BYLAWS OF CROSS TIE RANCH HOA, INC.

## ARTICLE I

### Name, Principal Office, and Definitions

Section 1.1. Name The name of the Association shall be CROSS TIE RANCH HOA, INC. f/k/a Cross Tie Ranch Homeowners' Association, Inc. ("Association").

Section 1.2. Principal Office The principal office of the Association shall be located c/o Sentry Management, Inc., 10332 Highway 441 Suite 102, Leesburg, FL 34788. The Association may have such other offices as the Board may determine or as the affairs of the Association may require.

Section 1.3. Definitions The words used in the Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Amended and Restated Declaration Covenants, Conditions, Restrictions, and Easements of Cross Tie Ranch recorded in the public records of Lake County, Florida, as the same may be amended from time to time ("Declaration"), unless the context indicates otherwise.

## ARTICLE II

### Association: Membership, Meetings, Quorum, Voting, Proxies

Section 2.1. Membership Every Owner shall be a Member of the Association; provided; there shall be only one membership per Lot. If a Lot is owned by more than one person, all persons comprising the Owner shall share the privileges of membership, subject to

(i) reasonable Board regulation,

(ii) the limitations set forth in, and such reasonable fees as may be established under these Bylaws or the Declaration, and

(iii) the restrictions on voting set forth in these Bylaws and the Declaration. All persons comprising a single Owner shall be jointly and severally obligated to perform the responsibilities of such Owner.

Section 2.2. Place of Meeting Meetings of the Association shall be held within Cross Tie Ranch or at such other suitable place within the State of Florida as may be designated by the Board.

Section 2.3. Annual Members Meetings Regular annual membership meetings shall be held each year in November on a date and at a time set by the Board. In the event that a quorum, as defined in Section 2.11 of these Bylaws, is not present at an annual meeting, the Association may hold the meeting for informational purposes; provided, however, except as provided for in Section 2.11, the Association may not take any action at such meeting unless a quorum is present.

Section 2.4. Special Members Meetings The President of the Association ("President") may call special meetings. In addition, it shall be the duty of the President to call a special meeting, if so directed by two or more members of the Board or upon a petition signed by at least 1/4 of the qualified voting Members.

Section 2.5. Notice of Meetings The Secretary of the Association ("Secretary") shall cause written notice stating the place, day, and hour of any meeting of the Members to be delivered by hand delivery or United States mail, postage prepaid, to each Member, or, if permitted by Florida law, by facsimile, computer, fiber optics, cable, or other similar communication devices or such other manner which is reasonably calculated, as determined in the discretion of the Board, to provide personal notice to the Members entitled to notice. Such notice shall be delivered not less than six (6) nor more than thirty (30) days before the date of such meeting. For the purposes of the Annual Election, the levying of assessments as provided in Article V, Sections 3-4 of the Declaration, or any other action governed by the Declaration or Articles of Incorporation or Florida law, notice of such meeting shall be given or sent as therein provided.

Notice of an annual meeting need not include a description of the purpose or purposes for which the meeting is called. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No other business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage prepaid. If sent by facsimile, computer, fiber optics, cable, or such other similar communication device, notice shall be deemed to be delivered when transmitted to the Member at his or her address or number as it appears on record with the Association. The failure of any Member to receive actual notice of the meeting of the Members shall not affect the validity of any action taken at such meeting.

**Section 2.6. Waiver of Notice** Waiver of notice of a meeting of the Members shall be deemed equivalent of proper notice. Any Member may, in writing, in person or by proxy, wave notice of any meeting of the Association, either before or after such meeting. Neither the affairs transacted nor the purpose of the meeting need be specified in the written waiver. Attendance at a meeting by a Member, either in person or by proxy, constitutes waiver of notice and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, unless the Member attends a meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

**Section 2.7. Adjournment of Meetings** A majority of the Members who are present at any annual or special member's meeting may adjourn the same to a different date, time, or place, even if a quorum does not exist. However, any such adjournment to different date, time, or place must be announced at that meeting before the adjournment is taken or notice must be given of the new date, time, or place pursuant to Section 2.5 above. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may, without further notice, adjourn the meeting to a specified date not less than five nor more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called.

Section 2.8. Voting The Association shall have one class of membership. The Members shall be all Owners and they shall have one equal vote for each Lot in which they hold the interest required for membership under Section 2.1 of these Bylaws; provided, there shall be only one vote for Lot.

Members may vote at a membership meeting by voice vote, written ballot, absentee ballot, general or limited proxy, or may vote by mail without the necessity of a meeting, as determined by and subject to such standards as are set by the Board; provided, however, meetings shall be held when required by the Declaration, these Bylaws, or Florida law. Votes for the election of directors shall be cast by written ballot at the Annual Meeting, in person, by general or limited proxy, or absentee ballot. Elections for directors may be conducted by mail at the discretion of the Board. All votes of the Members at meetings shall be subject to the quorum requirements of Section 2.11 of these Bylaws. If there is more than one person comprising the Owner of a particular Lot, the vote for such Lot shall be exercised as all persons comprising the Owner determine among themselves. Absent such notice to the Association, the Lot's vote shall be suspended if more than one person seeks to exercise it. There shall be no split vote.

Section 2.9. Proxies Members may vote by person or by proxy. Each proxy shall be in writing, dated and duly signed, shall state the date, time, and place of the meeting for which it was given, and shall be filed with the Secretary prior to the vote at the meeting for which the proxy states it is to be effective. Proxies shall be deemed filed with the Secretary, upon receipt if delivered by personal delivery, U.S. mail or facsimile addressed to the Secretary at the address or facsimile number for the Association. Unless otherwise provided in the proxy, one proxy shall cover all votes, which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the latter dated proxy shall prevail. If dated as of the same date, both proxies shall be deemed invalid. A proxy is effective only for the specific meeting for which it was given, as the meeting may lawfully be adjourned and reconvened from time to time, and each proxy automatically expires 90 days after the date of the meeting for which it was originally given. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. The proxy of any Member shall be revocable and shall automatically cease upon conveyance of such Member's Lot. Either general or limited (a/ka/ directed) proxies may be used.

Section 2.10. Majority As used in these Bylaws, the term "majority" shall mean those votes, Members, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

Section 2.11. Quorum Except as otherwise provided in these Bylaws or in the Declaration, the presence, in person or by proxy, of one-tenth (1/10) of the voting Members of the Association shall constitute a quorum at all meetings of the Association. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of the enough

Members to leave less than a quorum; provided, unless otherwise specifically set forth in these Bylaws or the Declaration, any action for which a vote of the Members at a meeting is required must be approved by at least a majority of the votes required to constitute a quorum.

Section 2.12. Conduct of Meetings The President shall preside over all meetings of the Association, and the Secretary shall ensure that minutes of the meeting are kept and that all resolutions adopted at the meeting, as well as all transactions occurring at the meeting, are recorded in a minute book.

Section 2.13. Video or Telephone Participation One or more Members may participate in and vote during any regular or special meeting of the Members by telephone conference call, video conference, fiber optics, cable, or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time, and those Members so participating shall be deemed present at such meeting for all purposes, including calculation of a quorum, as determined by the Board.

Section 2.14. Action Without a Meeting Any action required or permitted by law or by these Bylaws, the Articles of Incorporation and/or the Declaration to be taken at a special or annual meeting of the Members may be taken without a meeting, without prior notice, and without a vote, so long as such action complies with Section 617.0701, Florida Statutes, or its successor law, as from time to time amended.

### **ARTICLE III** **Board of Directors**

Section 3.1. Governing Body Composition The affairs of the Association shall be governed by a Board of Directors. Each director shall have one equal vote. All directors shall be Members of the Association. If a director ceases to meet required qualifications during his or her term, said director will thereupon cease to be a director and his or her place on the Board shall be deemed vacant. All directors shall complete, prior to commencing service on the Board, such training requirements as may be established by the Board.

In the case of a Member, which is not a natural person, any officer, director, partner, or trustee of such Member shall be presumed to be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member. No Member may have more than one such representative on the Board at a time.

Section 3.2. Number of Directors The Board shall consist of no less than three (3) and no more than seven (7) members; however the Board shall consist of an odd number.

Section 3.3. Director Applications and Nominations Candidates shall apply for or be nominated for election to the Board in accordance with policies and procedures established from time to time by the board, which policies and procedures must be established no later than 90 days prior to the election to which they apply.

Notwithstanding the above, all Members of the Association shall be eligible to serve on the Board and all Members may nominate themselves as a candidate for the Board at a meeting where the election is to be held.

Section 3.4. Election Directors shall be elected by the Members at annual elections held at each annual meeting. Elections for directors may be conducted by mail at the discretion of the Board.

Directors must be elected by a plurality of the votes cast by eligible voters. Cumulative voting shall not be permitted.

Section 3.5. Term of Office All Directors shall serve three (3) year staggered terms and shall serve and be replaced as follows:

- (a) The two (2) Directors elected at the 2001 annual meeting that received the lowest number of votes (or their replacements as applicable) shall serve until their successors are elected at the 2002 annual meeting and until those successors take office as outlined herein.
- (b) The two (2) Directors elected at the 2001 annual meeting that received the next highest number of votes (or their replacements as applicable) shall serve until their successors are elected at the 2003 annual election and until those successors take office as outlined herein.
- (c) The terms of the three (3) Directors elected at the 2001 annual meeting that received the highest number of votes shall expire when their successors are elected at the 2004 annual election and upon that person taking office as outlined below.

All directors elected to replace the above positions shall be elected for three (3) year terms.

Subject to completion of any training requirements established by the Board pursuant to Section 3.1, directors elected at annual elections shall take office at the next regular meeting of the Board and shall hold office until their respective successors are elected (or appointed as the case may be) and take office.

Section 3.6. Removal of Director and Vacancies Directors may be removed and vacancies filled as follows:

(a) By the Members:

Any member of the Board may be removed from office with or without cause by the vote or agreement in writing by a majority of all votes of the membership, so long as such removal is done in compliance with Section 617.0808, Florida Statutes, or its successor law, as the same may be amended from time to time. Vacancies created by vote shall be filled by the Members at the meeting where the Board member is removed. Vacancies created by written agreement shall be filled in the manner provided for in subparagraph 3 below.

(b) By the Board:

Any director who is shown to be in violation of any written policy or resolution adopted by the Board, or in violation of his or her fiduciary duty to the Association, may be removed by a vote of a majority of the other directors at a regular or special meeting of the Board. No such action may be taken without reasonable notice to the subject Board member and an opportunity to defend against any such charges.

(c) Filling Board Vacancies:

Any vacancy of occurring on the Board, except for a vacancy caused by the removal of a Director by the members at a meeting, may be filled by the affirmative vote of the majority of the remaining directors, even though remaining directors constitute less than a quorum, or by the sole remaining director, as the case may be, or, if the vacancy is not so filled or if no director remains, by the Members or, on the application of any person, by the Circuit Court of Lake County, Florida. A Director so elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his or her predecessor in office.

Section 3.7. Organizational Meetings The Board shall hold an organizational meeting within 30 days after newly elected or newly appointed directors take office.

**Section 3.8. Regular Meetings/ Notice of the Same** Regular meetings of the Board shall be held at such time and place as the Board shall determine, and no notice need be given to the directors prior to such regular meetings. Except in the case of emergencies, notice of the time and place of the meeting shall be communicated to Members by posting a notice of the same in a conspicuous place within the community at least 48 hours in advance of a meeting or by using such other reasonable alternative chosen by the Board. Notwithstanding the above, no assessment may be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessment. The failure of any Member to receive actual notice of a meeting of the Board does not affect the validity of the any action taken at that meeting.

**Section 3.9. Special Meeting/ Notice of the Same** Special meetings of the Board shall be held when called by the President or by any two (2) directors, or within ten (10) days after presentation to the President of the Association of a petition requesting Board action signed by a least 20% of the qualified voting Members. The notice shall specify the time and place of the meeting and the nature of any special business to be considered.

The notice shall be given to each director by:

- (a) personal delivery;
- (b) first-class mail, postage prepaid;
- (c) telephone communications, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or
- (d) facsimile, computer, fiber optics, or any such other communication device. All such notices shall be given at the director's telephone, facsimile, or e-mail number or sent to the director's address as shown on the records of the Association.

Notices sent to directors by first class mail shall be deposited into a United States mailbox at least seven (7) business days before the time set for the meeting. Except in the case of emergencies, notices given to directors by personal delivery, telephone, facsimile, or other device shall be delivered, telephoned, or transmitted at least 48 hours before the time set for the meeting.

Except in the case of emergencies, notices to Members of special meetings of the Board shall be given to Members by posting a notice of the same in a conspicuous place within the community at least 48 hours in advance of a meeting or by using such other reasonable alternative chosen by the Board. Notwithstanding the above, no assessment may be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessment. The failure of any



Member to receive actual notice of a meeting of the Board does not affect the validity of the any action taken at that meeting.

**Section 3.10. Waiver of Notice** The transaction of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held and noticed if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes.

The waiver of notice or consent need not specify the purpose of the meeting. Attendance of a director at a meeting shall also constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting is not lawfully called or convened.

**Section 3.11. Quorum of Board of Directors** At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in the Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to another time and place. Notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

**Section 3.12. Compensation** No director shall receive any compensation from the Association for acting as such; provided however; any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.

**Section 3.13. Conduct of Meetings** The President shall preside over all meetings of the Board, and the Secretary shall ensure that a minute book is kept of all meetings of the Board, recording all resolutions adopted by the Board and all transactions and proceeding of occurring at such meetings.

Section 3.14. Open Meetings Subject to the provisions of Sections 3.15 and 3.16, all meetings of the Board shall be open to all Members, but a Member other than a director may not participate in any discussion or deliberation unless permission to speak is authorized by a vote of the majority of a quorum of the Board. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the Board may exclude Members, to hold discussions between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege.

Section 3.15. Video and Telephonic Participation One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call, video conference, fiber optics, or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time, and those directors so participating shall be deemed present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

Section 3.16. Powers The Board shall have all of the powers and duties necessary and appropriate for the governance of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these Bylaws, the Article of Incorporation, and as provided by law. The Board may do or cause to be done all acts and things as are not required by the Declaration, Articles of Incorporation, these Bylaws, or Florida law to be done and exercised exclusively by the membership generally. The Board may delegate powers to committees, officers, a management agent or agents, or employees of the Association.

Section 3.17. Duties The duties of the Board shall include, without limitation:

- (a) preparing and adopting annual budgets;
- (b) Levying and collecting assessments against the Members;
- (c) providing for the operation, care, upkeep, and maintenance of the Common Areas and Recreational Areas;
- (d) retaining the services of a managing agent or agents and/or designating, hiring, and dismissing such other personnel as are necessary to perform the powers and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of the equipment, supplies, and material to be used by such personnel in the performance of their duties;

- (e) approving a bank depository to receive funds on behalf of the Association and depositing all such funds therein and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) adopting rules and regulations, and amendments thereto and establishing sanctions for infractions thereof;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas, or other areas in accordance with the Declaration and the Bylaws;
- (i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by the Board and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association; provided, the Board shall not be obligated to take any action to investigate any alleged violation of or to enforce any covenant, restriction, or rule and regulation which the Board reasonably determines is, or is likely to be, inconsistent with applicable law, or if the Board reasonably determines that the Association's position is not strong enough to take such enforcement action, or if the Board otherwise determines, in its business judgment, that such enforcement action would be inappropriate;
- (j) obtaining and carrying property, liability, and commercial crime insurance, as required in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (k) paying from "Association" funds, all applicable taxes and/or assessments, which are or could become a lien on the Common Areas and Recreational Areas or a portion thereof, with the exception of any outstanding tax or lien liabilities as a result of actions or failure to take appropriate actions on the part of the original Declarant, Developer, or Successor Declarant or Successor Developer;
- (l) paying from "Association" funds, the cost of all authorized services rendered to the Association or Members and not chargeable directly to specific Members;
- (m) keeping books with detailed accounts of the receipts and expenditures of the Association;

- (n) making available, for a fee, to any Owner, and the holders, insurers, and guarantors of any mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules and such other books, records, and financial statements of the Association as are identified as official records of the Association by Chapter 720, Florida Statutes, or its successor law, as from time to time amended;
- (o) permitting utility suppliers to use portions of the Common Area and Recreation Areas reasonably necessary to the ongoing development or operation of the Properties
- (p) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is permitted or required by Florida law, the Declaration, the Articles of Incorporation, and these Bylaws;
- (q) supervising all officers, agents and employees of the Association to ensure that their duties are properly performed; and
- (r) assisting in the resolution of certain disputes between Members and others without litigation.

(Section) 3.18. Management The Association may, but shall not be required to, employ a professional management agent or agents at compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the management agent such powers as are necessary to perform its assigned duties; provided; the Board may not delegate policy-making authority. Any agreement for the services of any management agent shall provide for termination by the Association with or without cause, and without payment of a termination fee, upon 30 days written notice, and no such agreement shall be for a duration in excess of one year, renewable by agreement of the parties for successive 1-year periods.

No remuneration shall be accepted by the management agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value shall benefit the Association. In addition, any financial or other interest which the management agent may have in any firm providing goods or services to the Association shall be disclosed promptly the Board.

The Board may designate one of its members as responsible for communications with the management agent between meetings of the Board; provided, however, such individual shall not have independent authority to supervise, or direct the activities of such management agent.

Section 3.19. Accounts and Report Accounting and controls should conform to generally accepted accounting principles. Financial Reports shall be prepared and distributed in conformance with Chapter 720, Florida Statutes, or its successor law, as from time to time amended;

Section 3.20. Borrowing and Security for Debt The Association, acting through its Board, shall have the power to borrow money for any legal purpose and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or person property as security for money borrowed or debts incurred, all without membership approval.

Section 3.21. Rights of the Association Subject to applicable law relating to Member, officer, and director conflicts of interest, the Association shall have the right to contract with any person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, and other owners or residents association, both within and outside the Properties.

## ARTICLE IV

### Officers

Section 4.1. Officers The officers of the Association shall be a President, Vice President, Secretary, Treasurer. The officers of the Association shall be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed by the Board. No officer may hold more than one office at a time.

Section 4.2. Election and Term of Office The officers of the Association shall be elected annually by the Board at the first meeting of the Board of Directors following each annual meeting of the members. Each officer shall serve a one-year term; provided; officer's term shall automatically renew until their replacement has been elected.

Section 4.3. Removal and Vacancies Any officer may be removed from office with or without cause by a vote of a majority of the directors. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled for the unexpired portion of the term by appointment by a majority of the directors.

Section 4.4. Powers and Duties The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board; provided, the Board may not confer or impose powers or duties which may not otherwise be exercised by the Board. By way of example, and not limitation, the officers shall have the following powers and duties:

## (a) President.

The President shall be the chief executive officer of the Association and shall exercise general supervision and direction of the affairs of the Association.

## (b) Vice President.

The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

## (c) Secretary.

The Secretary shall be responsible for keeping the minutes of all meetings of the Association, the Board, and the committees of the Board, and shall have charge of such books and papers as the Board may direct. In the Secretary's absence, any officer directed by the Board shall perform all duties incident to the office of secretary.

## (d) Treasurer.

The Treasurer shall have primary responsibility for the preparation of the budget and these Bylaws, and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

## (e) Assistant Secretary.

The Assistant Secretary shall act in the Secretary's absence and shall have all powers, duties, and responsibilities provided for the Secretary when so acting.

**Section 4.5. Resignation** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks, and other instruments of the Association (other than for the withdrawal of reserve funds) shall be executed by at least two different individuals who are officers of the Association, or by such other person or persons as may be designated by resolution of the Board. The Board shall require signatures for the withdrawal of reserve funds of either two members of the Board or a member of the Board and an officer of the Association who is not also a member of the Board. For purposes of this Section, "reserve funds" means monies the Board has identified in the capital expenditures budgets for use to defray the future repair or replacement of those replaceable assets which the Association is obligated to maintain and for use in making additional capital improvements and purchasing additional capital assets.

Section 4.7. Compensation Compensation of officers shall be subject to the same limitations as compensation of directors as provided above.

## ARTICLE V Committees

Section 5.1. Executive Committees of the Board Committees comprised solely of Members of the Board may be appointed to exercise the authority of the Board. Such committees shall be appointed by resolution adopted by at least a majority of the full board of directors. Notwithstanding the above, no such committee may exercise the authority of the Board in reference to (a) submission to the Members of any matter requiring an act of the Members; (b) filling vacancies on the Board or on any committee of the Board; (c) adoption, amendment, or repeal of the Bylaws. Each committee must have two or more members. The Board, by resolution, may designate one or more directors as alternate members of any such committee who may act in the place and stead of any absent member or members at any meeting of such committee. The Board may, with or without cause, dissolve any such committee or remove any director from the committee at any time. Neither the designation of any such committee, the delegation thereto of authority, nor action by such committee pursuant to such authority shall alone constitute compliance by any member of the Board of Directors not a member of the committee in question with his work for responsibility to act in good faith, in a manner he or she reasonably believes to be in the best interests of the Association, and with such care as an ordinary prudent person in a like position would use under similar circumstances.

Section 5.2. Other Committees In addition to committees of the Board as set forth in Section 5.1 and such other committees as are required or authorized under the Declaration or these Bylaws, including an Architectural Approval Committee as provided for in the Declaration, the Board, by resolution from time to time, may establish such committees and charter clubs as it deems appropriate. Any such committee may perform such tasks and functions as the Board may designate by resolution; provided no committee or committee member may exercise any power or authority, which could not otherwise be exercised by the Board in accordance with these Bylaws.

Committee members may, but need not, be directors, officers, employees of the Association or the managing agent, or Members. Committee members serve at the Board's discretion for such periods as the Board may designate by resolution; provided however, any committee member, including the committee chair, may be removed by the vote of a majority of the directors. Any resolution establishing a charter club shall designate the requirements, if any, for membership therein. Each committee and charter club shall operate in accordance with the terms of the resolution establishing such committee or charter club. The authority to charter clubs may be delegated to a managing agent, upon Board resolution.

**Section 5.3. Covenants Enforcement Committee** In addition to any other committees which the Board may establish as provided for above, the Board may appoint a covenants enforcement committee consisting of at least three and no more than seven members. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the covenants enforcement committee, if established shall be the hearing tribunal of the Association and shall conduct all hearings required by the state law or the Declaration.

**Section 5.4. Meeting Requirements** Except as provided below, in conducting its duties and responsibilities, each committee shall abide by the procedures and requirements applicable to the Board of Directors forth in Sections 3.8, 3.9, 3.10, 3.11, 3.12, 3.14, and 3.15. Notwithstanding the above, the following exceptions apply:

- (a) Regular meetings of committees may be held more or less frequently than monthly at the discretion of each committee;
- (b) Professionals (e.g. architects and engineers) appointed to an Architectural Approval Committee by the Board may receive compensation at the discretion of the Board;
- (c) The membership notice requirements contained in Sections 3.8 and 3.9 and the open meeting requirements contained in Section 3.14 shall only apply as follows:
  - (i) When committees will make a final decision regarding the expenditure of association funds;
  - (ii) For all committee meetings of any committee vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community;
  - (iii) For all executive committee meetings when a quorum of the executive committee is in attendance; and
  - (iv) For all committee meetings when a quorum of the full board is in attendance at any committee meeting.



## ARTICLE VI

### Miscellaneous

Section 6.1. Fiscal Year The fiscal year of the Association shall be January 1 through December 31 unless otherwise established by Board resolution.

Section 6.2. Parliamentary Rules Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Florida law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6.3. Conflicts If there are conflicts between the provision of Florida law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Florida law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 6.4. Books and Records

(a) Inspection by Members and Mortgagees

Subject to the exceptions set forth below, the Board shall make available for inspection and copying by any holder, insurer, or guarantor of a first mortgage on a Lot, any Member, or the duly authorized agent of any of the foregoing at any reasonable time the Official Records of the Association, but only as the same are defined by Chapter 720, Florida Statutes or any successor law, as from time to time amended. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the community, as the Board shall designate.

(b) Rules for Inspection and Copying

The Board shall establish reasonable rules with respect to such inspection and copying, including but not limited to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing and delivering copies of documents requested.

(c) Inspection by Director

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association in furtherance of such director's duties as a director.

**(d) Exception to Inspection Requirement**

Notwithstanding any provision to the contrary, the Board shall not be required to make available for inspection any portion of any book or record which relates to any of the following:

- (i) personnel matters or a person's medical records;
- (ii) communication between an attorney for the Association and the Association;
- (iii) pending or contemplated litigation;
- (iv) pending or contemplated matters relating to enforcement of the Declaration or these Bylaws;
- (v) meeting minutes or other records of a session of a Board or Association meeting that is not required by law to be open to all Members; or
- (vi) any record that is not defined as an official record of the Association, by 720, Florida Statutes or any successor law, as from time to time amended.

In addition, the Board shall not be required to disclose or make available or inspection and financial or other records of the Association if disclosure would violate local, state, or federal law.

**Section 6.5. Notices** Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications shall be in writing and shall be sent as follows:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, the Board, any officer of the Association, or the management agent, at the principal office of the Association or the management agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section; or
- (c) if to the Developer, at the principal office of the Developer, or at such other address as is designated in writing and filed with the Secretary of the Association.

All such notices shall, for all purposes, be deemed delivered and received (a) upon personal delivery to the party or address specified above, or (b) on the third day after being deposited in the United States mail, postage prepaid and properly addressed.

**Section 6.6. Indemnification** Subject to any limitations imposed by applicable law, the Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred by them and each of them in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association. The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a common Area expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

**Section 6.7. Amendment** These Bylaws may be amended only by the affirmative vote of a majority of the Board at a regular or special meeting of the Board called for that purpose; provided however, that these Bylaws may not be so amended by the Board in any manner which would be inconsistent with the Declaration or the Articles of Incorporation.

Amendments to these Bylaws shall become effective upon the date of execution and recording of the same in the Public Records of Lake County, Florida, unless a later date is specified therein. Any procedural challenge to an amendment must be made within six months of the effective date of such amendment or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

**ARTICLE VII**  
**Enforcement**

The Members of the Board of Directors shall have the right to enforce by judicial proceedings, the levying of fines, and the suspension of use rights, all rules, regulations, restrictions, conditions, covenants, reservations, liens, easement rights, and charges now or hereafter imposed by the provisions of the Declaration. The violating Members shall be subject to the payment of all attorneys fees and costs incurred by the Association pursuant to the enforcement of its governing documents and recorded easement rights, including those attorneys' fees and costs incurred prior to litigation.

**CERTIFICATION**

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of the Association;

That the foregoing Bylaws constitute the Bylaws of said Association, as duly adopted at a meeting of the Board of Directors held on the 27 day of March, 2002.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed the seal of said Association this 27 day of March 2002.

Secretary:

RON HARRELL

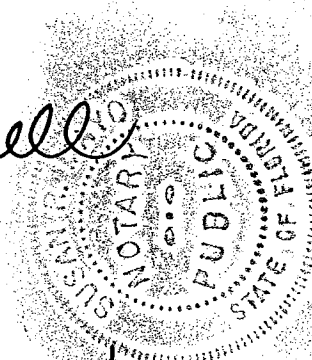
Name (print)

Ron Harrell

Signature

WITNESSED:

*[Signature]* 3/22/2002  
PRESIDENT Susan R Mayo



Susan R Mayo  
My Commission CC882542  
Expires October 24, 2003