

**AMENDED AND RESTATED BYLAWS
OF
LEE PLANTATION PROPERTY OWNERS ASSOCIATION, INC.**

1. **GENERAL.** These are the Bylaws of Lee Plantation Property Owners Association, Inc., hereinafter the "Association", a corporation not for profit organized under the laws of Florida as a community association for the purpose of operating a residential community. All prior Bylaws, if any, are hereby revoked and superseded in their entirety.

1.1 **Principal Office.** The principal office of the Association shall be at 10440 Old South Way, Fort Myers, Florida 33908.

1.2 **Seal.** The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "corporation not for profit". The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

2. **MEMBERS.** The members of the Association are the record owners of legal title to the Lots. In the case of a residential Lot subject to an agreement for deed, the purchaser in possession shall be deemed the owner of the residential Lot solely for purposes of determining use rights.

2.1 **Change of Membership.** A change of membership shall become effective after all the following events have occurred. At that time the membership of the prior owner shall be terminated automatically.

(A) Recording in the Public Records of a Deed or other instrument evidencing legal title to the Lot in the member.

(B) Delivery to the Association of a copy of the recorded deed or other instrument evidencing title.

(C) Designation, in writing, of a primary occupant, which is required when title to a Lot is held in the name of two (2) or more persons who are not husband and wife, or by a trustee or a corporation or other entity which is not a natural person.

2.2 **Voting Interests.**¹ The members of the Association are entitled to one (1) vote for each residential Lot owned by them. The total number of possible votes (the voting interests) of the Association is the total-number of residential Lots in Lee Plantation. The vote of a residential Lot is not divisible. The right to vote may be suspended for non-payment of regular annual assessments that are delinquent in excess of 90 days. If a residential Lot is owned by one (1) natural person, the right to vote shall be established by the record title to the residential Lot. If a residential Lot is owned jointly by two (2) or more natural persons, that residential Lot's vote may be cast by any one (1) of the record owners. If two (2) or more owners of a residential Lot do not agree among themselves how their one (1) vote shall be cast on any issue, that vote shall not be counted for any purpose. If the owner of a residential Lot is other than a natural person, the vote of that residential Lot shall be cast by the residential Lot's primary occupant as defined by section 1.19 of the

¹ 1. As Amended and Restated March 1, 2010

Declaration of Protective Covenants. All votes must be cast by an Owner or primary occupant in person or by proxy except that proxies shall not be used in the election of Directors.

2.3 Approval or Disapproval of Matters. Whenever the decision or approval of a residential Lot owner is required upon any matter, whether or not the subject of an Association meeting, the decision or other response may be expressed by any person authorized to cast the vote of the residential Lot in person or by proxy at an Association meeting, as stated in Section 2.2 above, unless the joinder of all record owners is specifically required.

2.4 Continuing Obligation beyond Termination of Membership. The termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Association during the period of his membership, nor does it impair any rights or remedies the Association may have against any former owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

MEMBERS' MEETINGS; VOTING.

3.1 Annual Meeting. There shall be an annual meeting of the members in each calendar year. The annual meeting shall be held in Lee County, Florida, each year in the first calendar quarter at a date (usually the third Wednesday in the month of January), time and place designated by the Board of Directors, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the members.

3.2 Special Members' Meetings. Special members' meetings must be held whenever called by the President or by a majority of the Directors, and may also be called by signed petition of the members having at least ten percent (10%) of the voting interests. The business at any special meeting shall be limited to the items specified in the notice of meeting.

3.3 Notice of Annual and Special Meetings;² Waiver of Notice. Notices of all members' meetings must state the date, time and place of the meeting. Notice of special meetings must include a description of the purpose or purposes for which the meeting is called. The notice must be mailed to each member at the member's address as it appears on the books of the Association, or may be furnished by personal delivery or electronic transmission. Notice by mail or electronic transmission shall be to the member's last known address as it appears in the Association's records. The members are responsible for providing the Association with any change of address or electronic transmission address. The notice of special members meetings must be mailed, transmitted or delivered at least fourteen (14) days prior to the date of the meeting. If ownership of a residential Lot is transferred after notice has been mailed or transmitted, no separate notice to the new owner is required. Attendance at any meeting by a member constitutes waiver of notice by that member, unless the member objects to the lack of notice at the beginning of the meeting but no later than the approval of the minutes. A member may also waive notice of any meeting at any time by written waiver.

3.4 Quorum.ⁱⁱⁱ A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast at least thirty percent (30%) of the votes of the entire

². As Amended January 25, 2017

ⁱⁱⁱ 3. As Amended February 23, 2016

membership. Notwithstanding the foregoing no quorum shall be required for the election of Directors as long as at least twenty percent (20%) of eligible voters have cast a ballot in the election.

3.5 Vote Required. The acts approved by a majority of the votes cast by eligible voters at a meeting of the members at which a quorum has been attained shall be binding upon all residential Lot owners for all purposes, except where a different number of votes is expressly required by law or by any provision of the governing documents.

3.6 Proxy Voting.ⁱⁱⁱ Members may cast their votes at a meeting in person or by proxy however proxies shall not be used for the election of Directors. A proxy shall be valid only for the specific meeting for which originally given and any continuation or extension of that meeting. No proxy shall 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 the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the vote for the residential Lot, specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Secretary by the appointed time of the meeting or continuation thereof. No proxy shall be valid if it names more than one (1) person as the holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy. Holders of proxies must be members.

3.7 Adjourned Meetings. Any duly called meeting of the members may be adjourned to be reconvened at a later time by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. When a meeting is so adjourned it shall not be necessary to give further notice of the time and place of its continuance if such are announced at the meeting being adjourned and posted immediately thereafter. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted when the meeting is reconvened, but only if a quorum is present.

3.8 Order of Business. The order of business at members' meetings shall be substantially as follows:

- (A) Call of the roll or determination of quorum
- (B) Reading or disposal of minutes of last members' meeting
- (C) Reports of Officers
- (D) Reports of Committees
- (E) Election of Directors (annual meeting only)
- (F) Unfinished Business
- (G) New Business
- (H) Owners Comments.
- (I) Adjournment

3.9 Minutes. Minutes of all meetings of the members and of the Board of Directors shall be kept in a businesslike manner, available for inspection by members or their authorized

representatives at all reasonable times. Minutes must be reduced to written form within thirty (30) days after the meeting.

3.10 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall guide the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with the Articles or Bylaws. The presiding officer may appoint a Parliamentarian. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

4. **BOARD OF DIRECTORS.** The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration of Covenants, Articles of Incorporation and Bylaws, shall be exercised by the Board, subject to approval or consent of the residential owners when such is specifically required.

4.1 Number and Terms of Office.ⁱⁱ The number of Directors which shall constitute the whole Board of Directors shall be five (5). The established system of staggered terms shall be maintained. All Directors shall be elected for a term of two (2) years each. A Director's term will end when his successor is duly elected, unless the Director resigns sooner or is recalled as provided for in Section 4.5 below. Directors shall be elected by the members as described in Section 4.3 below, or in the case of a vacancy, as provided for in Section 4.4 below.

4.2 Qualifications. Each Director must be a residential Lot owner or primary occupant or the spouse of a residential Lot owner or primary occupant. In the case of a Lot owned by a corporation, any officer is eligible for election to the Board of Directors. If a Lot is owned by a partnership, any partner is eligible to be a Director. If a Lot is held in trust, the trustee, grantor or settler of the trust, or any one of the beneficial owners residing in the Lot is eligible to be elected to the Board of Directors.

4.3 Nominations and Elections.ⁱⁱ The members of the Board of Directors shall be elected by secret written ballot or voting machine. Two (2) envelopes are to be used for voting. Ballots are to be placed into a sealed ballot envelope. The sealed ballot envelope is to be placed inside a delivery envelope. The delivery envelope shall be signed and dated in the space provided. The postage paid delivery envelope may be mailed to the address printed on the envelope, or deposited in the ballot box on the day of the election, or delivered to the CAM or chairperson of the nomination election committee, prior to the beginning of the annual meeting.

Proxies shall in no event be used in electing the Board of Directors, either in general elections, or elections to fill vacancies caused by recall, resignations, or otherwise.

Not less than sixty (60) days before a scheduled election, the Lee Plantation P.O.A (LPPOA) management company, or other independent source shall mail or deliver, whether by separate mailing or included in another mailing or delivery including regularly published newsletters, to each property Owner entitled to vote, a first notice of the date of the election.

Any property owner or other eligible person desiring to be a candidate for the Board of Directors must give written notice to the LPPOA not less than forty (40) days before a scheduled election.ⁱⁱ

Upon request of a candidate, the LPPOA shall include an information sheet, no larger than 8½ inches by 11 inches, which must be furnished by the candidate not less than thirty five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the LPPOA. The LPPOA is not liable for the contents of the

information sheet prepared by the candidates. In order to reduce costs, the LPPOA may print or duplicate the information sheet on both sides of the paper.

Together with the written notice and agenda the LPPOA shall mail or deliver a second notice no later than twenty five (25) days prior to the election to all property Owners entitled to vote therein, together with a ballot which shall list all candidates.

Elections shall be decided by a plurality of those ballots cast. The ballots will be cast, opened and counted at the annual meeting and not before by the management company or independent source as directed by the Board of Directors.

No property Owner shall permit any other person to vote his or her ballot, and any such ballots improperly cast shall be deemed invalid. A property Owner who needs assistance in casting the ballot for the reasons stated in Section 101.051 of the Florida Statutes, may obtain assistance in casting the ballot.

The regular election shall occur on the date of the annual meeting. A property owner elected to the Board of Directors shall hold office for a term of two (2) years. When a Director's seat is vacated due to resignation, recall or otherwise, the vacancy shall be filled until the next annual meeting by a Special Election as provided in Section 4.4. Thereafter, at the annual meeting if the term for that seat would not have expired under normal circumstances, it shall be filled for the remaining one year by the successful winning candidate who receives the least number of votes.ⁱⁱ

Notwithstanding the foregoing, an election is not required unless more candidates file notices of intent to run or are nominated, than Board vacancies exist. However, a vote is required if one or more of the Director vacancies is for a one (1) year term. Directors shall act without compensation. A runoff election shall be held to break a tie vote.

An election committee will be created consisting of three (3) or more residents appointed by the Board. No member of the committee shall be officers or directors of the Association, candidates or related to officers, directors or candidates.

The duties of the nominating/election committee shall be to oversee the nominating and election process, to include but not limited to:

- a. Making sure time lines are met.
- b. Set opening and closing poll times to be included in all correspondence.
- c. Setup a "Meet the candidate's night" to be held at least two (2) weeks before the annual meeting if required.
- d. An updated owners list will be used to determine owner eligibility or the owner shall provide proof of ownership to the committee.
- e. Chairperson of the "Election Committee" shall be present at the vote counting to ensure that ballots are not voided unless the intent of the voter is not clear.

4.4 Resignation; Vacancies on the Board. Any Director may resign at any time by giving written notice to the Association, and unless otherwise specified therein, the resignation shall become effective upon receipt. If the office of any Director becomes vacant for any reason, a successor shall be elected at a special meeting of the Board of Directors of the Association. The successor so elected shall fill the term of the Director being replaced only until the next annual meeting. If there shall arise circumstances in which no Directors are serving and the entire Board is vacant, the members shall elect successors at a special meeting.

4.5 Removal of Directors. Any Director may be removed, with or without cause, by a majority vote of the voting interests, either by a written petition or at a meeting called for that purpose. If a special meeting is called by ten percent (10%): of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given. If removal is effected by petition, the vacancy or vacancies shall be filled as provided for in Section 4.4 above. If removal is effected at a meeting, any vacancies created thereby shall be filled by the members at the same meeting. Any director who is removed from office is not eligible to stand again for election to the Board until the next annual election, and must turn over to the Association within seventy-two (72) hours any and all records and other property of the corporation in his possession. If a Director who is removed does not relinquish his office or turn over records as required, the circuit court in the county where the Association has its principal office may summarily order the Director to relinquish his office and turn over corporate records upon application of any member. In any such action, the prevailing party shall be entitled to recover its attorney fees and costs.

4.6 Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors, at such place and time as may be fixed and announced by the Directors at the annual meeting at which they were elected.

4.7 Other Meetings. Meetings of the Board may be held at such time and place in Lee County, Florida, as shall be determined from time to time by the President or by a majority of the Directors. Notice of meetings shall be given to each Director, personally or by mail, telephone, or electronic transmission at least forty-eight (48) hours before the meeting.

4.8 Notice to Owners. Meetings of the Board of Directors shall be open to members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the discussion would otherwise be governed by the attorney-client privilege, and notices of all Board meetings, together, shall be posted conspicuously in the community at least forty-eight (48) continuous hours in advance of each Board meeting, except in an emergency. Notice of any Board meeting at which rules affecting the use of a parcel or special assessments are to be considered shall specifically contain a statement that rules or special assessments will be considered and the nature of the rule or assessments and shall be mailed, delivered or electronically transmitted and posted at least 14 days in advance.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver is deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.10 Quorum of Directors. A quorum at a Board meeting shall be a majority of all Directors. Directors may participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.11 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the governing documents or by applicable statutes. A Director who is present at a meeting of the Board is deemed to have voted in favor of every action taken, unless he voted against such action or abstained from voting because

of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes of each meeting. Directors may not vote by proxy or secret ballot at Board meetings, except that secret ballots may be used in the election or removal of officers.

4.12 Adjourned Meetings. A majority of the Directors present at any meeting of the Board of Directors, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a specified later time. When the meeting is reconvened, provided a quorum is present, any business that might have been transacted at the meeting originally called may be transacted.

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

4.14 Directors' Fees and Reimbursement of Expenses. Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and proper out-of-pocket expenses related to the proper discharge of their respective duties provided that such reimbursement was pre-approved or is approved by a majority of the Board.

4.15 Committees. The Board of Directors may appoint from time to time such standing or temporary committees as the Board may deem necessary and convenient for the efficient and effective operation of the Association. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee. All committee meetings shall be open to all members. Committee members may not vote by proxy or secret ballot.

4.16 Emergency Powers. In the event of any "emergency" as defined in Section 4.16(G) below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, and 617.0303, Florida Statutes, as amended from time to time.

(A) An "emergency" exists for purposes of this Section during the time when a quorum of the Board cannot readily be assembled because of the occurrence or imminent occurrence of a catastrophic event, such as a hurricane, act of war, civil unrest or terrorism, or other similar event. An "emergency" also exists during the period of time that civil authorities have declared that a state of emergency exists in, or have ordered the evacuation of, the area in which Lee Plantation is located, or have declared that area a "disaster area". A determination by any two (2) Directors, or by the President, that an emergency exists shall have presumptive validity.

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

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

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

(E) Corporate action taken in good faith during what is reasonably believed to be an emergency under this Section to further the ordinary affairs of the Association shall bind the Association; and shall have the rebuttal presumption of being reasonable and necessary.

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

(G) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

5. OFFICERS.

5.1 Officers and Elections. The executive officers of the Association shall be a President, and a Vice-President, who must be Directors, a Treasurer and a Secretary, all of whom shall be elected annually by a majority vote of the Board of Directors. Any officer may be removed with or without cause at any meeting by vote of a majority of the Directors. Any officer so removed shall return all books, records and property of the Association to the Association within seventy-two (72) hours of their removal. Any person except the President may hold two (2) or more offices. The board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one (1) Vice-President.

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

5.3 Vice-Presidents. The Vice-Presidents, in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and they shall perform such other duties as the Board of Directors shall assign.

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

5.5 Treasurer. The Treasurer shall have the custody of Association funds and securities, and be responsible for the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer is responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as are selected by the Board of Directors. The Treasurer shall oversee the disbursement of Association funds,

keeping proper vouchers for such disbursements, and shall render to the President and Directors, at meetings of the Board, or whenever they may require it, a full accounting of all transactions and of the financial condition of the Association. The Treasurer shall prepare an annual budget of estimated revenues and expenses to present to the Board of Directors for approval. Any of the foregoing duties may be performed by an Assistant Treasurer, if one is elected.

5.6 Director at Large. The Director at Large duties shall be assigned by the Board.

5.7 Compensation of Officers. No compensation shall be paid to any office for services as an officer of the Association. This provision does not preclude the Board of Directors from employing officers as employees of the Association.

6. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions.

6.1 Depository. The Association shall maintain its funds in such federally insured accounts at financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities and other similar investment vehicles that are Federally insured.

6.2 Accounts of the Association. The Association shall maintain its accounting books and records according to generally accepted accounting principles. There shall be an account for each residential unit. Such accounts shall designate the name and mailing address of each residential unit, the amount and due date of each assessment or charge against the residential unit, amounts paid, date of payment and the balance due.

6.3 Budget. The Treasurer shall prepare and the Board of Directors shall adopt a budget of Association estimated revenues and expenses for each coming fiscal year. Once adopted, the Association shall provide to each member a copy of the annual budget or a written notice that a copy of the budget shall be available upon request at no charge to the member. The proposed budget shall be detailed and shall show the amounts budgeted by accounts and revenue and expense classifications. The estimated surplus or deficit as of the end of the current year shall be shown and all fees or charges for recreational amenities shall be set out separately.

6.4 The Board of Directors may establish in the budget one (1) or more restricted reserve accounts for capital expenditures and deferred maintenance. Contingency reserves for unanticipated operating expenses shall be included, if at all, in the operating portion of the budget. Reserve funds may be spent for any purpose approved by the Board except in cases where the use of the reserves are restricted by Chapter 720, Florida Statutes. Reserves that are subject to Chapter 720, Florida Statutes may also be waived or reduced on a yearly basis according to Chapter 720 Florida Statutes. The purpose of reserves is to provide financial stability and to avoid the need for special assessments. The annual amounts proposed to be so reserved shall be shown in the annual budget.

6.5 Assessments; Installments. The regular annual assessment based on an adopted budget shall be paid in quarterly installments, in advance, due on the first day of each quarter beginning in January of each year. Written notice of the annual assessment shall be sent to the owners of each Lot prior to the first quarterly installment being due, but failure to send (or receive) such notice does not excuse the obligation to pay. If an annual budget for a new fiscal year has not been

adopted, or if notice of any increase has not been made at the time the payment for the first quarterly installment is due, it shall be presumed that the amount of such installment is the same as the last quarterly installment, and payments shall be continued at such rate until a budget is adopted and new annual assessments are calculated, at which time an appropriate adjustment shall be added to or subtracted from each unit's next due quarterly installment. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date it shall accrue simple interest from the due date at the rate of eighteen percent (18%) per annum and shall incur a late fee of twenty-five (\$25.00) dollars.

6.6 Special Assessments. Special assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted or non-recurring expenses, or for such other purposes as are authorized by the Declaration and these Bylaws. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 4.8 above; and the notice to the owners that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7 Fidelity Bonds. The President, Treasurer, and all other persons who are authorized to sign checks, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The premiums on such bonds are a common expense.

6.8 Financial Reports. Not later than ninety (90) days after the close of each fiscal year, the Board shall cause to be prepared a financial report as prescribed in 720.303, Florida Statutes. The Association shall provide each member with a copy of the financial report or a written notice that a copy of the financial report is available upon request at no charge to the member.

6.9 Audits. A formal, certified audit of the accounts of the Association, if required by law, by vote of a majority of the voting interests, or by a majority of the Directors, shall be made by a certified public accountant, and a copy of the audit report shall be available to all members.

6.10 Application of Payments and Co-Mingling of Funds. All monies collected by the Association may be co-mingled in a single fund or divided into two (2) or more funds, as determined by the Board of Directors. Regardless of any restrictive endorsement all payments on account by a Lot owner shall first be applied to late fees, interest, costs, attorney fees, other charges, and then to regular or special assessments.

6.11 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each calendar year and end on December 31 that same calendar year.

7. **RULES AND REGULATIONS; USE RESTRICTIONS.** The Board of Directors may, from time to time, adopt and amend administrative rules and regulations governing the use, maintenance, management and control of the common elements, the Lots and the operation of the Association. Copies of such rules and regulations shall be furnished to each new Owner and thereafter to each residential Lot owner when amended.

8. **COMPLIANCE AND DEFAULT; REMEDIES.** Where there are no remedies provided in the Declaration of Protective Covenants, the following shall apply:

8.1 Fines; Suspensions. The Board of Directors may levy fines and/or suspensions against members, or members' tenants or guests, or both, who commit violations of Chapter 720, Florida

Statutes, the provisions of the governing documents, or the rules and regulations, or who condone such violations by their family members, guests or lessees. Fines shall be in amounts deemed necessary by the Board to deter future violations, but in no event shall any single fine exceed \$100 per day. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. The maximum accrued fine for a continuing violation shall not exceed \$2,500.00. Suspensions of the use of common areas and facilities may be imposed for a reasonable period of time to deter future violations. A fine or suspension may not be sought to be imposed until at least one (1) written letter has been sent to the owner allowing them a reasonable amount of time to comply. The procedure for imposing fines or suspending use rights shall be as follows:

(A) Notice. The party against whom the fine and/or suspension is sought to be levied or imposed shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days, and the notice shall include:

- (1) a statement of the date, time and place of the hearing;
- (2) a specific designation of the provisions of Chapter 720, Florida Statutes, the governing documents or the rules which are alleged to have been violated;
- (3) a short and plain statement of the specific facts giving rise to the alleged violation(s); and
- (4) the possible amounts of any proposed fine and/or possible use rights of common areas or facilities to be suspended.

(B) Hearing. At the hearing the party against whom the fine and/or suspensions may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and to review, challenge, and respond to any evidence or testimony presented by the Association. The hearing shall be conducted before a panel of three (3) residential Lot owners appointed by the Board, none of whom may then be serving as Directors or officers, or who are employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee, by majority vote, does not agree with the proposed fine and/or suspensions it may not be levied or imposed. If the committee agrees-with the proposed fine and/or suspensions, the Board of Directors shall levy same.

(C) Collection of Fines. Any fine not paid within thirty (30) days shall become delinquent. The fine shall be a personal obligation of the person fined. The fine may be collected utilizing all lawful methods including the filing and foreclosure of a lien if allowed by law.

8.2 Suspensions and Fines without Hearing. The foregoing notwithstanding, as provided in 720.305(2)(b), Florida Statutes, no prior notice or opportunity for a hearing is required for the imposition of a fine or suspension upon any member because of the failure of the member to pay assessments or other charges when due.

8.3 Correction of Health and Safety Hazards. Any violations of the Association rules which creates conditions of the property which are deemed by the Board of Directors to be a hazard to the public health or safety may be dealt with immediately as an emergency matter by the Association, and the cost thereof shall be charged to the residential unit owner.

9. **AMENDMENT OF BYLAWS.** Amendments to these Bylaws shall be proposed and adopted in the following manner.

9.1 Proposal. Amendments to these Bylaws shall be proposed by a majority of the Board or upon petition of one-fourth (1/4th) of the voting interests, and shall be submitted to a vote of the members not later than the next annual meeting.

9.2 Vote Required. Except as otherwise required by Florida law or as provided elsewhere in these Bylaws, these Bylaws may be amended if the proposed amendment is approved by the affirmative vote of at least seventy-six (76) of the total voting interests in the Association voting, in person or by proxy, at a duly called meeting of the members of the Association.

9.3 Effective Date: An amendment shall become effective upon the recording of a copy in the Public Records of Lee County, Florida with the same formalities as are required in the Declaration for recording amendments to the Declaration.

10. MISCELLANEOUS.

10.1 Gender; Number. Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter singular or plural, as the context requires.

10.2 Severability. If any portion of these Bylaws is void or become unenforceable, the remaining provisions shall remain in full force and effect.

10.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration of Covenants, Conditions, Restrictions and Easements, or the Association's Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail over the provisions of these Bylaws.