# BYLAWS
# OF
# GOLDEN OAK ESTATES PHASE I HOMEOWNERS ASSOCIATION, INC.

SECTION 1. Identification of the Residential Association.

1.1 Name. These are the Bylaws ("**Residential Bylaws**") of Golden Oak Estates Phase I Homeowners Association, Inc. ("**Residential Association**"), as duly adopted by its board of directors (the "**Residential Board**"). The Residential Association is a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes.

1.2 Principal Office. The office of the Residential Association shall be for the present at 1375 Buena Vista Drive, Lake Buena Vista, Florida 32830, and thereafter may be located at any place in Orange County, Florida (the "**County**"), designated by the Residential Board.

1.3 Fiscal Year. The fiscal year of the Residential Association shall be the calendar year.

1.4 Seal. The seal of the Residential Association shall bear the name Golden Oak Estates Phase I Homeowners Association, Inc., and the word "Florida" and the words "Corporation Not-For-Profit."

SECTION 2. Definitions. All capitalized terms which are not otherwise defined herein shall have the meaning set forth in the Articles of Incorporation of the Residential Association ("**Residential Articles**") as well as in that certain Parcel Declaration of Covenants, Conditions, Restrictions and Obligations for Golden Oak Estates Phase I, recorded or to be recorded in the Public Records of the County, as amended and modified from time to time (collectively, the "**Parcel Declaration**").

SECTION 3. Residential Members.

3.1 Qualification; Voting Rights. The qualification of Residential Members, the manner of their admission to membership in the Residential Association, the manner of termination of such membership and the voting rights of Residential Members shall be as set forth in the Parcel Declaration and the Residential Articles. A Residential Member does not have the authority to act for the Residential Association by virtue of being a Residential Member. A Residential Member may act only through its voting rights or as is otherwise specifically set forth herein.

3.2 Designation of Voting Member.

(a) If there is more than one Residential Member with respect to a Lot as a result of the fee interest in such Lot being held by more than one (1) natural person or legal entity, such Residential Members collectively shall be entitled to only a single vote for that Lot. The vote of the Owners of a Lot owned by more

than one (1) natural person or legal entity shall be cast by the natural person named in a certificate signed by all of the Owners of the Lot, or, if appropriate, by properly designated officers, members, partners or principals of the respective legal entity ("**Voting Member**"), and filed with the Secretary of the Residential Association, and such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not filed with the Secretary of the Residential Association, the vote of such Lot shall not be considered for a quorum or for any other purpose.

(b) Notwithstanding anything in Section 3.2(a) to the contrary, whenever any Lot is owned by a husband and wife they may, but shall not be required to, designate a Voting Member to vote on any matter requiring a vote of the Residential Members. In the event a certificate designating a Voting Member is not filed by the husband and wife with the Secretary of the Residential Association, the following provisions shall govern their right to vote on any matter requiring a vote of the Residential Members:

(i) When both are present at a meeting at which a vote of the Residential Members is taken, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each Lot owned by them. In the event they are unable to concur in their decision upon any topic requiring a vote, they shall lose their right to vote on that topic at that meeting, but shall count for purposes of establishing a quorum.

(ii) When only one (1) spouse is present at a meeting at which a vote of the Residential Members is taken, the spouse present may cast the Lot vote without establishing the concurrence of the other spouse, absent any prior written notice to the contrary delivered to the Secretary of the Residential Association by the other spouse. In the event of prior written notice to the contrary delivered to the Secretary of the Residential Association by the other spouse, the vote of said Lot shall not be considered, but shall count for purposes of establishing a quorum.

(iii) When neither spouse is present at a meeting at which a vote of the Residential Members is taken, the person designated in a proxy signed by either spouse may cast the Lot vote, when voting by proxy is allowed, absent any prior written notice to the contrary delivered to the Secretary of the Residential Association by the other spouse or the designation of a different proxy by the other spouse. In the event of prior written notice to the contrary delivered to the Secretary of the Residential Association or the designation of a different proxy by the other spouse, the vote of said Lot shall not be considered, but shall count for purposes of establishing a quorum.

3.3 Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of a Residential Association meeting, such decision shall be expressed by the same person who would cast the votes of such Owner if

at a Residential Association meeting, unless the joinder of the record Owner is specifically required by the Parcel Declaration, the Residential Articles, these Residential Bylaws or applicable Law.

3.4 Restraint Upon Assignment of Shares in Assets. The share of a Residential Member in the funds and assets of the Residential Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to that Residential Member's Lot.

SECTION 4. Residential Members' Meetings.

4.1 Annual Residential Members' Meetings. The annual Residential Members' meeting shall be held each year for the purpose of appointing or electing directors to the Residential Board, if applicable in that year, and for transacting any other business authorized to be transacted by the Residential Members. The Residential Board shall determine the date, time and place to hold the annual meeting.

4.2 Special Residential Members' Meetings. Special meetings of the Residential Members must be held when called by the Residential Board, or by the holders of at least twenty percent (20%) of the total voting interests in the Residential Association. Business conducted at a special meeting is limited to the purposes described in the notice of the meeting.

4.3 Notice of All Meetings of Residential Members. Written notice of a meeting stating the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed or delivered to Residential Members not less than such fourteen (14) before the date of the meeting. Evidence of compliance with fourteen (14) day notice requirement shall be made by an affidavit executed by the person providing the notice and filed upon execution in the official records of the Residential Association. Notice shall be provided by or at the direction of the President, the Secretary, or the officer or persons calling the meeting.

4.4 Quorum. A quorum at Residential Members' meetings shall consist of thirty percent (30%) of the total voting interest in the Residential Association, whether represented in person or by proxy. If a quorum is present, the affirmative vote of a majority of votes represented at a meeting in person or by proxy shall constitute the acts of the Residential Members, except when approval by a greater number of Residential Members is required by the Parcel Declaration, the Residential Articles, these Residential Bylaws or by applicable Laws. After a quorum has been established at a Residential Members' meeting, the subsequent withdrawal of Residential Members so as to reduce the number of votes at the meeting below the number required for a quorum shall not affect the validity of any action taken at the meeting or any adjournment thereof.

4.5 Proxies. Every Residential Member entitled to vote at a meeting of the Residential Members or to express consent or dissent without a meeting, or such Residential Member's duly authorized attorney-in-fact, may do so in person or may authorize another person or persons to act for him or her by proxy. Every proxy must be dated, must state the date, time and place of the meeting for which it was given and must be signed by the authorized person

who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time-to-time, and automatically expires ninety (90) days after the date of the meeting for which it was originally given. Every proxy shall be revocable at any time at the pleasure of the Residential Member executing it and shall expire upon the transfer of title to the Lot giving rise to the voting rights to which the proxy pertains. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the Residential Member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the Residential Association officer responsible for maintaining the list of Residential Members. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

4.6 Adjourned Meetings. When an annual or special meeting of the Residential Members is adjourned to a different date, time or place, the new date, time and place to which the meeting is adjourned must be announced at the meeting at which the adjournment is taken, or notice must be given of the new date, time and place pursuant to Section 4.3 hereof. Any business may be transacted at the adjourned meeting that might have been transacted on the original date of the meeting. If, however, after the adjournment the Residential Board fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given in compliance with these Residential Bylaws to Residential Members entitled to vote at such meeting who were not Residential Members as of the previous record date.

4.7 Order of Business. The order of business at annual Residential Members' meetings, and as practical at all other Residential Members' meetings, shall be:

(a) Calling of the roll and certifying of proxies;

(b) Proof of notice of meeting or waiver of notice;

(c) Reading and disposal of any unapproved minutes;

(d) Reports of officers;

(e) Reports of committees;

(f) Appointment of directors to the Residential Board, when applicable;

(g) Appointment of Nominating Committee (defined below);

(h) Unfinished business;

(i) New business; and

(j) Adjournment.

4.8 Minutes of Meetings. The Residential Association shall maintain minutes of each meeting of the Residential Members and of the Residential Board in written form or in another form which can be converted into written form within a reasonable time. The minutes

shall be kept in a book available for inspection by Residential Members or their authorized representatives at any reasonable time. The Residential Association shall retain these minutes for a period of not less than seven (7) years. A vote or abstention from voting on each matter voted upon for each director present at a Residential Board meeting must be recorded in the minutes.

4.9 Right to Speak. Each Residential Member shall have the right to attend all meetings of the membership and to speak at any meeting of the membership with reference to all items opened for discussion or included on the agenda for three (3) minutes. Furthermore, each Residential Member shall have the right to speak for three (3) minutes on any item, provided that the Residential Member submits a written request to the Secretary of the Residential Association prior to the meeting. The Residential Association may adopt written reasonable rules and regulations governing the frequency, duration and other manner of Residential Member statements, which rules and regulations must be consistent with this Section 4.9.

4.10 Recording. Any Residential Member may tape record or videotape meetings of the Residential Members; *provided, however*, that the Residential Board may adopt reasonable a rules governing the taping of meetings of the Residential Members.

SECTION 5. Board of Directors.

5.1 Governing Body. The affairs of the Residential Association shall governed and managed by the Residential Board, which shall be appointed or elected as set forth herein.

5.2 Initial Residential Board. The initial Residential Board shall be comprised of three (3) directors appointed by the Parcel Declarant. Their terms shall be governed as set forth herein, except that each initial director may be reappointed at the Parcel Declarant's discretion, if otherwise permitted by these Residential Bylaws.

5.3 Majority Appointed. Thereafter, the Parcel Declarant may continue to appoint at least a majority of the directors of the Residential Board until the Turnover Date.

5.4 Transition of Control. Owners other than Parcel Declarant shall be entitled to elect at least a majority of the directors of the Residential Board not later than three (3) months after ninety percent (90%) of the Lots in all phases of the community that will ultimately be operated by the Residential Association have been conveyed to Owners other than Parcel Declarant (not including builders, contractors or others who purchase a Lot for the purpose of constructing improvements thereupon for resale). Notwithstanding anything hereto the contrary, Parcel Declarant shall be entitled to elect at least one (1) director of the Residential Board as long as Parcel Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Lots in all phases of the community that will ultimately be operated by the Residential Association. After Parcel Declarant relinquishes control of the Residential Association, Parcel Declarant may exercise the right to vote any Parcel Declarant-owned voting interests in the same manner as any other Owner, except for purposes of reacquiring control of the Residential Association or selecting the majority of the directors of the Residential Board.

5.5 Right of Residential Members Other than Parcel Declarant to Elect the Residential Board. The right of Residential Members of the Residential Association other than the Parcel Declarant to elect directors of the Residential Board upon the occurrence of the events set forth in Sections 5.3 and/or 5.4 shall be exercised at the next scheduled annual meeting of the Residential Members.

5.6 Number. The Residential Board at all times shall consist of not less than three (3) nor more than five (5) directors. The initial Residential Board shall consist of three (3) directors. After such a time as the Parcel Declarant no longer is entitled to appoint a director of the Residential Board pursuant to Section 5.4 above, the number of directors may be increased from time-to-time to a maximum of five (5) directors; *provided, however*, the established number of directors of the Residential Board shall always be an odd number. This number may be increased to five (5) by the affirmative vote of a majority of the votes represented at a meeting of the Residential Members in person or by proxy, if a quorum is present. In the event that the number of directors of the Residential Board is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of directors whose terms expire in any given year. All directorships shall expire during any given three (3) year period.

5.7 Term of Office. Except for the initial Residential Board which may serve until such time allowed hereunder, the term of office of each director shall be for staggered terms of three (3) years each. After such a time as the Parcel Declarant no longer is entitled to appoint a director of the Residential Board pursuant to Section 5.4 above, two (2) of the first three (3) subsequent non-Parcel Declarant directors shall initiate the team staggering process. One director shall serve for a one year (1) term, to be succeeded by a three (3) year term director. A second director shall serve for a two (2) year term, and shall also be succeeded by a full three (3) year term director. Each director shall hold office for the term for which that director is elected and until that director's successor shall have been elected and qualified or until that director's earlier resignation, removal from office or death.

5.8 Removal. Any director, other than the Parcel Declarant appointed directors, may be removed from the Residential Board, with or without cause, by vote or agreement in writing by a majority of all votes of the Residential Members. In the event of the death, resignation or removal of a director, that director's successor shall be selected by the remaining directors of the Residential Board and shall serve for the unexpired term of such director's predecessor.

5.9 Director's Fees. The directors shall serve without compensation or fees; *provided, however*, nothing herein shall be deemed to prevent:

(a) Participation by such director in a financial benefit accruing to all or a significant number of Residential Members as a result of actions lawfully taken by the Residential Board or a committee of which such he or she is a member, including, but not limited to, routine maintenance, repair or replacement of Association Property;

(b) Reimbursement for out-of-pocket expenses incurred by the director on behalf of the Residential Association, subject to approval of such reimbursement by the Residential Board;

(c) Any fee or compensation authorized in the Association Governing Documents; or

(d) Any fee or compensation authorized in advance by a vote of a majority of the voting interests voting in person or by proxy at a meeting of the Residential Members.

5.10 Election. Election of the directors must be conducted in accordance with these Residential Bylaws. All Residential Members and the parents, children or spouses of Residential Members shall be eligible to serve on the Residential Board. Election to the Residential Board shall be by written ballot as hereinafter provided. At such election, the Residential Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the Residential Articles and Parcel Declaration. The names receiving the largest number of votes cast by eligible voters for each vacancy shall be elected.

5.11 Nominations. Nominations for election to the Residential Board shall be made by a Nominating Committee which shall be a standing committees of the Residential Association. Notwithstanding the foregoing, a Residential Member may nominate himself or herself as a candidate for the Residential Board at a meeting where the election is to be held.

5.12 Nominating Committee. The "**Nominating Committee**" shall consist of a chairman, who shall be a director of the Residential Board, and two (2) or more Residential Members of the Residential Association. The Nominating Committee shall be appointed by the Residential Board prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

5.13 Duties of Nominating Committee. The Nominating Committee shall make as many nominations for election to the Residential Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Residential Members or officers, directors or agents of the Parcel Declarant, as the Nominating Committee in its discretion shall determine, officers, directors or agents of Parcel Declarant are the only non-Residential Members that may serve on the Residential Board. Separate nominations shall be made for each vacancy to be filled. Nominations shall be placed on a written ballot as provided in Section 5.14 below and shall be made in advance of the time fixed in Section 5.14 below for the mailing of such ballots to Residential Members.

5.14 Ballots. All elections to the Residential Board shall be made on written ballot which shall:

(a) describe the vacancies to be filled;

(b) set forth the names of those nominated by the Nominating Committee for each such vacancy; and

(c) contain a space for a write-in vote by the Residential Members for each vacancy.

Such ballots shall be prepared and mailed by the Residential Association at least (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the meeting at which the vote is to be taken).

5.15 Number of Ballots. Each Residential Member shall receive as many ballots as it has votes. Notwithstanding that a Residential Member may be entitled to several votes, election to the Residential Board shall be by secret written ballot unless unanimously waived by all Residential Members present. The persons receiving the largest number of votes shall be elected. Other than by any one (1) Residential Member through cumulative voting which shall not be permitted.

5.16 Resignations. Any director or officer may resign his or her post at any time by written resignation, delivered to the President or Secretary of the Residential Association, which shall take effect upon receipt of such written resignation unless a later date is specified therein, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any director or officer (other than appointees of Parcel Declarant) shall constitute a written resignation of such director or officer.

5.17 Recording. Any Residential Member may tape record or videotape meetings of the Residential Board; *provided, however*, that the Residential Board may adopt reasonable a rules governing the taping of meetings of the Residential Board.

SECTION 6. Meetings of the Residential Board.

6.1 Meetings. A meeting of the Residential Board occurs whenever a quorum of the directors of the Residential Board gather to conduct Residential Association business. All regular and special meetings of the Residential Board are open to all Residential Members and Residential Members shall have the right to speak for at least three (3) minutes on any matter placed on the agenda by an appropriate petition of the Residential Members as set forth in Section 6.3(b) below. The Residential Board may adopt written reasonable rules concerning the right of Residential Members to speak and governing the frequency, duration, and other manner of Residential Member statements. The Residential Board may also hold closed meetings to the extent permitted by applicable Laws, including, by way of example but not by way of limitation, when the discussion is related to proposed or pending litigation with the Residential Association's attorney, or when the discussion is related to personnel matters. In the event a Residential Member not serving as a director or not otherwise invited by a director to participate in a meeting attempts to become more than a mere observer at the meeting or conducts himself or herself in a manner detrimental to the carrying on of the meeting, then any director may expel said Residential Member from the meeting by any reasonable means which may be necessary to accomplish said Residential Member's expulsion. Also, any director shall have the right to

exclude from any meeting of the Residential Board any person who is not able to provide sufficient proof that he or she is a Residential Member or a duly authorized representative, agent or proxy holder of a Residential Member, unless said person has been specifically invited by any of the directors to participate in such meeting.

6.2 Regular Meetings. Regular meetings of the Residential Board shall be held as may be determined by the Residential Board and upon giving notice to the Residential Members as set forth in Section 6.4 below, at such place and hour as may be fixed from time-to-time by resolution of the Residential Board. If the day for such regular meeting is a legal holiday, then the meeting shall be held at the same time on the next day that is not a legal holiday.

6.3 Special Meetings.

(a) Special meetings of the directors may be called by the chairman of the Residential Board, by the President of the Residential Association, or by any two (2) directors upon giving notice to the Residential Members as set forth in Section 6.4 below. Additionally, not less than three (3) days' notice of the special meeting shall be given to each director personally or by first-class mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

(b) If twenty percent (20%) of the total voting interests of the Residential Members petition the Residential Board to address an item of business, the Residential Board shall at its next regular Residential Board meeting or at a special meeting of the Residential Board, but in no event later than sixty (60) days after the receipt of the petition, take the petitioned item up on the Residential Board's agenda. The Residential Board shall give all Residential Members notice of the meeting, in accordance with Section 720.303(2), Florida Statutes. Each Residential Member shall have the right to speak for three (3) minutes on each matter placed on the agenda by petition, provided that the Residential Member signs the sign-up sheet, if one is provided, or submits a written request to speak to the Secretary of the Residential Association prior to the meeting. Other than addressing the petitioned item at the meeting, the Residential Board is not obligated to take any other action requested by the petition.

6.4 Notice to Residential Members. Notices of all regular or special Residential Board meetings must be posted in a conspicuous place on the Residential Property at least forty-eight (48) hours in advance of any such meeting, except in an emergency. In the alternative, if notice of a regular or special Residential Board is not posted in a conspicuous place on the Residential Property in accordance with the foregoing, notice must be sent by mail or delivered to each Residential Member at least seven (7) days prior to the meeting, except in an emergency. Residential Board meetings at which Assessments are to be considered, may be considered only at a meeting of the directors properly noticed to all Residential Members upon which such Assessment may be levied. Such proper notice shall require (i) written notice containing a description regarding the nature of Regular Assessments to be considered or levied be mailed or delivered to all Residential Members and posted conspicuously on the Residential Property not less than least fourteen (14) days before such meeting of the Residential Board, (ii) written notice containing a description regarding the nature of Special Assessments to be

considered or levied be mailed or delivered to all Residential Members and posted conspicuously on the Residential Property not less than fourteen (14) days before such meeting of the Residential Board, or (iii) written notice containing a description regarding the nature of Specific Assessments to be considered or levied be mailed or delivered to all Residential Members upon which such Specific Assessments may be levied not less than least fourteen (14) days before such meeting of the Residential Board. Written notice containing a statement that changes to the Residential Rules and Regulations will be considered, adopted, amended, or revoked at a meeting of the Residential Board shall be mailed or delivered to all Residential Members and posted conspicuously on the Residential Property not less than fourteen (14) days before such meeting of the Residential Board. The notice requirements set forth in this Section 6.4 also apply to meetings of any committee or similar body.

6.5 Manner of Voting. Directors may not vote by proxy or secret ballot at Residential Board meetings, except that secret ballots may be used in the election of officers. This Article 6.5 also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of Residential Association funds, and to any Residential Association body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of the Residential Property owned by a Residential Member.

6.6 Waiver of Notice of Directors. The transaction of any business at any meeting of the Residential Board, however called and noticed to the directors, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, if it was properly noticed to the Residential Members, and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Residential Association's records and made a part of the minutes of the meeting. Other than as set forth in Section 6.4 above with regard to Assessments, neither the business to be transacted nor the purpose of any regular meeting of the Residential Board need be specified in the notice or waiver of notice of such meeting.

6.7 Defects in Notice to Directors or Residential Members; Waived by Attendance. Attendance of a director at a meeting shall 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, any objection to the transaction of business because the meeting is not lawfully called or convened. Likewise, attendance of a Residential Member at a meeting shall 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 Residential Member states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. Directors of the Residential Board may participate in a meeting of such Residential Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting, including any Residential Members, can hear each other at the same time. Participating by such means shall constitute presence at the meeting.

6.8 Quorum. A quorum at directors' meetings shall consist of a majority of all votes of the directors on the Residential Board. The acts approved by a majority of those votes represented at a meeting at which a quorum is present shall constitute the act of the Residential Board, except where approval by a greater number of directors is required by the Parcel Declaration, the Residential Articles, these Residential Bylaws or applicable Law.

6.9 Adjourned Meetings. A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Residential Board 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 and to the Residential Members as required by Section 6.4 above.

6.10 Action by Directors Without a Meeting. Any action required to be taken at a meeting of the directors or a committee thereof, may be taken without a meeting, if such action is noticed to the Residential Members as required by Section 6.4 above and if a consent in writing setting forth the action so to be taken signed by all of the directors or all of the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Residential Board or of the committee. Such consent shall have the same effect as a unanimous vote.

6.11 Presiding Officer. The presiding officer at directors' meetings shall be the President. In the absence of the President, the Vice President shall preside, and in the absence of both, the directors present shall designate one of their number to preside.

6.12 Powers and Duties of Residential Board. All of the powers and duties of the Residential Association existing under Chapters 617, Florida Statutes, the Parcel Declaration, the Residential Articles, and these Residential Bylaws, shall be exercised by the Residential Board, subject only to approval by Residential Members when such is specifically required.

SECTION 7. Officers.

7.1 Officers and Election. The officers of the Residential Association shall be a President, who shall be selected from the Residential Board, a Vice-President, who also shall be selected from the Residential Board, a Treasurer, and a Secretary, all of whom shall be elected annually by the Residential Board and who may be peremptorily removed by a vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. The Residential Board shall from time-to-time elect such other officers and designate their powers and duties as the Residential Board shall find necessary or convenient to manage properly the affairs of the Residential Association.

7.2 President. The President shall be the chief executive officer of the Residential Association. The President shall have all of the powers and duties which are usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the Residential Members from time-to-time as the President may in his or her discretion determine appropriate to assist in the conduct of the affairs of the Residential Association. The President shall serve as chairman of all Residential Board meetings and all Residential Members' meetings.

7.3 Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

7.4 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the Residential Members. The Secretary shall attend to the giving and serving of all notices to the Residential Members and directors and other notices required by law. The Secretary shall keep the records of the Residential Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directors or the President. The duties of the Secretary may be fulfilled by a manager employed by the Residential Association.

7.5 Treasurer. The Treasurer shall have custody of all property of the Residential Association, including, but not limited to, funds, securities, and evidences of indebtedness. The Treasurer shall keep the books the provide for collection of Assessments, and the Treasurer shall perform all other duties incident to the office of the Treasurer. The duties of the Treasurer may be fulfilled by a manager employed by the Residential Association.

7.6 Compensation. The compensation, if any, of the officers shall be fixed by the Residential Board.

SECTION 8. Books and Records.

8.1 Official Records. The Residential Association shall maintain within the State of Florida each of the following, which shall constitute the official records of the Residential Association:

(a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the Association Property, Areas of Residential Association Responsibility and other property that the Residential Association is obligated to maintain, repair or replace;

(b) A copy of these Residential Bylaws and of each amendment to these Residential Bylaws;

(c) A copy of the Residential Articles and of each amendment thereto;

(d) A copy of the Parcel Declaration and a copy of each amendment, supplement and modification thereto;

(e) A copy of the current Residential Rules and Regulations of the Residential Association;

(f) The minutes of all meetings of the Residential Board and of the Residential Members, which minutes must be retained for at least seven (7) years;

(g) A current roster of all Residential Members and their mailing addresses and Lot identification;

(h) All of the Residential Association's insurance policies or a copy thereof, which policies or copies thereof must be retained for at least seven (7) years;

(i) A current copy of all contracts to which the Residential Association is a party, including, without limitation, any management agreement, lease or other contract under which the Residential Association has any obligation or responsibility. Bids received by the Residential Association for work to be performed must also be considered official records and must be kept for a period of one (1) year;

(j) The financial and accounting records of the Residential Association, keeping to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

(i) Accurate, itemized, and detailed records of all receipts and expenditures;

(ii) A current account and a periodic statement of the account for each Residential Member, designating the name and current address of each Residential Member who is obligated to pay Assessments, the due date and amount of each Assessment or other charge against the Residential Member, the date and the amount of each payment on the account, and the balance due;

(iii) All tax returns, financial statements, and financial reports of the Residential Association; and

(iv) Any other records that identify, measure, record or communicate financial information;

(k) A copy of the disclosure summary described in Florida Statutes, Section 720.401(1);

(l) All other written records of the Residential Association not specifically included in the foregoing which are related to the operation of the Residential Association.

8.2 Inspection and Copying. The official records must be open to inspection and available for photocopying by Residential Members or their authorized agents during reasonable business hours, at the principal office of the Residential Association or on the Residential Property, within ten (10) business days after the Residential Association's receipt of a written request for access. Such inspection must take place within the presence of an agent of the Residential Association. If the Residential Association has a photocopy machine available where

the records are maintained, the Residential Association must provide Residential Members with copies on request during the inspection if the entire request is limited to no more than twenty-five (25) pages. The Residential Board may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not impose a requirement that an Owner demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit an Owner's right to inspect records to less than one 8-hour business day per month. The Residential Board may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Residential Association may charge up to fifty cents ($0.50) per page for copies made on the Residential Association's photocopier. If the Residential Association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed twenty-five (25) pages in length, the Residential Association may have copies made by an outside vendor or the Residential Association's management company, if any, and may charge the actual cost of copying. Those records set forth in Florida Statutes, Section 720.303(5)(c)(1-4) shall not be accessible to Residential Members or Owners.

8.3 Copies. The Residential Association shall maintain an adequate number of copies of the recorded Association Governing Documents, to ensure their availability to Residential Members and prospective Residential Members, and may charge the cost of reproducing and furnishing these documents to those persons entitled to receive them.

SECTION 9. Fiscal Management. The provisions for fiscal management of the Residential Association are governed by the following provisions:

9.1 Accounts. The receipts and expenditures of the Residential Association shall be credited and charged to accounts under the following classifications and any other classifications as shall be appropriate, when authorized and approved by the Residential Board. The receipts shall be entered by the amounts of receipts by accounts and receipt classifications, and expenses by the amounts of expenses by accounts and expense classifications.

(a) Current Expense. The current expense account shall include all receipts and expenditures to be made within the year for which the Assessments are budgeted and may include a reasonable allowance for general and working funds. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year or to fund reserves. This may include, but not be limited to:

(i) Professional, administration and management fees and expenses;

(ii) Taxes on Association Property;

(iii) Expenses for utility services and maintenance expense relating to the Association Property;

(iv) Insurance costs;

(v) Administrative and salary expenses;

(vi) Operating capital; and

(vii) Other expenses.

(b) Reserve for Deferred Maintenance. The Residential Board shall establish a reserve account for deferred maintenance which shall include funds for major maintenance items which are the obligation of the Residential Association and which occur less frequently than annually.

(c) Reserve for Replacement. The Residential Board shall established a reserve account for replacement which shall include funds for repairs for replacements which the Residential Association is obligated to make resulting from damage, depreciation or obsolescence.

9.2 Budget. The Residential Board shall adopt an operating budget for the Residential Property in advance for each calendar year. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges paid by the Residential Association for recreational amenities, if any, whether owned by the Residential Association, the Parcel Declarant or another person. The budget shall be prepared utilizing the categories for current expenses and reserves set forth in Section 9.1 above. The Residential Association shall provide each Residential Member with a copy of the annual budget or a notice that a copy of the budget is available upon request at no charge. The copy must be provided within ten (10) business days after receipt of a written request for such copy.

9.3 Assessments. The manner in which expenses of the Residential Association are shared, and the Residential Members proportionate share thereof, are set forth in the Parcel Declaration. Regular Assessments levied pursuant to the annual budget or Special Assessments must be in the Residential Members proportionate share of expenses as described in the Parcel Declaration, which share may be different for different classes of Residential Members, based upon relevant factors which may include the state of development thereof or level of services received by a class of Residential Members. The Residential Board shall establish the amount of the Regular Assessments based upon the annual budget each year. The Regular Assessments established under the annual budget shall be payable annually, in advance, on the first day calendar year; provided, however, that the Residential Board may establish and notify the Residential Members of a different frequency and/or due dates of the Regular Assessments (*e.g.*, on a monthly or quarterly basis instead of an annual basis). If a Regular Assessment is not levied as required, a Regular Assessment shall be presumed to have been levied in the amount of the last prior Regular Assessment, and such Regular Assessments shall be due at the same time(s) in the year as the prior year. In the event the Regular Assessments prove to be insufficient, the budget and Regular Assessment may be amended by the Residential Board.

9.4 Special Assessments. Except as otherwise specifically provided in the Parcel Declaration, any Special Assessment which would normally exceed thirty percent (30%) of the annual budget for the year immediately preceding that in which the Special Assessment is approved shall require the approval of the Parcel Declarant until the Parcel Declarant's Class "B"

Membership terminates. After the Parcel Declarant's Class "B" Membership terminates, any Special Assessment which would exceed thirty percent (30%) of the annual budget for the year immediately preceding that in which the Special Assessment is approved shall require the approval of voting Residential Members representing at least fifty-one percent (51%) of the total votes of voting Residential Members. Special Assessments shall be payable in such a manner and at such times as determined by the Residential Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

9.5 Depository. Depository of the Residential Association will be such banks as shall be designated from time-to-time by the directors and the withdrawal of monies from such accounts shall be only by checks signed by such persons as authorized by the directors; *provided, however*, that the provisions of a management agreement between the Residential Association and a manager relative to the subject matter of this Section 9.5 shall supersede the provisions hereof.

9.6 Financial Reporting. The Residential Association shall prepare and complete, or contract with a third party for the preparation and completion of, an annual financial report for the preceding year within ninety (90) days after the close of each fiscal year. Within twenty-one (21) days after the final financial report is completed by the Residential Association or received from the third party preparer, but not later than one hundred twenty (120) days after the end of the fiscal year, the Residential Association shall provide each Residential Member a copy of the annual financial report or a written notice that a copy of such report is available upon request at no charge. Such copy shall be furnished within ten (10) business days after receipt of a written request for the financial report. The financial report of the Residential Association shall be prepared as follows:

(a) If the Residential Association meets the criteria of this Section 9.6(a) the Residential Association shall prepare or cause to be prepared a complete set of financial statements in accordance with Generally Accepted Accounting Principles. The financial statements shall be based upon the Residential Association's total annual revenues, as follows:

(i) If the Residential Association has total annual revenues of $100,000.00 or more, but less than $200,000.00, the Residential Association shall prepare compiled financial statements.

(ii) If the Residential Association has total annual revenues of at least $200,000.00, but less than $400,000.00, the Residential Association shall prepare reviewed financial statements.

(iii) If the Residential Association has total annual revenues of $400,000.00, or more, the Residential Association shall prepare audited financial statements. The auditor of the Residential Association's financial statements shall be determined by a vote of the Residential Board.

(b) If the Residential Association meets the criteria of this Section 9.6(b) the Residential Association shall prepare or cause to be prepared a financial statements as follows:

(i) If the Residential Association has total annual revenues of less than $100,000.00, the Residential Association shall prepare a report of cash receipts and expenditures.

(ii) If the Residential Association's jurisdiction extends to less than fifty (50) Lots, regardless of the Residential Association's annual revenues, the Residential Association may prepare a report of cash receipts and expenditures in lieu of financial statements required by Section 9.6(a) above.

(iii) A report of cash receipts and expenditures under Section 9.6(b) above must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional, and management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; expenses for lawn care; costs for building maintenance and repair; insurance costs; administration and salary expenses; and reserves if maintained by the Residential Association.

(c) If twenty percent (20%) of the Residential Members petition the Residential Board for a level of financial reporting higher than that required by this Section 9.6, the Residential Association shall duly notice and hold a meeting of the Residential Members within thirty (30) days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the number of votes of the Residential Members, the Residential Association (i) shall amend the budget or adopt a Special Assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and (ii) shall prepare or caused to be prepared and provide within ninety (90) days of the meeting or the end of the fiscal year, whichever occurs later the following:

(i) Compiled, reviewed or audited financial statements if the Residential Association is otherwise required to prepare a report of cash receipts and expenditures;

(ii) Reviewed or audited financial statements if the Residential Association is otherwise required to prepare compiled financial statements; or

(iii) Audited financial statements if the Residential Association is otherwise required to prepare reviewed financial statements.

repeal of a Residential Bylaw would be inconsistent with any Residential Bylaw previously adopted by the Residential Members.

12.3 Notwithstanding anything to the contrary contained in this Section 12, until the Turnover Date, all amendments or modifications to these Residential Bylaws and adoption or repeal of Residential Bylaws shall only be made by action of the Residential Board, which Residential Board shall have the power to amend, modify, adopt and repeal any Residential Bylaws without the requirement of any consent, approval or vote of the Owners, Residential Members or any mortgagee or lienor.

12.4 Notwithstanding anything to the contrary contained in this Section 12, there shall be no amendment to these Residential Bylaws which shall abridge, amend or alter the rights of (i) Parcel Declarant, without the prior written consent thereto by Parcel Declarant for so long as Parcel Declarant holds either a leasehold interest in or title to at least one (1) Lot, (ii) any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee or (iii) the Residential Board without the affirmative vote of at least two-thirds (2/3) of the directors then in office at any regular meeting of the Residential Board or at any special meeting of the Residential Board called for that purpose, or by written instrument signed by all of the directors as is permitted by these Residential Bylaws. Any consent required pursuant to this Section 12.4 may be given or withheld by such affected party in such party's sole and absolute discretion.

12.5 Any instrument amending, modifying, repealing or adding Residential Bylaws shall identify the particular section or sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Residential Association shall be recorded amongst the Public Records of the County.

SECTION 13. Interpretation.

In the case of any conflict between these Residential Bylaws and the Residential Articles, the Residential Articles shall control; and in the case of any conflict between the Parcel Declaration and these Residential Bylaws, the Parcel Declaration shall control; and in the event of any conflict between the Residential Articles and the Parcel Declaration, the Parcel Declaration shall control.

CERTIFICATE

The undersigned hereby certifies that he/she is the duly elected and acting Secretary of the Residential Association named herein and that the foregoing is a true and correct copy of the Residential Bylaws of said Residential Association duly adopted by action of the Residential Board dated June 17, 2009, and hereby further certifies that such Residential Bylaws have not been amended or rescinded and remain in full force and effect as of the date hereof.

DATED: June 17, 2009.

Christie D. Paschel, Secretary