

BYLAWS
Of
LAKE FRANCES ESTATES PROPERTY OWNER'S ASSOCIATION, INC.

1. OFFICES.

The principal offices of the corporation in the State of Florida shall be located at 1150 Skyline Drive, Tavares, Florida 32778. The corporation may have such other offices, within the State of Florida, as the membership may designate or as the business of the corporation may require from time to time. The registered office of the corporation, required by the Florida Statutes to be maintained in the State of Florida may be, but not need be; identical with the principal office in the State of Florida, and the address of the registered office and the name of the registered agent may be changed from time to time by the membership.

2. MEMBERS.

2.1 Membership. Membership in this corporation shall be limited to bona fide home owners located in the Lake Frances Estates Subdivision who have paid all dues, assessments and charges required to be a member of the corporation.

Any adjustment in the annual membership dues shall be based on the amount of income required to cover the projected expenses Of the Association's adopted annual budget, subject to the approval of a majority (50% + 1) of members present.

2.2 Annual Meeting. The annual meeting of the members shall be held on the second Tuesday of January each year, at the hour of 2:00 o'clock p.m. or at such other time on such other day within such months as shall be fixed by the members, for the purpose of election of the Board of Directors or transacting such business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Florida, such meeting shall be held on the next succeeding business day.

2.3 Special Meeting to Elect Director. If, in any year, the election of Directors is not held at the annual meeting of member or an adjournment thereof, the board of directors shall call a special meeting of members as soon thereafter as reasonably possible for the purpose of holding such election and transacting such other business as may properly be brought before the meeting. In the event the board of directors fails to call a special meeting within three months after the date prescribed for the annual meeting, any member may call such a meeting, and at such a meeting the members may elect directors and transact all other business properly brought before the meeting.

2.4 Other Special Meetings. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, and shall be called by the President at the request of not less than one-tenth (1/10) of all members of the corporation entitled to vote at the meeting.

2.5 Place of the Meeting. The President may designate any place, within the State of Florida, as the place of meeting for any annual meeting or special meeting called by the President.

2.6 Notice of Meeting. Written notice 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, unless otherwise prescribed by statute, be delivered not less than fourteen (14) nor more than sixty (60) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President or the Secretary to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the membership books of the corporation, with postage thereon prepaid. No change in the time or place of a meeting for the election of directors may be made within fourteen (14) days of the date for which such meeting is scheduled, and written notice of any change in the date of such a meeting must be given to each member of record at least fourteen (14) days prior to the date for which any such meeting is re-scheduled. A member may waive notice of any annual or special meeting by signing a written notice of waiver either before or after the date of such meeting. Notice of all meetings shall be placed in a conspicuous place in the Subdivision at least fourteen (14) days prior to the meeting.

2.7 Adjournment. Any members' meeting, annual or special, may be adjourned from time to time by the affirmative vote of a majority (50% + 1) of the members represented at such meeting either in person or by proxy. An adjournment may be voted regardless of whether a quorum is present. When a members' meeting is adjourned for ten (10) days or more, notice of adjourned meeting must be given as in the case of an original meeting. When a meeting is adjourned for less than ten (10) days, no notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting at which the adjournment is voted.

2.8 Voting Record. The officer or agent having charge of the membership book for the corporation shall make, at least ten (10) days before each meeting of members, a complete list of the members entitled to vote at such meeting of members or any adjournment thereof, arranged in alphabetical order, with the address of each. Such list, for a period often (10) days prior to such meeting, shall be kept on file at the registered office of the corporation or at the principal place of business of the corporation and shall be subject to inspection by any member at any time during normal business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting for the purposes thereof. The membership book shall be prima facie evidence as to who are the members entitled to examine such list or books or to vote at any meeting of members. Failure to comply with the requirements of this section shall not affect the validity of any action taken at a meeting of members. However, if the requirements of this section have not been substantially complied with, the meeting shall be adjourned until the requirements are complied with, on the demand of any member in person or by proxy.

2.9 Quorum. Thirty percent (30%) of the members of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of the members. If less than a majority of the members are represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present and represented, any business may be transacted which might have been transacted at

the meeting as originally noticed. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

2.10 Proxies. At all meetings of members, a member may vote in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after 120 days from the date of its execution, unless otherwise provided in the proxy.

(a) Proxy forms also shall be available to members from any officer or other member of the Board of Directors.

(b) The proxy form shall contain the names of all nominees for each Director if an election is to be held. If other issues are to be voted on, the proxy form shall provide sufficient information on the issue(s) to enable the member to determine how he or she wishes to vote or that information will be delivered to the member separately prior to or at the same time as the proxy ballot.

2.11 Voting Rights. Every owner of a lot or building site which is subject to assessment shall be a Member of the Association. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote of such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting shall be prohibited (approved 01/21/05).

2.12 Limitation on Right to Vote. Any member that is delinquent in paying any indebtedness to the corporation that has been due for a period of more than thirty (30) days, shall not be entitled to vote at any meeting of the membership until all such sums are paid in full. The Treasurer or such other person charged with the responsibility of collecting the corporation's accounts, shall, at the commencement of any meeting, certify to the person conducting the meeting which membership certificates are not current in payment of all assessments and are not eligible to vote.

2.13 Order of Business. The order of business at the annual meeting of the members and, insofar as possible, at all other meetings of members, shall be as follows:

- (a) Call to Order.
- (b) Proof of Notice of Meeting.
- (c) Reading and disposing of any unapproved minutes.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Election of Directors.
- (g) Disposition of unfinished business.
- (h) Disposition of new business.
- (i) Adjournment.

2.14 Minutes of Meetings. Minutes of all meetings of members and of the board of directors shall be kept in a businesslike manner and shall be available for inspection by members, or their authorized representatives, and board members at reasonable times. The corporation shall retain these minutes for a period of not less than seven (7) years.

3. BOARD OF DIRECTORS.

3.1 **General Powers.** Subject to the limitations of the articles of incorporation, these bylaws, and the Florida General Corporation Act concerning corporate action that must be authorized or approved by the members of the corporation, all corporate powers shall be exercised by or under the authority of the board of directors, and the business and affairs of the corporation shall be controlled by the board.

3.2 **Number, Tenure, Qualifications and Election.** The board of directors shall consist of nine (9) persons who must be members of the corporation. Five (5) Directors shall be elected every odd year and four (4) Directors shall be elected every even year. The number of directors may be increased or decreased from time to time by amendment to these bylaws. Directors of the corporation shall be elected at the annual meeting of members, or at the meeting held in lieu thereof as provided above, and shall serve until the next succeeding annual meeting and until their successors have been elected and qualified.

3.3 **Organizational Meeting.** The Board of Directors shall hold an organizational meeting immediately following each annual meeting of members.

3.4 **Regular Meetings.** Regular meetings of the board of directors shall be held at such times as shall be fixed from time to time by resolution of the board.

3.5 **Special Meetings.** Special meetings of the board may be called at any time by the president, or, if the president is absent or is unable or refuses to act, by any vice president or by any two members of the board of directors.

3.6 **Notice of Meetings.** Notice of all meetings of the board shall be in writing delivered in person or by first-class mail or telegram or cablegram at least two (2) days prior to the date of the meeting. Neither the business to be transacted at nor the purpose of any such meeting need be specified in the notice, unless the budget or assessments against membership are to be considered. Attendance of a director at a meeting shall constitute a waiver of notice and a waiver of all objection to the place, time, and manner of calling the same, except where the director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. Notice of meetings of the board of directors shall be posted in a conspicuous place in the subdivision at least forty-eight (48) hours before such meeting. Meetings of the board of directors shall be open to all members of the corporation.

3.7 **Quorum and Voting.** A majority (50% + 1) of directors in office shall constitute a quorum for the transaction of business, and the acts of a majority of directors present at a meeting at which a quorum is present shall constitute the acts of the board of directors. If at any meeting of the board of directors, less than a quorum is present, a majority of those present may adjourn the meeting, from time to time, until a quorum is present. In the event vacancies exist on the board of directors, other than vacancies caused by the removal of a director or directors by the members or by an increase in the number of directors, the remaining directors, although less than a quorum, may elect a successor or successors for the unexpired term by a unanimous vote.

3.8 Vacancies. A vacancy in the board of directors shall exist on the happening of any of the following events:

- (a) A director dies, resigns, or is removed from office.
- (b) The authorized number of directors is increased without the simultaneous election of a director or directors to fill the newly authorized position.
- (c) The members at any annual, regular, or special meeting at which directors are to be elected, elect less than the number of directors authorized to be elected at that meeting.
- (d) The board of directors declares vacant the office of a director who has been adjudicated of unsound mind or has been finally convicted of a felony or who, within thirty (30) days after notice of his or her election to the board, neither accepts the office in writing nor attends a meeting of the board of directors.

A reduction in the authorized number of directors does not remove any director from office prior to the expiration of his or her term of office.

3.9 Filling of Vacancies. A vacancy in the board of directors, except a vacancy occurring by the removal of a director, may be filled by the majority vote of the remaining directors, even though less than a quorum is present. Each director so elected shall hold office for the unexpired term of his or her predecessor in office.

3.10 Removal of Directors. At any regular meeting of members, or at any special meeting called for such purpose, any director or directors may be removed from office, with or without cause, by a two-thirds (2/3) vote.

3.11 Replacement of Directors by Members. New directors may be elected by the members for the unexpired terms of directors removed from office at the same meetings at which such removals are voted. If the members fail to elect persons to fill the unexpired terms of removed directors, such terms shall be considered vacancies to be filled by the remaining directors as provided above.

3.12 Compensation. Directors shall not be entitled to receive from the corporation compensation for their services as directors, but shall be entitled to reimbursements, upon presentation of board approved documentation, for any reasonable expenses incurred in attending meetings of directors or in carrying out their duties as directors.

3.13 Indemnification. The corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any other corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlements, actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. However, no indemnification shall be provided in any action or suit by or in the right of the corporation to procure a judgment in its favor, with respect to any claim, issue, or matter as to which such person is adjudged to be liable for negligence or misconduct in the performance of his or her

duty to the corporation. Indemnification hereunder shall be made by the corporation only as authorized in the specific case on a determination by a majority of disinterested directors, that such individual met the applicable standard of conduct set forth above. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not meet the applicable standard of conduct. Indemnification hereunder shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

3.14 **Presiding Officer.** The presiding officer of the board of directors shall be the President of the corporation who shall also be the Chairman of the Board, and in the absence of the Chairman of the Board, the Vice-President shall preside.

3.15 **Minutes of Meetings.** Minutes of all meetings of the board of directors shall be kept in a book and shall be available for inspection by members, or their authorized representatives, at reasonable times. Minutes of the meeting of the board of directors shall be retained for a period of not less than seven (7) years.

3.16 **Negotiating Committee.** The board of directors shall designate a committee not to exceed five in number in accordance with the provisions of Chapter 723, Florida Statutes, to meet with the Subdivision developer on matters concerning changes in rules and regulations.

4. OFFICERS.

4.1 **Number.** The officers of the corporation shall be a president, one or more vice-presidents, a secretary, and a treasurer, each of whom shall be elected by the directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the members. Any two or more offices may be held by the same person.

4.2 **Election and Term of Office.** The officers of the corporation shall be elected by the directors at the organizational meeting of the directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

4.3 **Removal.** Any officer or agent may be removed by the directors whenever in their judgment the best interests of the corporation will be served thereby. Election or appointment of an officer or agent shall not of itself create contract rights.

4.4 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the directors for the unexpired portion of the term.

4.5 **The President.** The president shall be the principal executive officer of the corporation and, subject to the control of the directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the members and directors. He may sign, with the secretary or any other proper officer of the corporation thereunto authorized by the directors, certificates for membership of the corporation and deeds, mortgages, bonds, contracts,

or other instruments which the directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the directors or by these Bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the directors from time to time.

4.6 The Vice-President. In the absence of the president or in the event of his death, inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president may sign, with the secretary or an assistant secretary, certificates for membership of the corporation; and shall perform such other duties as from time to time may be assigned to him by the president or by the directors.

4.7 The Secretary. The secretary shall: (a) keep the minutes of the proceedings of the members and of the directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the post office address of each member which shall be furnished to the secretary by such member; (e) sign with the president, or a vice-president, certificates for membership of the corporation, the issuance of which shall have been authorized by resolution of the directors; (f) have general charge of the membership books of the corporation; and (g) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the directors.

4.8 The Treasurer. The treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for all money due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provision of Article 5 of these Bylaws; and (c) in general perform all of the duties as from time to time may be assigned to him or her by the president or by the directors. If required by the directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the directors shall determine.

4.9 Salaries. No officer shall be compensated for his or her services but shall be entitled to reimbursement for expenses, as stated in 3.12 of these bylaws.

5. CONTRACTS, LOANS, CHECKS, AND DEPOSITS.

5.1 Contracts. The directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

5.2 **Loans.** No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the directors. Such authority may be general or confined to specific instances.

5.3 **Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by at least two officers, or agents of the corporation and in such manner as shall from time to time be determined by resolution of the directors.

5.4 **Deposits.** All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the directors may select.

5.5 **Association fees are due the first day of the month.** If not received by the last day of the month, they will be considered overdue and a late charge of 10% will be charged. (Approved 01/18/02).

6. MEMBERSHIP CERTIFICATES.

6.1 Certificates representing membership in the corporation shall be in such form as shall be determined by the directors. Such certificates shall be signed by the president or a vice-president and by the secretary or an assistant secretary and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the corporation itself or one of its employees.

7. FISCAL YEAR.

7.1 The fiscal year of the corporation shall begin on the first day of January and end on the thirty-first day of December in each year.

8. CORPORATE SEAL.

8.1 The directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and state of incorporation and the words "Corporate Seal".

9. WAIVER OF NOTICE.

9.1 Whenever any notice is required to be given to any member of the corporation under the provisions of these bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Florida Corporate Law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

10. NOMINATING COMMITTEE.

10.1 At the annual meeting the president shall announce the appointment of the chairperson for the nominating committee. The chairperson shall select no less than

two (2) additional committee members who shall be association members in good standing. The committee shall serve until the close of the succeeding annual meeting.

10.2 The nominating committee shall nominate not more than two (2) members in good standing for each vacancy to be filled.

10.3 The entire list of nominees shall be published in the Association's bulletin, together with a proxy form for the use of members who, for any reason, cannot vote in person.

11. BALLOTING COMMITTEE.

11.1 At the annual meeting of the members and at any special meeting at which a quorum is required, the president shall appoint a chairperson and four (4) members to the balloting committee from among members present at the meeting.

11.2 The committee shall be responsible for the following:

(a) Checking proxy votes against the voting membership list and counting same.

(b) Collecting and counting ballots.

(c) Affirming the count of properly executed proxies and ballots to the President.

(d) Delivering the ballots and proxies to the secretary who shall retain them for no less than thirty (30) days before disposing of them.

12. ANNUAL BUDGET.

12.1 The treasurer shall prepare a proposed annual budget for each forthcoming fiscal year which shall be submitted to the Board of Directors by the regularly scheduled November Board Meeting for approval. Such budget shall be based on expenditures for the current year and anticipated expenditures, insofar as possible, for the forthcoming fiscal year.

12.2 If the proposed budget is approved by the Board Members at the November Board Meeting, the budget shall be adopted, pursuant to approval of Capital Expenditures by the residents at a meeting of the members, if required by Para 12.5 below.

12.3 A separate document will be prepared and published in the January HiLites and/or be available to all voters at the Annual Meeting, reflecting the Capital Expenditures portion of the Budget as approved by the Board of Directors.

12.4 The Capital Expenditure document will be prioritized so as to indicate which projects would be cancelled due to cost over-runs on other projects.

12.5 The Capital Expenditure Budget will require approval by the voting membership as defined in Para 2.11 under the following circumstances:

(1) Any project exceeding \$10,000

(2) When the total Capital Expenditures exceeds 20% of the budgeted income.

12.6 Cost over-runs must be approved by the Board of Directors.

12.7 If a resident desires to introduce a Capital Improvement at the Annual Meeting, in addition to those previously approved by the Board, the request must be submitted to the Board at least 60 days prior to the Annual Meeting. The request submitted must contain the estimated cost of operation if applicable and estimated maintenance costs. A summary of the benefits to residents and resident usage shall be included.

13. AMENDMENTS.

The governing documents may be altered, amended, or repealed and new governing documents may be adopted by the majority (50% + 1) of members at any regular or special meeting.

IN WITNESS WHEREOF, the undersigned, has hereunto set their hands and seal this 27th day of July, 2012.

Signed, sealed, and delivered

**Lake Frances Estates Property
Owner's Association, Inc.**

Todd J. Marenko
Witness:

Todd J. Marenko
Print:

Elaine Platt
Witness:

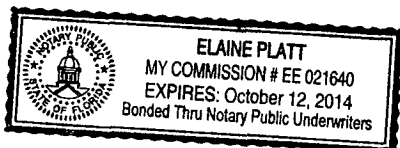
Elaine Platt
Print:

By: Fay Chernosky
Fay Chernosky, President

By: Judy Raatz
Judy Raatz, Secretary

STATE OF FLORIDA
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 27th day of July, 2012, by **Fay Chernosky** on behalf of and as President of and **Judy Raatz** on behalf of and as Secretary of Lake Frances Estates Property Owner's Association, _____ who are personally known to me or _____ who produced Florida Driver Licenses as identification and who did not take an oath.



Elaine Platt
Notary Public
My Commission Expires: