

**AMENDED AND RESTATED BYLAWS**  
**OF**  
**COTTESMORE HOMEOWNERS ASSOCIATION, INC.**

1. **GENERAL.** These are the Bylaws of Cottesmore Homeowners Association, Inc., hereinafter the "Association", a corporation not for profit organized under the laws of Florida for the purpose of operating a homeowners' association pursuant to Chapter 720 of the Florida Statutes.

1.1 **Principal Office.** The principal office of the Association at such address as may be chosen from time to time by the Association's Board of Directors.

1.2 **Definitions.** Certain words and phrases used in these Bylaws are defined in the Declaration of Covenants, Restrictions and Easements of Cottesmore at Lely Resort (the "Declaration"), unless the context clearly requires a different meaning.

2. **MEMBERS; VOTING RIGHTS.** The members of the Association are the record Owner(s) of legal title to the Lots. If a Lot is subject to a contract for deed or a life estate, the contract vendee or life tenant, respectively, shall be deemed to be the Owner for purposes of determining voting and use rights. Membership shall become effective upon the occurrence of the last to occur of the following events: a) recording in the Public Records of a Deed or other instrument conveying or evidencing legal title to the new member and b) delivery to the Association of a copy of the recorded Deed or other evidence of title. Membership in the Association is appurtenant to, runs with, and cannot be separated from the real property interest upon which membership is based. Each members' share of beneficial ownership of the common surplus is the same as his share of liability for assessments, as provided in the Declaration.

2.1 **Voting Rights.** The members of the Association are entitled to one (1) vote for each Lot owned by them. The total number of votes equals the total number of Lots. There are fifty seven (57) Lots, therefore the number of voting interests is fifty seven (57). The vote of a Lot is not divisible. The right to vote may be suspended if a member is delinquent, in excess of ninety (90) days, in the payment of any monetary obligation due to the Association. If a Lot is owned by one natural person, his right to vote shall be established by the record title. If a Lot is owned jointly by two or more natural persons, regardless of whether they are acting as trustees, the particular Lot's vote may be cast by any one of the record Owners. If two or more Owners of a Lot do not agree among themselves how their one vote shall be cast, that vote shall not be counted for any purpose. If the Owner of a Lot is not a natural person, the vote of that Lot shall be cast by the person designated in a voting certificate.

2.2 **Approval or Disapproval of Matters.** Whenever the decision or vote of a Lot Owner is required upon any matter, whether the subject of an Association meeting or not, the decision or vote shall be expressed or cast by any eligible person authorized in Section 2.1 above to cast the vote of that Lot if present at an Association meeting, unless the joinder of all record Owners is specifically required.

2.3 **Termination of Membership.** 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 which the Association may have against any former Owner or member.

### **3. MEMBERS' MEETINGS.**

- 3.1 Annual Meeting.** The Annual Meeting of the members shall be held in Collier County, Florida, on a day, place and time 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 Meetings.** Special Meetings of the members shall be held whenever called by the President or by a majority of the Board of Directors, and may also be called by members representing at least fifty one percent (51%) of the voting interests. Business at any Special Meeting shall be limited to the items specified in the Notice of meeting.
- 3.3 Notice Of Meetings.** Notice of meetings of the members, stating the time, date and place of the meeting must be mailed to the Owner(s) of each Lot at the address that appears on the books of the Association. The Notice may also be provided by personal delivery or by electronic transmission. The member bears the responsibility for notifying the Association of any change of address, including addresses for electronic transmission. If made by electronic transmission, such notice shall be deemed mailed to the member at the electronic address provided to the Association by the member. To the extent practical, notice of a members' meeting made by electronic transmission may include information which otherwise is typically required to accompany such a notice. Other than the Notice of the Annual Meeting and Election, a Notice of Members' Meetings must be mailed or transmitted at least fourteen (14) days before the date of the meeting. In addition to the fourteen (14) Notice required in this Section, the Annual Meeting and Election shall require a First Notice of the Annual Meeting to be provided to Members not less than sixty (60) days prior to the Annual Meeting. See Section 4.3 below. Unless the law or the governing documents expressly require otherwise, Notice of an Annual Meeting or Special Meeting must include a description of the purpose or purposes for which the meeting is called.
- 3.4 Quorum.** A quorum at meetings shall be attained by the presence, either in person or by proxy, of at least thirty percent (30%) of the voting interests of the Association.
- 3.5 Voting Certificates.** Where a vote is entitled to be exercised by more than one person or by a corporation, limited liability company, partnership or other entity, the vote shall be cast by the person named in a certificate signed by all of the individual owners, members, partners, or the appropriate official(s) or representative(s) of such entity. Such certificates shall be filed with the Secretary of the Association and shall remain valid until revoked by subsequent certificate.
- 3.6 Vote Required.** The acts approved by a majority of the votes cast at a meeting at which a quorum has been attained are binding upon all members for all purposes, except where a higher vote is required by law, or by any provision of the governing documents.

- 3.7 Proxies.** Votes at a meeting may be cast in person or by proxy. A proxy may be given by any person entitled to vote, but shall be valid only for the specific meeting for which originally given and/or any lawful adjournment of that meeting. No proxy shall be valid longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy is 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, and specify the date, time and place of the meeting for which it is given. To be valid, a proxy must be received by the Association no later than the beginning of the meeting for which the proxy is to be voted.
- 3.8 Adjourned Meetings.** Any duly called meeting of the members may be adjourned by the majority of the voting interests present, regardless of whether a quorum has been attained, and may be reconvened later at a specific time and place. When a meeting is so adjourned, it shall not be necessary to give formal notice of the time and place of its continuance, if that information is announced at the meeting being adjourned. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance, provided a quorum has been attained.
- 3.9 Order of Business.** The order of business at members' meetings shall be generally as follows:
- (A) Determination of the existence of a quorum.
  - (B) Proof of Notice
  - (C) Reading or dispensing with reading minutes from the last members meeting.
  - (D) Reports of Officers. (Financial Report)
  - (E) Reports of Committees.
  - (F) Election of Directors (Annual Meeting Only).
  - (G) Unfinished Business.
  - (H) New Business.
  - (I) Adjournment.
- 3.10 Minutes.** Minutes of all meetings of the members and of the Board of Directors shall be kept in a businesslike manner, in a book or books, and must be available for inspection and copying by members or their authorized representatives at all reasonable times.
- 3.11 Parliamentary Rules.** Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings, when not in conflict with the law or the governing documents. The President may appoint a Parliamentarian for assistance and advice, but the President's decision on questions of Parliamentary Procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.
- 3.12 Action By Members Without Meeting.** Except for the holding of the Annual Meeting and Annual Election of Directors, any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting, if written consents or other instruments expressing approval of the action proposed to be taken are signed and returned by members having not less than a majority of the total voting interests, or the minimum number of votes that would otherwise be necessary to take such action at a meeting as may be required elsewhere in the Declaration, Articles of Incorporation

or these Bylaws. If the requisite number of written consents is received by the Secretary within ninety (90) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect. Within thirty (30) days thereafter, the Board shall meet to tabulate the votes and send written notice of the action to all members. Nothing in this Section affects the rights of members to call a special meeting of the membership, as provided for in these Bylaws or by law. If the vote is taken by the method described in this Section, the list of Owners on record with the Secretary at the time of mailing the voting materials shall be the list of qualified voters. The written consents used to authorize an action without a Meeting shall become part of the Association's records.

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

**4.1 Number And Terms of Service.** The number of Directors which shall constitute the whole Board of Directors shall be three (3). To maintain experienced Board members, Directors will be elected for staggered terms. Excepting the initial implementation of staggered terms in the 2018 Election, each Director's term shall be of the same length. Beginning with the 2018 annual election, the number of Directors to be elected shall be three (3). The two (2) candidates receiving the highest number of votes shall be elected for two (2) year terms. The candidate receiving the next highest number of votes shall be elected for a one (1) year term. If there are only three (3) candidates in the 2018 election, and/or if there is a tie vote among the candidates (in any election), the determination of which candidate(s) will serve and/or which shall serve a particular term shall be made among them by agreement or by lot. After the 2018 Election, all Directors shall be elected for two (2) year terms. A Director's term will end at the final adjournment of the annual meeting at which his successor has been duly elected, if he sooner resigns or is recalled as provided in Section 4.5 below, or at such other time as may be provided by law. Directors shall be elected by the members as described in Section 4.3 below, or in the case of a vacancy, as provided in Section 4.4 below.

**4.2 Qualifications.** A Director must be a member of the association, or an officer of a corporation which is a member, a member or Manager of a limited liability company member; a trustee who holds a title to a Lot through a trust; or a partner of a partnership member.

**4.3 Nominations and Elections.** On the day of each Annual Members' meeting the membership shall elect as many Directors as there are regular terms of Directors expiring. Directors shall be elected at the annual meeting of Members' by a plurality of the votes entitled to be cast for Directors which are present in person or by proxy. Each eligible voter shall be entitled to cast votes for each of as many nominees as there are vacancies to be filled. In the election of Directors, there shall be appurtenant to each Lot as many votes for Directors as there are Directors to be elected. No owner of any single Lot may cast more than one vote for any person nominated as a Director. There shall be no cumulative voting. No nominations shall be made from the floor. On the day of each annual election the members shall elect by written ballot or proxy as many

Directors as there are regular terms of Directors expiring, unless the balloting/voting is dispensed with as provided by these Bylaws or otherwise by law. Members need not be in attendance to vote in the election, provided that their ballot or proxy is received at the beginning of the meeting at which the election will take place.

- (A) **First Notice.** In addition to the fourteen (14) day Notice required by Section 3.3 above, the Association shall mail, electronically transmit or hand deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each member entitled to vote, a first notice of the date of the election at least sixty (60) days before the election. Any eligible member or other eligible person desiring to be a candidate may qualify as such by giving written notice of his or her intent to be a candidate to the Association not less than forty (40) days prior to the annual election. The Association must receive a candidate's notice of intent by 5:00PM on the fortieth (40th) day prior to the annual election in order to be considered as a candidate to be included on the ballot. A notice of intent may be provided to the Association by any reasonable method of notifying the Association of the candidate's intention to run for the Board, including but not limited to, by electronic methods such as electronic mail or facsimile, provided however that the notice of intent is timely received by the Association. A candidate may include a single page candidate information sheet to be provided to the members, no larger than 8 1/2 inches by 11 inches. In order for the candidate information sheet to be provided to the members, it must be received by the Association no later than the time required for receipt of the notice of intent to be a candidate.
- (B) **Second Notice; Candidate Information Sheets.** If there are more candidates than there are for open directorship positions, at least fourteen (14) days before the election, the Association shall mail, electronically transmit, or hand deliver a second notice of election to all members entitled to vote in the contested election, together with a ballot or proxy that lists all qualified candidates. The candidate information sheet provided by the candidate, shall be included with the mailing, delivery or transmission of the ballot, with the costs of mailing, delivery or electronic transmission and copying being borne by the Association. This notice shall be mailed together with the written notice and agenda required by Section 3.3 above.
- (C) **Balloting.** If there are fewer notices of intent received by the Association than there are open directorships in the election, balloting shall not be required and the candidates who have submitted their notice of intent shall be elected. Where balloting is required, Directors shall be elected by a plurality of the votes cast, provided that at least twenty percent (20%) of the eligible voters cast ballots. Proxies may be used in the election. In the election of Directors, there shall be appurtenant to each lot as many votes for Directors as there are Directors to be elected, but no unit may cast more than one vote for any candidate. Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, or by any other method allowed by law.
- (D) **Rules and Regulations.** The Board of Directors may establish additional Rules and Regulations to implement these procedures.



- 4.4 Vacancies On The Board.** If the office of any Director becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected by a majority of the remaining Directors, though less than a quorum. The successor shall hold office for the remaining unexpired term.
- 4.5 Removal Of Directors.** Any Director may be removed from office, with or without cause, by the vote or agreement in writing of a majority of the voting interests. The notice of a meeting of the owners to recall one or more Directors must name the specific Director(s) sought to be removed, and a separate vote for each Director sought to be removed shall be taken. Where removal is sought by written agreement, a separate agreement is required for each Director to be removed. Any Director who is removed from office is not eligible to stand again for election to the Board, or be appointed to the Board, until the next annual election. A Director who is removed from office shall 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 may summarily order the Director to relinquish his office and turn over corporate records upon application of any Owner. In any such action, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.
- 4.6 Board Meetings.** A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board must be open to all members, except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notices of all Board meetings must be posted in a conspicuous place at least forty-eight (48) hours in advance of every meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place, notice of each Board meeting must be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency. Notice of meetings of the Board may also be given by electronic transmission (to an electronic address provided by the Association member) and shall include information which may otherwise be required to accompany such notice. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessment. Any Owner may make audio or video recordings of meetings of the Board of Directors and meetings of the members. No posting of audio or video recordings of meetings on the Internet, world wide web or other Social Media sites shall be permitted unless the unanimous consent of the members of the Board of Directors has been obtained. The Board of Directors may adopt reasonable rules governing the audio and video recording of meetings of the Board and the membership.
- 4.7 Waiver Of Notice By Directors.** Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.
- 4.8 Quorum Of Directors.** A quorum at a Board meeting exists only when a majority of all Directors are present in person. 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 other similar communicative arrangement whereby all persons present at the meeting site can hear and speak to all other persons, and participation by this means is deemed equivalent to presence in person at a meeting.

- 4.9 Adjourned Meetings.** The majority of the Directors present at any meeting of the Board, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a later time. When the meeting is reconvened, provided a quorum is then present, any business that might have been transacted at the meeting originally called may be transacted without further notice.
- 4.10 Presiding Officer.** The President of the Association, or in his absence, the Vice-President, shall preside at all meetings of the Board of Directors. If neither is present, the presiding officer shall be selected by majority vote of those present.
- 4.11 Vote Required.** The acts approved by a majority of the Directors present and voting at a Board 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 law. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in electing officers. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of the point of view that prevails on any question, unless he voted against such action or abstained from voting because of an asserted conflict of interest, which must be noted in the minutes.
- 4.12 Directors' Fees and Reimbursement Of Expenses.** No compensation or fees shall be paid to Directors for their service as Directors. Directors may be reimbursed for out-of-pocket expenses related to the proper discharge of their respective duties.
- 4.13 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. The meetings of committees, including any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the Association, must be conducted with the same formalities as required for meetings of the Board. The Board of Directors shall have the authority to review, approve, disapprove or revoke the acts of a committee unless otherwise provided by law.
- 4.14 Emergency Powers.** In the event of an "emergency" as defined in Section 4.14(G) below, the Board of Directors may adopt emergency bylaws as authorized by Section 617.0207 of the Florida Statutes (as amended from time to time) and exercise the following emergency powers, and any other emergency powers authorized by Section 617.0303 of the Florida Statutes (as amended from time to time).
- (A) 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.

- (B) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.
- (C) 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.
- (D) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association and shall have the rebuttable presumption of being reasonable and necessary.
- (E) 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.
- (F) Adopted emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.
- (G) For purposes of this Section 4.14, an "emergency" exists only while the Neighborhood, or the immediate geographic area in which the Neighborhood is located, is subjected to:
  - (1) a state of emergency declared by law enforcement authorities;
  - (2) a hurricane warning;
  - (3) a partial or complete evacuation order;
  - (4) designated by federal or state government as a "disaster area;" or
  - (5) a catastrophic occurrence, whether natural or man-made, which seriously damages or threatens serious damage to the Neighborhood, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or acts of terrorism.

**5. OFFICERS.** Officers are elected by a majority of the Board at its first meeting within ten (10) days after every election, and serve at the pleasure of the Board. The executive officers of the Association shall be a President, a Vice-President, a Treasurer, and a Secretary, all of whom must be Directors, and shall be elected annually by the Board of Directors. Any officer may be removed from office, with or without cause, by a majority of the Directors at any meeting where such action is identified in the Agenda. Any person, except the President, may hold two or more offices. The Board of Directors 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 Vice-President.

**5.1 President.** The President shall be the chief executive officer of the Association; he shall preside at all meetings of the members and Directors, shall be an *ex-officio* 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. He shall execute deeds, bonds, mortgages, leases and other contracts, 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. The President must be a member of the Board of Directors.

**5.2 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 prescribe.

**5.3 Secretary.** The Secretary shall attend meetings of the Board of Directors and meetings of the members and shall be responsible for the recording of all votes, and the minutes of all proceedings, in a book to be kept for the purpose, and shall perform like duties for standing committees when required. He shall give, or cause to be given, 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. He 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 is designated.

**5.4 Treasurer.** The Treasurer is responsible for the safekeeping of Association funds and assets, budget preparation, and the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if one has been designated.

**5.5 Multiple Positions.** An individual may simultaneously hold more than one office except for the President.

**5.6 Term.** All officers hold office at the pleasure of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and qualified or until he or she resigns or is removed. A vacancy of any office which occurs for any reason, may be filled

**5.5 Compensation Of Officers.** No compensation shall be paid to any member for services as an officer 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 accounts designated from time to time by the Board. The Board shall exercise due care to preserve the principal in such accounts. 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.

**6.2 Accounts and Accounting Procedures.** The financial and accounting records of the Association must be kept according to generally accepted accounting principals, and kept for a period of at least seven (7) years. The financial and accounting records must include:

- (A) Accurate, itemized, and detailed records of all receipts and expenditures.
- (B) A current account and a period statement of the account for each member, designating the name and current address of each member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the member, the date and amount of each payment on the account, and the balance due.
- (C) All tax returns, financial statements, and financial reports of the Association.
- (D) Any other records that identify, measure, record or communicate financial information.

**6.3 Budget.** Prior to the end of each fiscal year, the Board of Directors shall adopt a budget of common expenses for the next fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting of the Board at which the budget will be considered shall be mailed to or served on each Owner not less than fourteen (14) days prior to the meeting. The proposed budget shall be detailed and show the amounts budgeted by accounts and expense classifications, as well as the actual expenses in the previous fiscal year for the same accounts and expense classifications. The proposed budget shall include, but not be limited to:

- (A) The Regular Budget, which shall include provisions for the accomplishment of those duties and objectives contemplated by the Declaration, Articles of Incorporation and these Bylaws.
- (B) The Water Management Budget, which shall pay for the operations and maintenance of the water manage system serving the lots.
- (C) The proposed Regular Assessment against each member as set forth in the Declaration.

**6.4 Reserves.** Reserve accounts may be established as provided by law. The purpose of reserves shall be as designated in the resolution or vote creating the reserves. The amounts proposed to be so reserved shall be shown in the proposed annual budget.

**6.5 Regular Assessments.** The Regular Assessment based on the annual adopted budget shall be paid in quarterly installments, in advance, due on the first day of each quarter. If a Regular Assessment is not made as required, it shall be presumed to have been made in the amount of the last prior Regular Assessment. Written notice of the Regular Assessment shall be sent to members at least annually, but failure to

send or receive the notice does not excuse the obligation of an owner to pay assessments.

- 6.6 Special Assessments.** Special Assessments may be imposed by the Board of Directors 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 the assessment. The notice to owners that a Special Assessment has been adopted must state the specific purpose(s) of the assessment, and the funds collected must be spent for the stated purpose(s) or credited back to the members' accounts. The funds collected must be spent for the stated purpose(s). However, upon completion of the stated purpose(s), any excess funds will be considered common surplus.
- 6.7 Supplementary Assessments.** The budget may be amended by the Board of Directors at any time. If the budget shall be increased, the Board may, in addition to increasing the amount of the remaining installments of the Regular Assessment, impose a Supplementary Assessment. The Supplementary Assessment shall be due and payable as required by the Board of Directors.
- 6.8 Payment of Assessments.** Assessments and/or their installments shall be paid within ten (10) days after the due date. If the payment of any assessment or installment is not received by the due date, the installment or assessment shall be subject to a late fee at the maximum rate allowed by law. In addition, assessments not paid when due shall accrue interest at the maximum rate allowed by law until paid. An owner shall pay the costs and attorneys fees incurred incident to the collection of assessments. Payments received after the due date shall be applied first to accrued interest, then to late fees, costs, attorneys fees and then to delinquent assessments, in that order. Upon default in payment of any assessment or installment, the Board of Directors may elect to accelerate the remaining installments due on any assessment. An assessment shall be deemed accelerated ten (10) days after the mailing of written notice of the acceleration to the delinquent owner.
- 6.9 Fidelity Bonds.** The Officers and Directors, and any other persons who are responsible for the Association's funds, shall be bonded in such amounts as may be required by law or by the Board of Directors. The amount of the such bonds shall be as determined by the Board of Directors. Premiums on such bonds shall be a common expense.
- 6.10 Annual Financial Reports.** The owners shall be provided with annual financial reports in accordance with Section 720.303(7) of the Florida Statutes, as amended from time to time. Such financial reports shall be at the level of accounting review as required by law unless the members have voted to increase, or reduce, the level of accounting required. The financial reports shall show, in reasonable detail, the financial condition of the Association as of the close of its fiscal year.
- 6.11 Fiscal Year.** The fiscal year of the Association begins on the first day of January of each year.

7. **RULES AND REGULATIONS; USE RESTRICTIONS.** The Board of Directors may from time to time adopt and amend reasonable Rules and Regulations governing the operation, use, maintenance, management and control of the Lots and Association Common Areas, to implement the procedures and the operation of the Association. Copies of such Rules and Regulations shall be furnished to each Owner.

8. **COMPLIANCE AND DEFAULT; REMEDIES.** In addition to any other remedies provided in by law, the following provisions shall apply:

8.1 **Fines and Suspensions.** The Board of Directors may levy fines and suspensions against any member, member's tenant, guest, or invitee for the failure of the owner of the parcel, or its occupant, licensee whose owners or occupants, tenants, guests or invitees commit violations of the Declaration, these Bylaws, or the Rules and Regulations, or condone such violations by their family members, guests or lessees. Fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed the maximum amounts allowed by law. The procedure for imposing fines and suspensions shall be as follows:

(A) **Notice.** The Association shall notify the owner or person sought to be fined or suspended with notice of the fine or suspension and notice of the opportunity for an appeals hearing. The notice shall include:

(1) A specific designation of the provisions of, the Declaration, Bylaws or Rules and Regulations which are alleged to have been violated;

(2) A short and plain statement of the specific facts giving rise to the alleged violation(s); and

(3) The amount of any proposed fine, including for ongoing fines incurred for violations which continue after the Notice.

(B) **Fine Hearing.** A fine hearing, if requested by the Owner or person sought to be fined or suspended, shall be held after providing the owner with at least fourteen (14) days notice of the hearing date, time and place. The hearing shall be held before a Fine Hearing Committee of at least three (3) owners appointed by the Board, who are not officers, directors or employees of the Association, or the spouse, parent, child, brother, sister or member of the household of any of the above. The Fine Hearing Committee, by majority vote, may either recommend the approval of the fine or suspension or dismissal of the fine or suspension. The Fine Hearing Committee shall have no authority to reduce the amount of a fine or the terms and conditions of a suspension. At the hearing, the party against whom the fine may be levied or suspension imposed 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 by the Association.

(C) **Amount Of Fine.** The Board of Directors may impose fines in amounts reasonably related to the severity of the offense and deemed adequate to deter future offences, not to exceed \$100 per violation. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. A fine may exceed \$1,000 per violation for a continuing violation. A fine in excess of \$1,000 shall become

a lien against a parcel and may be foreclosed in the same manner a a lien for assessments.

- (D) **Collection Of Fines.** Fines shall be due to the Association ten (10) days after written notice to the Owner of the imposition of the fine, as provided above. The filing of a request for a Fine Hearing as provided above shall postpone the due date until three (3) days after the written decision of the Fine Hearing Committee is served on the Owner. Outstanding fines, if unpaid after thirty (30) days from the date due, shall be bear interest at the highest rate allowed by law. The owner shall also be responsible for the costs of collection of the fine, including but not limited to reasonable attorneys' fees.
- (E) **Suspensions.** The Association may suspend the right of a member, or a member's guest, tenant, or invitee, to use the common areas and facilities for violations of the Association's Declaration, Articles of Incorporation, Bylaws, or Rules and Regulations. The Association may also suspend the voting rights of a Lot or member. Suspensions shall not impair the right of an owner or occupant to have ingress and egress to the parcel. If a suspension is imposed for nonpayment of monetary obligations, the notice and hearing requirements of this Section shall not apply.
- (F) **Application.** All monies received from fines shall become part of the common surplus.
- (G) **Nonexclusive Remedy.** Fines and/or suspensions shall not be construed to be exclusive remedies, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled.

**8.4 Availability of Remedies.** Each member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of violations regardless of the harshness of the remedy utilized by the Association and regardless of the availability of other legal remedies. It is the intent of all members to give the Association methods and procedures which will enable it to operate on a businesslike basis, to collect those monies due it and to preserve the majority's right to enjoy the condominium property free from unreasonable restraint and annoyance.

- 9. **AMENDMENT OF BYLAWS.** Except as otherwise provided by law, amendments to these Bylaws shall be made by a vote in favor of such amendment of not less than nineteen (19) of the members of the Association at a properly noticed meeting. Amendments may also be made without a meeting of the members of the Association by the written consent in favor of such amendment of not less than twenty nine (29) of the members. The amendments shall be effective upon recordation in the Public Records of Collier County, Florida.

**10. MISCELLANEOUS.**

- 10.1 **Gender, Number.** Whenever a masculine or singular 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.** Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.



**10.3 Conflict.** If any irreconcilable conflict should exit, or hereafter arise, with respect to the interpretation of these Bylaws, the Declaration of Covenants, or the Articles of Incorporation, the provisions of the Declaration and the Articles of Incorporation shall prevail over the provisions of these Bylaws.

**10.4 Interpretation.** The interpretation of these Bylaws by the Board of Directors shall be binding unless wholly unreasonable. The Board of Directors may rely upon a written legal opinion of Counsel as to the interpretation of any provision of these Bylaws. Such opinion of Counsel shall be prima facie evidence that the Board of Director's interpretation is reasonable.