

BY-LAWS OF LAKE MARIAN SHORES HOMEOWNERS ASSOCIATION, INC.

Updated as of February 04, 2017

ARTICLE I – OFFICES

The principal office of the corporation shall be 600 Lakeside Boulevard in the community of Kenansville, the County of Osceola, the State of Florida, zip code 34739. The corporation may also have offices at such places within or without the State of Florida as the Board may from time to time establish. The Corporation shall function under Florida Statutes Chapter 720 unless otherwise specified herein.

ARTICLE II – MEMBERSHIP

1. Membership in the corporation shall be limited to those persons, firms or corporations who are owners of lots in Lake Marian Shores, a subdivision according to plat thereof recorded in Plat Book 2, page 35, public records of Osceola County, Florida. Membership in the corporation is an appurtenance to ownership of lots in Lake Marian Shores and shall run with title to each lot.

2. Each lot shall be entitled to one vote, whether owned by a single owner or more than one person, as Tenants by the Entireties, Tenants in Common, Joint Tenants With Right of Survivorship, or any other form of joint ownership. A member shall be entitled to cast one vote for each lot owned by such member subject to Article X "Assessments".

Approved by 2016 BOD March 12, 2016

3. The corporation shall maintain a register for recording the names and addresses of each member and shall issue a certificate evidencing such membership. All new members shall receive copies of the Articles of Incorporation, By-laws, and Covenants and Restrictions.

ARTICLE III – MEETINGS

1. Annual Meeting. The association shall hold a meeting of its members annually. Annual meetings shall be held by the 15th of February of each year in Kenansville, Florida. The election of directors shall be held at the annual meeting.

2. Special Meeting. Special meetings may be held at such time and place as may be specified in a notice thereof, called at any time by the President or by a majority of the Board of Directors. Special meetings shall also be called by the President upon written request of a majority of the members. Business at a special meeting is limited to that described in the notice to the meeting.

3. Notice. The Secretary shall mail, deliver, or email written notices of all meetings to the membership at least fourteen (14) days before the date of the meeting. The use of email notification shall be limited to members who have specifically given the Association permission to use their email address for such notices.

Approved by 2016 BOD September 24, 2016

Email notices shall be sent to the email addresses as they appear upon the books of the Corporation. Other notices shall be mailed by regular mail or served to the address of the member as it appears on the books of the Association. The Association is not liable for an erroneous disclosure of the electronic mail address or the receipt of said notices. Notice of all meetings shall be posted at the principal office. Notices of special meetings must contain the purpose for such meeting.

4. Quorum. A quorum for the transaction of business at any regular or special meeting shall be fifteen (15%) per cent of the total number of members in said corporation who are represented in person or by proxy at such meeting; provided that the members present at any meeting, although less than a quorum, may adjourn the meeting to a future time. The vote of a majority of the members present and voting when a quorum is present shall decide any question, unless these by-laws or the articles of incorporation provide otherwise, in which event the votes required by these by-laws or the articles of incorporation shall control. After a quorum has been established at a meeting, the subsequent withdrawal of members, so as to reduce the number of members entitled to vote 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.

5. Proxy. Every member entitled to vote at a meeting of the membership or to express consent or dissent without a meeting, or the member's authorized attorney-in-fact, may designate another member of the Lake Marian Shores Homeowners Association, the member's authorized attorney-in-fact, or the Board of Directors to serve as his or her proxy. If the Board of Directors is designated to serve as the proxy, the vote will be cast as the majority of the Board members vote. All proxies must be signed by the member authoring the Proxy or his or her attorney-in-fact. All proxies shall be registered with the Secretary prior to the beginning of the meeting. No Proxy shall be valid after the adjournment of the meeting for which the proxy was invoked, unless otherwise stated in the Proxy. All proxies shall become a part of the corporate record.

6. Annual Meeting Agenda. The agenda of the annual meeting shall contain but not be limited to the following: opening prayer, pledge of allegiance to the American flag, reading of previous meeting's minutes, reading of minutes to any Board of Directors meetings that may have occurred since the previous meeting, reading of the treasure's report since the last meeting and all year-end financial reports. Referenced reports shall be followed by any old business, new business, and adjournment.

There is added to Article III of the By-Laws, Section 7 which shall read:

7. On any matter to be voted on by the members, members not in attendance at the meeting may cast their vote by mail on ballots, with ballot envelope and self addressed stamped signature envelope provided by the Association following the procedure set forth in Florida Statute ~~723.306~~ (8) (b) as it now exists or as may be amended.

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Approved by 2016 BOD December 22, 2016

ARTICLE IV - BOARD OF DIRECTORS

1. The property, business, and affairs of the corporation shall be managed by a board of three (3), five (5), seven (7), or nine (9) directors.

2. Election and Term of Director. Directors shall be elected annually by the members at the Annual Meeting. Directors must be members of the association. The specific number of directors shall be set at the annual meeting of members, shall be elected by plurality vote of the members, and shall hold office until the next Annual Meeting of members, or until their successors have been elected and qualified. Written ballots shall be created by an appointed nomination committee. Additional names may be added to the ballot at the meeting. The votes shall be private, collected and counted. No nominee shall be on the counting committee. The specified number of nominees receiving the highest number of votes is/are duly elected as directors. In the event of a tie the incumbent President shall be given an extra vote.

3. Vacancy. If a vacancy occurs in the Board of Directors at any time between Annual Meetings, the remaining directors shall elect a person to serve the unexpired term of the vacant position and until his successor shall be duly chosen at the next annual meeting.

4. Directors Annual Meeting. The annual meeting of the Board of Directors shall be held in Kenansville, Florida, immediately following the adjournment of the annual meeting of the members, without notice. If a quorum is not present, said annual meeting must be held within fourteen (14) days of the annual membership meeting.

5. Special Director Meetings. Special meetings of the Board of Directors may be held at such place as may be designated in a written notice thereof as called by the President or a majority of the members of the Board of Directors. Notice of any special meeting shall be emailed, mailed or personally delivered to each director by the Secretary at least five (5) days before the time fixed for the meeting. By written consent, the directors may waive notice of a special meeting and hold the same without notice at any time or place.

6. Regular Director Meetings. The directors may establish a schedule of regular meetings to be held in Kenansville. The schedule shall be posted at the principal office and no notices shall be required of such regular meetings.

7. Voting. Directors may not vote by proxy or by secret ballot at board meetings with the exception of elections. If a unanimous decision on an issue is not reached, and the issue passes, the declining directors' names shall appear upon the minutes of the meeting.

8. Quorum of Directors. A majority of the Directors shall constitute a quorum for the transaction of business. If at any meeting of the board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is obtained, and no further notice thereof need be given other than by announcement at the meeting which shall be so adjourned.

9. Removal and Compensation. A director may be removed with or without cause by

affirmative vote of a majority of the members. As Florida law permits, the Board of Directors has authority to fix the salaries, if any, of all officers, agents, and employees of the corporation. Florida law specifically prohibits electronic notification of the membership of a meeting for the purpose of removing directors.

ARTICLE V - OFFICERS ELECTION, AND TERM

1. The Board of Directors shall elect the officers of the Corporation at the annual directors meeting. The officers of this corporation shall be a President, a Vice President, a Secretary and a Treasurer. In addition, such Assistant Secretaries or Assistant Treasurers may be appointed by the Board of Directors to serve at the pleasure of the board. All officers shall be elected for a term of one (1) year and shall hold office until their successors are duly elected and qualified. All officers must be corporate members. An officer may hold more than one office.

2. Removal, Resignation. Any officer elected or appointed by the Directors may be removed by a unanimous vote of all Directors with or without cause. In the event of the death, resignation or removal of an officer, the Directors in their discretion may elect or appoint a successor to fill the unexpired term.

3. Duties. The officers of the corporation shall have the following duties:

The President shall preside at all meetings of the members and the Board of Directors. He may be one of the officers who signs the checks or drafts of the organization and shall have such powers as may be reasonably construed as belonging to the Chief executive of any organization with approval of the Board of Directors.

The Vice-President shall, in the event of the absence or inability of the President to exercise his office, become acting President of the corporation with all rights, privileges and powers as if he had been the duly elected president. The Vice President may assume other duties from time to time as assigned by the President or Board of Directors.

The Secretary shall keep all membership records, membership meeting minutes, Board of Director meeting minutes, any specific reports requested by the Board of Directors and all other records of the organization with the exception of financial records recorded in appropriate books. The Secretary shall serve all notices of meetings and present all communication at meetings. The Secretary shall attend to all correspondence of the organization and shall exercise all duties incident to the office of the Secretary. The Secretary shall maintain four copies of each of the governing documents to ensure their availability to the membership. The Secretary may assume other duties from time to time as assigned by the President or Board of Directors.

The Treasurer shall have the care and custody of all monies belonging to the organization and shall be responsible for such monies or securities of the organization. All checks and financial documents shall require two signatures, one being that of the Treasurer. Checks in an amount greater than \$2500.00 shall require approval of the Board of Directors. No special fund may be set aside that shall make it unnecessary for the Treasurer to sign the checks issued upon it. The Treasurer

shall be responsible for preparing the annual budget, maintaining financial records and filing all financial records as required by county, state, and federal laws. The Treasurer shall render at stated periods as the Board of Directors shall determine, no less than quarterly, a written account of the finances of the organization and such report shall be physically affixed to the minutes of the corporation. The Treasurer shall provide at the end of calendar year a report of cash receipts and expenditures. The Treasurer shall exercise all duties incident to the office of Treasurer. If needed, a bonded certified public accounting firm may be hired with approval of the Board of Directors. All corporate financials kept by such firms shall be the responsibility of the Treasurer.

Officers shall by virtue of their office be members of the Board of Directors.

4. Salary. No officer shall by reason of his office be entitled to receive any salary or compensation, but nothing herein shall be construed to prevent an officer or director from receiving any compensation from the organization for duties other than as a director or officer.

ARTICLE VI – SALARIES

The Board of Directors shall hire and fix the compensation of any and all employees which they in their discretion may determine to be necessary in the conduct of the business of the organization.

ARTICLE VII – COMMITTEES

All committees shall be appointed by the Board of Directors and their term of office shall be for a period of one year unless the committee is terminated earlier by action of the Board of Directors. The permanent committee shall be the water system committee.

ARTICLE VIII - FINANCES AND DUES

1. The funds of the corporation shall be deposited in an FDIC insured financial institution in Osceola County, Florida and shall be withdrawn only upon check by the Treasurer and countersigned by another officer. Funds may be invested in interest bearing checking accounts, Certificate of Deposits, and/or Money Market accounts. For accounting purposes, the corporation shall operate on a calendar year.

2. The Board of Directors shall have authority to establish from time to time the annual membership dues and assessments to each member for the purposes and in the manner hereafter stated in Article X, "Assessments".

3. The books and records of the corporation shall be open for inspection by members and may be inspected upon reasonable notice during reasonable business hours.

4. Backup shall be kept of all electronic records and maintained offsite.

ARTICLE IX – PURPOSE

The principal purpose for which the corporation is organized is to oversee the maintenance of the water system, canals and other common areas owned by the

Corporation and serving the lots within the subdivision. Notwithstanding any other provisions of these By-laws to the contrary, the Corporation and each member are subject to the provisions of the Declaration of Covenants and Restrictions for Lake Marian Shores recorded in public records of Osceola County, Florida, which are incorporated herein by reference.

If a member shall violate said restrictions, and as a result the corporation is required to take action to enforce the same, the corporation shall have a lien upon the property owned by such member within the subdivision for the purpose of enforcing its rights to recover attorney's fees, court costs and other expenses incurred in connection with such enforcement in the same manner as the corporation has a lien for unpaid assessments as herein otherwise provided.

- A. The Board of Directors voted at the BOD Meeting of July 23, 2016 to allow two (2) standard signs on properties for sale. One sign will be allowed in the front yard and a second sign on the waterfront. If and when the Covenants and Restrictions of Lake Marian Shores HOA, Inc. are updated, this statement shall be deleted from the By-Laws. *Uniform Requirements Section 10*

Approved by 2016 BOD July 23, 2016

ARTICLE X – ASSESSMENTS

1. The Board of Directors shall have authority to establish assessments as to each lot in the subdivision, which are necessary or required to maintain the water system, canals, and other common areas owned by the corporation, and serving the several lots within the subdivision, such assessment shall be made annually or more frequently as the Board of Directors may determine necessary for such maintenance. The term maintenance shall include repairs, upkeep, and improvements as may be determined from time to time to be appropriate by the Board of Directors.

2. The Board of Directors shall notify each lot owner of the amount of assessment for each year, and establish the due date upon which such assessment shall be paid. No assessment shall be due and payable in less than 30 days from date of notice to a lot owner, except in the event of emergencies. Upon the failure of a lot owner to pay any assessment when due, and such payer continues for a period of more than 30 days after written notice from the Board of Directors to such lot owner, the Board of Directors shall have a lien upon the lot owned by such delinquent lot owner, and enforce the same as otherwise permitted by law. The Board of Directors may suspend the voting rights of a lot owner for the nonpayment of any fee, fine or other monetary obligation due to the association that is more than 90 days delinquent as permitted by Fl. Statute 720.305 (4).

Approved by 2016 BOD March 12, 2016

3. As provided in the Covenants and Restrictions, the Board of Directors shall have a lien upon the lot owned by an owner who is delinquent in the payment of assessments for the amount thereof, together with attorney's fees, costs and other expenses incurred in connection with the filing and enforcement of such lien. Such lien may be enforced by action in the Circuit Court of the Ninth Judicial Circuit in and for Osceola County, Florida.

ARTICLE XI – CONSTRUCTION

Whenever a conflict arises between the language of these By-Laws and the Articles of Incorporation, the Articles of Incorporation shall govern.

Approved by 2014 BOD August 2, 2014 and never updated to current by-laws

ARTICLE XII – AMENDMENTS

The Articles of Incorporation, By-laws, and Covenants and Restrictions of the corporation may be altered, amended or repealed at any regular or special meeting of the members by a three-fourths of the votes entitled to be cast by members.

Approved by 2017 BOD February 04, 2017

Notice must be given of the general nature of the proposed amendment.

In addition, the By-Laws may be altered, amended or repealed at any regular or special meeting of the Board of Directors at any time, upon a three-fourths vote of the members of the Board of Directors.

AMENDMENTS TO LAKE MARIAN SHORES HOMEOWNERS ASSOCIATION BY-LAWS
FOR YEAR 2016

The LMSHOA Board of Directors voted at the Board meeting of March 12, 2016, to amend the Association By-Laws, Article X Assessments. This amendment will be added as #4 (or in #2.)
As per 2015 Florida Statute 720.305 (4):

An association may suspend the voting rights of a member for the nonpayment of any fee, fine, or other monetary obligation due to the association that is more than 90 days delinquent. A voting interest allocated to a member which has been suspended by the association shall be subtracted from the total number of voting interests in the association. This reduction in number shall be considered when calculating the total percentage required of members for passage of any association voting.

The LMSHOA Board of Directors voted at the membership meeting of September 24, 2016, to amend the Association By-Laws, Article III Meetings, (3 Notice).

3. Notice. The Secretary shall mail, deliver, or email written notices of all meetings to the membership at least fourteen (14) days before the date of the meeting. The use of email notification shall be limited to members who have specifically given the Association permission to use their email address for such notices. Email notices shall be sent to the email addresses as they appear upon the books of the Association. Other notices shall be mailed by regular mail or served to the address of the member as it appears on the books of the Association. The Association is not liable for an erroneous disclosure of the electronic mail address or the receipt of said notices. Notice of all meetings shall be posted at the principal office. Notices of special meetings must contain the purpose for such meeting.

The LMSHOA Board of Directors voted at the BOD meeting of July 23, 2016 to change the By-Laws to allow two (2) standard realty signs on properties for sale. One sign will be allowed in the front and one on the waterfront.

The LMSHOA Board of Directors voted unanimously at the BOD meeting on December 22, 2016 to amend the LMSHOA By-Laws to change our voting procedure to a secret ballot for all future voting. This change is pursuant to Florida Chapter 720.3068(b). The HOA attorney, Mr. Robert Hayes, in a letter to President Felix Denmon dated December 9, 2016 advised this change could occur with three-fourths (3/4) vote of BOD members. The vote was unanimous with all seven (7) BOD members attending.

AMENDMENTS TO LAKE MARIAN SHORES HOMEOWNERS ASSOCIATION BY-LAWS FOR 2017

The LMSHOA Board of Directors voted unanimously at the BOD Meeting of February 04, 2017 to change the By-Laws, Article XII – Amendments as a result of the BOD Amendment approved March 12, 2016 for Article X – Assessments. New language of Article XII – Amendments as per Florida Statute 720.305 (4) be amended to read at any regular “or (correction typo ‘of’) special meeting of the members by three-fourths of the votes entitled to be cast by members”.