

**BYLAWS OF
SUGAR CREEK RESORT ASSOCIATION, INC.**

1. IDENTITY

These are the By-laws of SUGAR CREEK RESORT ASSOCIATION, INC. Hereinafter called the "Association", a corporation not for profit under the laws of the State of Florida. These By-laws are adopted for the purpose of governing the Association and the operation of the SUGAR CREEK RESORT (RESORT), and incorporate by reference the terms and conditions of the Articles of Incorporation of the Association.

(1.1) (1.1) The Office of the Association shall be at 3300 - 26th Avenue East, Bradenton, Florida 34208.

(1.2) The Fiscal year of the Association shall be the calendar year or as determined by the Board of Directors.

(1.3) (1.3) The Seal of the Association shall bear the name of the Association, the word "Florida", and the words "corporation not for profit".

(1.4) (1.4) Official Records of the Association shall be kept within the County or 25 miles of the Sugar Creek Resort office.

(1.5) The Board of Directors, hereinafter called the Board.

2. MEMBERS' MEETING

The Annual members' meeting shall be held at the Recreation Hall of the Association at a date and time as may be determined by the Board of Directors. Such annual members' meeting shall be for the purpose of electing directors, and transacting annual business of the Association authorized to be transacted by the members.

(2.2) (2.2) Special Member's meetings shall be held whenever called by the President or by a majority of the Board and must be called by such officer upon receipt of a written request from thirty (30%) percent of the membership entitled to cast votes.

(2.3) (2.3) Written notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Secretary unless waived in writing. Such notice may be hand delivered or sent to each member by U.S. Mail to his address as it is on the books of the Association and shall be given not less than fourteen (14) nor more than forty-five (45) days prior to the date of the meeting. An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notice of the Association meeting were mailed or hand delivered, in accordance

with this provision, to each member at the address last furnished to the Association. Notice of the meeting may be waived in writing before or after the meeting. Notice shall also be continuously posted in a conspicuous place at the Resort at least fourteen (14) days prior to the day of the meeting.

(2.4) (2.4) A quorum at members' meetings shall be a majority 100 or more of the voting interests, present in person or by proxy. The acts approved by a majority of the votes present in person or by proxy at a meeting of which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Articles of Incorporation, these By-laws or applicable Florida statutes.

(2.5) Voting

(a) (a) In any meeting of members, the Owners of Lots shall be entitled to cast one vote, in person or by proxy, for each Lot owned.

(b) (b) The total number of votes ("voting interests") is equal to the total number of lots. The vote of a lot is not divisible. The right to vote may not be denied because of delinquent assessments. If a lot is owned by one natural person, individually or as a trustee, his right to vote shall be established by the record title to the lot. If a lot is owned jointly by two or more persons, that lot's vote may be cast by any of the owners. If two or more of the lot owners of a lot do not agree among themselves how their one vote shall be cast, that vote shall not be counted. If the owner of a lot is a corporation, the vote of that lot may be cast by the President or Vice President of the Corporation. If a lot is owned by a partnership, its vote may be cast by any general partner.

(c) (c) At the discretion of the Board and upon reasonable procedures set by the Board which are fair to the membership, any issue or vote called for under these by-laws by the membership may be cast by use of a limited proxy, mailed or delivered to the voting interest and returned to the Board and recorded.

2.6 Proxies

A proxy may be made by any person entitled to vote. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof that are reconvened. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the lot Owner executing it.

2.7 Adjourned meetings

If any meeting of the members cannot be organized because a quorum has not been obtained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 Inspector of Elections shall be appointed by the President, or the Board, at the first meeting after the organization meeting.

2.9 The order of business at annual members' meetings, and as far as practical at other members' meeting, shall be:

- (a) Call to order.
- (b) Collection of director ballots and close of balloting for director election.
- (c) Calling the roll and certifying of proxies.
- (d) Proof of notice of meeting or waiver of notice.
- (e) Reading and disposing of any unapproved minutes.
- (f) Report of officers.
- (g) Reports of committees.
- (h) Unfinished business.
- (i) New Business.
- (j) Adjournment.

3. BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors who shall be members of the Association. The Board may, from time to time, increase or decrease the number of persons to serve on the Board, provided, however, that the Board shall always consist of an odd number of members, and provided, further, that there shall never be less than five (5) members on the Board. The Board will initially consist of seven (7) members, whose terms shall be staggered and approximately 1/3 of whom shall be elected each year.

(3.0) (3.0) In the event of the death, illness or resignation of a member of the Board which makes it impossible to serve their term of office, the Board may appoint a lot owner to complete the unexpired term, or to serve until the next election.

(3.1) (3.1) Election of the Board shall be conducted in the following manner

(a) Election of Board members shall be held at the annual members' meeting, in keeping with the expiration of the applicable staggered term.

(b) (b) Any eligible person desiring to be a candidate may submit a self nomination, in writing, not less than forty (40) days prior to the scheduled election and shall automatically be entitled to be listed on the ballot.

(c) (c) The ballot prepared for the annual meeting shall list all Director candidates in alphabetical order. Ballots shall be mailed to all voting interests with notice of the annual meeting and may be returned to the Association prior to the meeting, or cast at the meeting.

(d) There shall be no nominations from the floor on the date of the election.

(e) (e) The election shall be by plurality vote (the nominees receiving the highest number of votes are elected). Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as flipping a coin by a neutral party. No election shall be necessary if the number of candidates is less than or equal to the number of vacancies. The candidates shall automatically be elected and their names announced at the annual meeting.

(3.2) (3.2) Recall or Removal of Board members. Recall of any Directors from the Board shall be done in compliance with Section 719.106(1)(f) of the Florida Statutes as amended from time to time.

(3.3) The Organization meeting of a newly-elected Board shall be held within ten (10) days of their election at such a place and time as shall be fixed by the Board at the meeting at which they were elected.

(3.4) Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by the majority of the Board and shall be open to all members of the Association except for meeting with the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice. Notice of regular meetings shall be given to each Board member, personally or by mail, telephone or facsimile, at least forty-eight (48) hours in advance of the meeting, with attached agenda. Notice to the membership of Board meetings shall be given by continuously posting such notice at a designated place at the Resort at least forty-eight (48) hours in advance of said meeting, including the attached agenda, except in an emergency in which case the notice shall be posted as soon as practicable after the need for the emergency meeting is known to the Association. Notice of any meeting in which assessments against the membership of the Association are to be considered for any reason shall specifically contain a statement that assessment will be considered and the nature of any such assessments. Written notice of any meeting at which a special assessment, or at which amendment to rules regarding Unit use, will be considered, shall be mailed or delivered to the owners and posted at a designated location on the Cooperative property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by affidavit by the person providing the notice, and filed among the official records of the Association.

(3.5) (3.5) Special meetings of, the Board may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the Board members. Special meetings of the Board shall be noticed and conducted in the same manner as provided herein for regular meetings.

6. Committee Meetings: The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the cooperative during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common expenses required for the affairs of the cooperative, (b) to determine the assessments payable by the Unit owners to meet the common expenses of the cooperative, (c) to adopt or amend any rules and regulations governing the details of the operation and use of the cooperative property, (d) to fill vacancies on the Board of Directors or (e) to borrow money.

The Board of Directors may by resolution create other committees and may invest in such committees such powers and responsibilities as the Board shall deem advisable. The Board may authorize the President to appoint committee members, and designate the chairpersons of each committee.

Any committee authorized to take final action on behalf of the Board, or to make recommendations to the Board regarding the Association budget, shall conduct their affairs in the same manner as provided in these Bylaws for Board of Director meetings. All other committees may meet and conduct their affairs in private without prior notice or owner

participation. Notwithstanding any other law or documentary provision, the requirement that committee meetings be open to the Unit owners is inapplicable to meetings between a committee and the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice.

(3.7) Waiver of Notice. Any Board member may waive notice of a meeting as it relates to him before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

(3.8) A Quorum at Board meetings shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board except when approval by a greater number of Board members is required by the Articles of Incorporation, these By-laws or applicable Florida Statutes.

(3.9) Adjourned meeting. If at any meeting of the Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. No further notice need be given of an adjourned meeting if the meeting is adjourned to a date and time certain.

(3.10) Joinder in meeting by approval of minutes. The joinder of a Board member in the action of a meeting by signing and concurring in the minutes of that meeting shall not constitute the presence of such Board member for the purpose of determining a quorum.

(3.11) The presiding officer of Board and membership meetings shall be the President of the Board. In the absence of the President, the vice-president shall preside and in his absence, the Board members present shall designate one of their number to preside.

(3.12) The order of business at Board meetings shall be:

- (a) Calling of the roll
- (b) Proof of due notice of the meeting.
- (c) Reading and disposing of any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of officers
- (f) Unfinished business
- (g) New business.
- (h) Adjournment.

(3.13) Board members shall not be entitled to any fees or compensation for their services, except mileage expenses not to exceed an amount allowed by the I.R.S. relating to the Association and Board business.

(3.14) A Board member shall be considered as present for a regular or special meeting if he is in simultaneous communication by telephone or other direct communication media with the other Board members, and a speaker phone is used to allow all in attendance to hear each other.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All the power and duties of the Association existing under the Florida Statutes, the Proprietary Lease, Articles of Incorporation and these By-Laws, shall be exercised exclusively by the Board, its agents, constructors, or employees, subject only to approval by Lot owners where such approval is specifically required. Without limiting the powers and duties of the Board it shall have the following express powers, in addition to all others herein granted, and provided for by the Proprietary Lease and the Florida Statutes, to-wit:

(a) To enter into a management contract not to exceed three (3) years providing for the management of the cooperative property.

(b) To enter into contracts for the purpose of making available to the owners and residents of the Lots such services as the Lot owners may request or the Association may deem appropriate, provided however, that the term period of such contracts shall not exceed (5) years, and provided, further that said contracts may provide for additional extensions and suitable cancellation clause of the original term in the absence of written notice of termination by either party.

(c) To charge, assess and collect fees, charges, assessments, including reserves for the Cooperative, and to enforce the collection according to the Proprietary Lease, these By-laws and as allowed by Law. Charges and assessments shall be made against Lot owners not less frequently than quarterly in an amount no less than is required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expense previously incurred.

(d) Enforcement and Fines: The Board has the authority to and shall enforce the Articles of Incorporation, the By-Laws and any adopted Rules and Regulations of the Association. In the event that the Board determines that any lot owner or sub-lessee is in violation of any of the provisions of the Articles, By-Laws or the Rules and Regulations, the Board, or an agent of the Board designated for that purpose, such as its Attorney, shall notify the Lot owner or sub-lessee of the nature of the violation pursuant to Article 10 of the By-Laws. If said violation is not cured within fourteen (14) days of notice, or if said violation consists of acts or conduct by the Lot owner or sub-lessee, and such acts are repeated, the Board may, as an additional remedy or to supplement Article 10, levy a fine of a sum not exceeding one Hundred Dollars (\$100.00) per offense against the Lot owner or sub-lessee. Such action shall be taken only after a hearing before the Board upon at least fourteen (14) days written notice to the Lot owner or sub-lessee, as applicable, specifying the alleged violations and affording the Lot owner and/or sub-lessee an opportunity to be heard, be represented by legal counsel at his own expense and to present evidence or matters in his behalf. Each day during which the violation continues shall be deemed a separate offense. Inasmuch as the owner is liable for the conduct of the sub-lessee, written notice of violations shall be sent by certified mail to the owner and fines, as described above, will be levied against the owner.

(e) Rules and Regulations: The Board is authorized to promulgate and adopt reasonable Rules and Regulations for the operation of the Association, and the lots and other cooperative property. Such Rules and Regulations are subordinate to the Articles, these By-Laws and any applicable Florida Statute. The Board may adopt such Rules and Regulations at any regular or special meeting, only after giving fourteen (14) days notice of the text of the proposed Rules and Regulations to all lot owners and the date, time and location of the Board meeting at which adoption will be considered, and posting at the Resort.

(f) A copy of the revised Rules & Regulations must be sent or delivered to each lot owner within 30 days after the Rules and Regulations have been adopted and shall be made available at no charge to sublessees and guests.

5. OFFICERS

(5.1) (5.1) Officers of the Association shall all be a President and a Vice-President, who shall be members of the Board and a Secretary and Treasurer, all of whom shall be elected annually by the Board, and such other officers as the Board may, from time to time, designate. In addition to recall as provided by Florida Statute and these By-Laws, any officer may be removed peremptorily, without cause, by a vote of two-thirds (2/3) of the total Board at a special meeting called for that purpose.

(5.2) (5.2) The President shall be the chief executive officer of the Association and shall have all the powers and duties usually, vested in the office of President, including, the power to appoint committee members as may be authorized from time to time by Board resolution. The President shall seek approval of all management decisions with the Board.

(5.3) The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He/She also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the President or the Board.

(5.4) (5.4) The Secretary shall keep the minutes of all proceedings of the Board and the membership. He/She shall attend to the giving and serving of all notice to the membership and the Board and other notices as required by law.

He/She shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. Minutes of all meetings of lot owners and of the Board shall be kept in a businesslike manner and shall be available for inspection by the Lot owners, or their authorized representative, and Board members at reasonable times. The Association shall retain these minutes for a period of not less than seven (7) years.

The Secretary shall perform all duties incident to his/her office as may be prescribed by the President, the Board or these By-Laws.

(5.5) (5.5) The Treasurer shall have responsibility for the Association funds. He/she shall be responsible for keeping and maintaining a complete set of financial and accounting records. He/She shall be responsible for the deposit of all monies, in the name of the Association in such accounts, as designated by the Board and he/she shall in general perform all duties incident to the office of Treasurer under the Laws of the State of Florida.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Articles of Incorporation of the Association shall be supplemented by the following provisions.

(6.1) Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) (a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies (operating funds for unplanned emergencies and unexpected increases) except expenditures chargeable to reserves, for additional improvements.

(b) (b) Statutory Reserve. The governing statutes require the calculation of reserves for all deferred maintenance and replacement accounts in excess of ten thousand dollars (\$10,000.00) and for roofing, paving and painting, regardless of the total cost.

(c) (c) Capital Reserves - which shall include funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the Common Elements.

(d) (d) Reserve Funds and any interest accruing there on shall remain in the Reserve Account and proportionally be divided among each separate account therein, monthly

(e) (e) Operating funds shall include gross revenues from Annual Assessments, the use of common areas and from other sources. Only the additional direct expenses required by any revenue producing operation will be charged to this account. Any surplus during any budget year should be transferred to one or more reserve or operating accounts in order to avoid paying income tax. This motion shall be voted on by the Membership at the Annual Meeting each year. Losses from operation shall be met by special assessment against Lot owners, this assessment may be made in advance to provide a working fund.

(6.2) Budget Procedures

(a) The Board shall adopt the budget with the exception of the application of subparagraph (b) as hereinafter set forth or the use of the alternative but not mandatory procedure available in subparagraph (c).

The Board shall mail or hand deliver to the Lot owners a written notice of the meeting and copies of the proposed annual budget of common expenses not less than (14) days prior to the date of the meeting at which the Board will consider the budget. The notice shall set forth the time, date, place of the meeting. The Board shall adopt the new annual budget in the month of December in the year preceding the new fiscal year for which the proposed budget will be effective. The meeting to adopt the annual budget shall be open to the membership. At the meeting, the Board may adopt the budget as proposed or as amended.

(b) (b) If an adopted budget which requires assessment against the Lot owners in any fiscal or calendar year exceeds one hundred fifteen percent (115%) of the assessment for the preceding year, the Board upon written application of ten percent (10%) of the lot owners to the Board, shall call a special meeting of the lot owners within thirty (30) days, upon not less than fourteen (14) days written notice to each lot owner. At the special meeting, lot owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority of all the lot owners.

(c) (c) Alternatively, the Board may in any event, propose a budget to the lot owners at a meeting of the membership or by writing, and if the budget or proposed budget is approved by the lot owners at the meeting, or by a majority of all lot owners in writing, the budget shall be adopted. If a meeting of the lot owners has been called under either procedure in subparagraphs (b) or (c) and a quorum is not attained or a substitute budget is not adopted by the lot owners, the budget adopted or proposed, as the case may be, by the Board shall go into effect as scheduled.

(d) (d) In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments for prior years, any authorized provision for reasonable reserves for repair or replacement of cooperative property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterment's to the cooperative property shall be excluded from computation.

(6.3) (6.3) Assessments. Assessments against the lot owner for their share of the items of the budget shall be made for the fiscal year not less frequently than quarterly, in an amount no less than is required to provide funds in advance for payment of all of the

anticipated current operating expense and for all of the unpaid and anticipated current operating expense previously incurred. Such assessments shall be due and payable as determined by the Board. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and payments on such assessment shall be due and payable in the same manner as the prior assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended, pursuant to these By-Laws, at any time by the Board.

Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made shall be payable as determined by the Board in keeping with these By-laws and applicable Florida Statutes. However, nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in case of any unanticipated immediate need or emergency.

(a) (a) Assessments above ten thousand dollars (\$10,000) for a major capital improvement not covered by an appropriate reserve, must be approved by a majority of the lot owners.

(6.4) Proration of Assessments among owner. Each lot owner shall be liable for an equal share of the assessment which shall be computed on the basis of each lot owner's undivided fractional interest in equity of the Association property as determined by the provisions of Section 7 hereof. All assessments shall be payable on a quarterly basis, in advance, retroactive to January 1st of each year. Lot owners are to be notified in writing of any changes in the proposed assessment at least fourteen (14) days prior to the meeting called for the approval of the annual budget. Each new lot owner shall pay the next regular quarterly assessment in advance of taking possession of his lot.

(6.5) (6.5) Default for Nonpayment of Assessment. If an assessment is not paid or any other similar charge required to be paid by a lot owner under the provisions of the Articles of Incorporation, these By-Laws or the Proprietary Lease is not paid within thirty (30) days from the date notice of it is mailed, the Board shall send by Certified Mail, return receipt requested, a second notice advising the lot owner of non-payment of the assessment, and if such assessment is not paid within thirty (30) days after mailing the second notice, the Board may declare the Proprietary Lease terminated and the Board shall then offer for sale a substitute Lease for the lot at a reasonable price determined by the Board to be a fair market value for the lot. The determination of the Board to terminate a Proprietary lease shall be made at a properly noticed and constituted Board meeting and the notice of that meeting and the purpose thereof shall be given to the lot owner in default whose Proprietary Lease is being terminated. The defaulting lot owner may present matters on his own behalf relating to the termination of the Lease and for the fair market value of the lot. The owner may be represented by counsel at his own expense. The lot owner may object to the determination of the Board concerning the fair market value set for the sale of the substitute Proprietary Lease. If the defaulting lot owner objects, the Board shall cause to be performed an appraisal of the Proprietary Lease by an independent certified real property appraiser and the cost of such appraisal shall be charged to the defaulting lot owner against the proceeds of the sale of the substituted lease. The fair market value as determined by the appraisal shall be the sale price for the substitute lease. The defaulting lot owner has the right of redemption up to the time of the finalization of any sale of the substitute lease by paying all amounts and sums due and owing, including but not limited to any unpaid assessments or charges accrued to the date of redemption plus any costs relating to or incurred as a result of the proposed sale, necessary costs, incurred in attempting to collect the amount owed, including any attorney's fees incurred by the Board and any costs or charges incurred as a result of an appraisal being performed pursuant to these By-Laws. The redemption amount or sum as previously set forth shall be paid in cash or certified funds to the Association.

Upon the sale of the substitute lease the Association shall pay to the owner in default the difference in the sale price less any unpaid assessment or charges accrued to the date of

disposition plus the cost of the sale, collection, any appraisal performed and the estimated costs of placing the lot if necessary, in suitable condition for the new lot owner. The offering of a substitute lease shall be limited to persons or entities qualifying for ownership in the Resort.

If an assessment is not paid and the Proprietary Lease has been terminated for non-payment thereof, the lot owner or any other person or persons in possession by or through the right of the lot owner shall promptly quit and surrender the lot to the Association. The Association may re-enter and repossess the lot without any additional notice being given to vacate the lot. If a lot owner or any other person or persons in possession by or through the right of the lot owner does not vacate the lot upon termination of the Proprietary Lease, the Association shall evict the lot owner or other person and regain possession of the lot pursuant to law.

If any lot owner fails to pay an assessment within thirty (30) days from the date notice has been mailed to the owner by the Board, the amount of the assessment shall bear interest at the rate of eighteen percent (18%) per annum for each day a payment is delinquent beyond the thirty (30) days grace period. In addition to the interest charged on delinquent payments, the Association shall collect a late fee of \$25.00 for each delinquent payment. All payments on accounts shall be applied to interest, then to late charges, then to attorney fees and costs of collection, and then to the assessment payment first due.

The Association shall have a lien against the owner's Proprietary Lease to the extent of any sums due the Association that are not paid when due. The lien shall be superior to the rights of the lot owner or any person in possession under the lot owner. If the sums are not paid within sixty (60) days after they are due and payable to the Association, the Board, after at least twenty (20) days notice to the lot owner, shall foreclose the lien in a procedure according to law. The Association shall be entitled to all its costs and its reasonable attorney's fee incurred in connection with such foreclosure.

(6.6) (6.6) The Depository of the Association shall be such bank or savings and loan association, as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board, provided that a Management Agreement may include in its provisions authority to a designated agent to sign checks on behalf of the Association for payment of the obligations of the Association.

(6.7) Fidelity bonds shall be required by the Board for all persons who control or disburse funds of the Association in the principal amount of not less than Thirty Thousand Dollars (30,000.00) for each such person, unless a higher amount is required by the Florida Statutes. The premiums and costs of such bonds shall be paid by the Association.

(6.8) Commingling Operating and Reserves Funds. Operating and reserve funds shall not be commingled in a single account. The Association shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.

(6.9) (6.9) Financial Review Report. According to Florida Statutes, the Board shall cause to be performed, by a Florida Certified Accountant appointed by the Board annually, prepare and complete, within 60 days following the end of the fiscal year, a financial review report of the accounts of the Association as it relates to actual receipts and expenditures for the preceding twelve (12) month fiscal year. The Annual review report shall be hand delivered or mailed to each lot owner, prior to the Annual Meeting in the within the first 120 days of the following fiscal year.

The report shall show the amounts of receipts by accounts and receipt classifications

and shall show the amounts of expenses by accounts and expense classifications including, if applicable, but not limited to the following:

- (a) Costs for security.
- (b) Professional and management fees and expenses.
- (c) Taxes.
- (d) (d) Costs for recreation facilities.
- (e) Expenses for refuse collection and utility services.
- (f) Expenses for lawn and grounds maintenance and repair.
- (g) Costs for building maintenance and repair.
- (h) Insurance Costs.
- (i) Administrative and salary expenses.
- (j) (j) Reserves: Statutory and Capital Reserves

7. OWNER'S EQUITY

(7.1) (7.1) Interest of owners in Association assets. The owner of each lot shall own an undivided fractional share and certain interest in the total equity of the Association, which share and interest shall be pertinent to the lot and size of which share shall be dependent upon the total number of shares issued by the Association. Two hundred forty-five (245) lots have been developed and at the time of this amendment two hundred forty-three (243) shares have been issued. Therefore, each Lot owner's fractional share in the assets of the Association, the common surplus and the common expenses of the Association will be a 1/243rd part.

8. OWNER'S PROPRIETARY LEASE

(8.1) (8.1) Proprietary leases. No stock certificate shall be issued by this Association. A total of two hundred forty-five (245) proprietary Leases may be issued by the Association.

(8.2) (8.2) Form of Proprietary Lease. The form of the Proprietary Lease from time to time shall be determined by the Board. All Proprietary Leases shall be signed by the President or a Vice-President, and attested by the Secretary and shall have the Association's seal affixed thereto, or alternatively, executed by two (2) witnesses. A copy of all Proprietary Leases shall be kept on file in the Association office.

(8.3) (8.3) Registration of Proprietary Leases. The Association shall maintain a register for the recording of the transfer or pledge of Proprietary Leases. Transfer of Proprietary Leases shall be made only on the records of the Association. The old Lease, properly endorsed, shall be surrendered and canceled before a new Proprietary Lease is issued. All transfers must be made by the holders of a Proprietary Lease or their legal representatives and all of the transfers are subject to the Articles of Incorporation, these By-laws and applicable Florida Statutes. Upon termination, transfer or assignment of a Proprietary Lease, the Association shall issue a new Proprietary Lease.

Thereafter, an appropriate instrument shall be recorded in the public records of Manatee County, Florida reflecting such termination, transfer or assignment. The recording cost shall be an expense of the prospective buyer or seller.

The Association shall be entitled to treat the registered holder of any Proprietary Lease as its full owner. Unless express notice is given to the Association of any interest not appearing upon the face of the lease, the Association shall not be required to recognize that interest. Each Proprietary Lease shall entitle the registered owner and holder thereof to one (1) vote in the management of the Association as provided in Section 2.5 hereof.

(8.4) (8.4) Registration of pledged lease. A pledgee of a Proprietary Lease may, but is not obliged to, notify the Association of the pledge and in furnishing the Secretary of the Association with such information as may be required by the Board. If notice of default is given any lot owner under the applicable provisions of these By-Laws or under the provisions of a Proprietary Lease, a copy of that notice shall be mailed to the registered pledgee. In the event of the sale by the Association of its assets and prior to the distribution of the proceeds to the lot owners, notice shall be given all registered pledgees. No other obligation is accepted or assumed by the Association with respect to the registration of pledged Proprietary Leases except as set forth in this section.

(8.5) (8.5) Lien of the Association The Association shall have the first lien on all of the individual Proprietary Leases and cooperative parcels registered in the name of each lot owner for any unpaid rents, assessments, late charges and reasonable attorney's fees incurred by the Association, owed by the lot owner to the Association, plus interest at eighteen percent (18%) per annum or as set by applicable Florida Statutes. Further, the specific powers and authority set forth in Section 719:108, Florida Statutes as amended from time to time are incorporated herein and made a part hereof by reference.

9. TRANSFERS OF OWNERSHIP AND SUBLEASES

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the lot, the transfer or leasing of lot by an owner shall be subject to the following provisions:

(9.1) 9.1) Transfers subject to approval. The owner of a Proprietary Lease may transfer_ the Proprietary Lease to his lot only with the consent in writing of the Board. The Board may designate two or more members of the Board to execute the consent on its behalf. The application for the transfer must set forth the name and address of the party to whom the Proprietary Lease is to be transferred. Before the transfer of a Lease may be approved, it is the responsibility of the lot owner to establish that no mortgage, lien or other encumbrance exists against the Lease or lot and to verify the lot boundary markers. The method of accomplishing proof of compliance shall be reasonably determined and set by the Board. The Board shall have thirty (30) days in which to investigate and approve or disapprove the transfer. If the Board fails to act within the thirty (30) days period, the transfer shall be approved automatically. If the transfer is approved and the owner's accounts are not delinquent, the transfer may be made upon the books of the Association and the prior owner after that shall be relieved from any further liability under the terms of the Proprietary Lease.

(9.1.1) (9.1.1) Inasmuch as the Cooperative has a strong residential character and it is the intent that the owner of each Proprietary Lease shall occupy and use a Unit as a private dwelling for him or herself and for no other purpose, to inhibit transiency, to impose the continuity of residents and to discourage investment ownership, no natural person and no entity shall own, or hold an ownership interest in, more than two (2) Proprietary Leases at any time, whether such ownership or ownership interest is legal, equitable or beneficial, or whether such ownership or ownership interest is held directly or indirectly through any corporation, trust, estate, partnership, other business or other entity, or any family member. Family members, as that term is used herein, shall mean the owner and the owner's spouse, and such persons' grandparents, children, grandchildren, brothers, sisters, aunts, uncles, nieces, nephews, and the spouses of such persons.

(9.2) (9.2) Transfers not requiring approval. Approval of transfer shall not be required for any transferee who receives ownership of the Proprietary Lease as the result of the death of the lot owner, provided that such transferee was the lot owner's lawful spouse, was related to the lot owner by blood within the second degree, or legally adopted by lot owner.

(9.3) Subleases. The owner of a Proprietary Lease may sublet the Lot provided that any sublease for a period in excess of six (6) months will require that the owner obtain approval of the proposed sub-lessee in the same manner as would be required under the provisions of this section if the owner were transferring the Proprietary Lease to such sub-lessee. A sub-lessee for a period of less than six (6) months shall be approved by the Board or an authorized representative of the Board and shall be subject, to the By-Laws and the rules and regulations of the Resort. The Lessor shall assume responsibility for the collection and filing any Local and/or State taxes. The lessor forfeits all rights to the use of the Sugar Creek Resort facilities during the time the lease is in effect.

(9.3.1) A newly purchased property, by someone other than a current member or by inheritance, may not be subleased to a second party for the first two (2) years of ownership.

(9.4) Approval or Disapproval by Board. The approval or disapproval by the Board of any transfer of a Proprietary Lease or sublease of any lot shall be final and no liability shall be incurred by the Board by reason of such approval or disapproval. Within thirty (30) days after receipt of such notice and all documentation, information and fees required herein the Association must either approve or disapprove the proposed sale, sublease or transfer of a Proprietary Lease. If approved, the approval shall be stated in a certificate executed by any officer of the Association in recordable form. If the Unit owner has made a written demand at the time the notice of intended sale or sublease is delivered to the Association for the Association to purchase or sublease the Proprietary Lease in the event the sale transfer or sublease is disapproved then within thirty (30) days after receipt of such notice and all documentation, information and fees required herein, the Association shall deliver or mail by certified mail, return receipt requested, to the Unit owner an agreement to purchase or sublease the Proprietary Lease signed by a purchaser or sublessee approved by the Association, or an agreement to purchase or sublease signed on behalf of the Association by its President and attested by its Secretary in which event the Unit owner shall sell or sublease the Proprietary Lease to the named purchaser or sublessee at the price and upon the terms stated in the disapproved contract to sell or sublease excepting that at the option of the named purchaser the purchase price may be paid in cash at closing. If the Association shall fail to purchase, sublease or provide a purchaser or sublessee or if the purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, in recordable form.

(9.4.1) The Association shall neither have the duty to provide an alternate purchaser or sublessee nor shall it assume an responsibility for the denial of a sale, sublease or owner application, if the denial is based upon, including but not limited to, any of the following factors:

(a) The person seeking approval (which shall include all proposed occupants) has been convicted of a felon involving violence to persons or theft or destruction of property; a felony demonstrating dishonesty or moral turpitude; any criminal offense involving illegal drugs; or any criminal offense involving sexual battery sexual abuse or lewd and lascivious behavior.

(b) The sale, ownership, or the application for approval, on its face or the conduct of the applicant (including all proposed occupants) indicates that the person seeking approval intends to conduct himself in a manner inconsistent with the condominium documents or that the sale, or ownership, if approved, would result in a violation of the condominium documents;

(c) The person seeking approval (including all proposed occupants) has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his criminal history, conduct in other residences, social organizations or associations, or by his conduct in this community as an occupant of a Unit.

(d) (d) The person seeking approval (including all proposed occupants) has failed to provide the information required to process the application in a timely manner; has materially misrepresented any fact or information provided in the application or screening process; has failed to pay the transfer/approval fee or assessment escrow deposit or payment has been dishonored; has failed to make an appointment for or attend the personal screening; or has not agreed, failed to provide or refused to release to the Association the background investigation.

(e) (e) The person seeking to sell or own the Unit is delinquent in the payment of any assessments or other sums owed to the Association:

(9.4.2) (9.4.2) Any event transferring ownership or possession of a Proprietary Lease which shall occur without the required prior notice having been given to the Association shall be void ab initio. The Association shall take any and all legal acts as may be necessary to terminate such prohibited transfer of ownership or possession. The Association shall recover its court costs and its reasonable attorneys fees from the owner and/or possessor of the Proprietary Lease through all appellate levels, whether suit be brought or not.

(9.5) (9.5) Transfer Fees. The Association shall require the payment transfer fee simultaneously with the filing of any application for a transfer of a Proprietary Lease. Florida Statutes, Section 719.106(1)(i) permits a transfer fee not to exceed \$100.00. It shall be the responsibility and obligation of the individual parties to a Lease transfer, regardless of form, and not the Association's, to pay any and, all documentary stamps, intangible taxes and other taxes or cost incidental to or required by transfer of the Lease or as a result of the closing on the Lease and transfer. The Board may reasonably assure itself of the provision for these matters by the individual parties prior to approval of the transfer as contemplated in these By-Laws.

10. DEFAULT FOR REASONS OTHER THAN NONPAYMENT OF ASSESSMENT

(10.1) (10.1) Default By Lot Owner or Long- term Sub-lessee.

(a) (a) If a Lot owner or a long-term sub-lessee [defined for these purposes as being one leasing or renting a lot for a period of time in excess of six (6) months] violates any of the provisions of the Articles of Incorporation, these By-Laws, the Proprietary Lease or the rules and regulations of the Association, other than the failure to pay assessments, the Board, or its designee, may notify, by written notice transmitted by certified mail or by personal delivery, the lot owner in default or, in the case of a sub-lessee, the sub-lessee in possession and the lot owner, of the violation with demand to immediately cease or correct the violation. If the violation continues for a period of fourteen (14) days from the date of receipt of the notice, the Board may terminate the Proprietary Lease at a hearing of the Board held for such purpose after thirty (30) days written notice transmitted by certified mail or by personal delivery. The hearing shall be conducted as an open meeting of the Board and the lot owner in default or in the case of a sub-lessee, the sub-lessee and the lot owner, shall have the opportunity to present evidence and matters in his behalf and to be represented by counsel at his own expense and at the conclusion of said hearing, the Board shall vote to determine whether or not the violation has occurred and as a result thereof, whether the Proprietary Lease shall be terminated.

(b) (b) As an alternative to the termination of the Proprietary Lease, the Board may determine to assess an appropriate fine or penalty for such violation and to allow an

appropriate time within which to correct the violation or to cease the violation, as appropriate, in keeping with paragraph 4.(d) of these By-Laws. In the event the Board elects to follow such alternative method, if the violation is not corrected or ceased within the time allowed and the fine as set forth paid, the Board may terminate the Proprietary Lease pursuant to subparagraph,(10.1) (a) above, proceeding as provided by these By-Laws.

(c) (c) If the Board determines to terminate the Proprietary Lease, the lot owner or long-term sub-lessee in possession shall promptly quit and surrender the lot to the Association and the Association may re-enter and repossess the lot without any additional notice. If the lot owner or long-term sub-lessee in possession does not vacate the lot upon notice of the termination of the Proprietary Lease, the Association may evict the lot owner or long-term sub-lessee in possession by appropriate action at law or equity.

(d) (d) If the Board, elects to terminate, the Proprietary Lease, the procedures for sale or transfer of the Proprietary Lease shall be the same under this article as those set forth in Article 6 relating to default for non-payment of assessment. In any event, any reasonable and necessary costs incurred by the Board or the Association in enforcing and carrying out the proceedings and the terms of this article shall be an item recoverable by the Board or Association in the sale of the Proprietary Lease. Such costs shall include but not be limited to any attorney's fees incurred and the costs of any litigation.

(10.2) (10.2) Default by Short Term Sub-lessee. If any sub-lessee defined as being one who is leasing or renting the lot for a period of time of six (6) months or less in duration, or any person in possession under the authority of the sub-lessee, violates any of the Articles of Incorporation, these By-Laws, the Proprietary Lease or the rules and regulations of the Association, the Board may terminate the sublease by giving written notice transmitted by certified mail or personal delivery to the lot owner and the sub-lessee and requiring the sub-lessee to, vacate the lot within forty-eight (48) hours. If the sub-lessee does not vacate the lot within forty-eight (48) hours of such notice, the Board shall notify the lot owner by certified mail or personal delivery of such failure of the sub-lessee to vacate the premises and barring action by the lot owner to evict the sub-lessee and to immediately cause the sub-lessee to vacate the premises, the Board shall have the authority to terminate the Proprietary Lease of the lot owner under the procedures set forth in Section (10.1) above.

(10.3) Injunctive and Other Remedies. The Board is hereby authorized to seek injunctive relief or any other remedy that may be available at law or equity to enforce any term, obligation, responsibility or provision of the Articles of Incorporation, these By-Laws, the Proprietary Lease or the rules and regulations of the Association including, but not limited to any remedies at law or equity set forth in Chapter 719, Florida Statutes, and such remedies shall be in addition to any remedies set forth in these By-Laws. All costs and reasonable attorney's fees necessarily incurred pursuant hereto in enforcing any provision hereof or obtaining any remedy as hereby authorized shall be chargeable against the lot owner, long-term sub-lessee or short-term sub-lessee as may be appropriate and as may be applicable pursuant to these By-Laws.

11. USE RESTRICTIONS

The use of a lot, the Resort and any of the Resort facilities shall be subject to the following:

(11.1) Use of lot. Each of the lots shall be used only by a one single family having one Park model, travel trailer or motor home.

(11.2) Structures. Sugar Creek Resort has been developed as a first-class cooperative Resort community consisting of fine lots upon which only quality park models(includ

ing double wides), travel trailers and motor homes shall be placed or located. In order to maintain uniformity with regard to the quality and the nature of the structures which may be placed upon any lot, no park model, travel trailer or motor home shall be placed or located upon lot nor shall any changes or alterations thereof be made, until the park model, travel trailer or motor home (or the plans and specifications thereof showing the nature, kind, shape, height, length, width, and material of such park model, travel trailer or motor home) shall have been reviewed by the Board or the duly authorized agents of such Board, and approved in writing. All requests for approval of park model travel trailers or motor homes shall be carefully considered by the Board and all decisions shall be arrived at by the use of reasonable standards which shall be uniformly applied. Any new installation on lot shall not be more than five (5) years of age.

The terms "park model", "travel trailer" and "motor home" as used herein shall be defined as those vehicles or trailers having a minimum length of twenty-four (24) feet which qualify for the usage of an "RV" license tag under the laws and regulations of the State of Florida and meet the requirements of the Zoning and Land Use regulations of Manatee County, Florida insofar as the same established standards and limitations for the type of vehicle or trailer that may be placed or located upon property which has been designated having P.D.R.V or equivalent zoning district or classification, provided, however, that "school bus" or similar conversions, tents, pop-ups, pick-up campers or any recreational vehicle or structure of similar nature are specifically prohibited and may not be placed or located upon any lot.

(11.3) Occupancy. No permanent occupancy of any lot shall be permitted by an individual less than fifty-five (55) years of age unless there is at least one (1) individual who is 55 or over in residence on the lot. Notwithstanding same, the Board in its sole discretion shall have the right to establish hardship situations to permit individuals eighteen (18) to fifty-four (54), inclusive, to permanently reside in the cooperative, with hardship situations including surviving spouses and heirs already in residence. Provided however, that said exceptions shall not be permitted in situations in which the granting of a hardship exception would result in less than 80% of the lots in the Resort having less than one resident fifty-five (55) years of age or older. It is intended that at least 80% of the lots at all times have at least 1 resident fifty-five (55) years of age or older and that all lots are reserved for future occupancy by at least one (1) resident fifty-five (55) or over.

The Board of Directors shall establish policies and procedures for the purpose of assuring that the required percentage of over fifty-five (55) occupancy is maintained at all times. The Board, or its designee, shall have the sole and absolute authority to deny occupancy of a lot by any person(s) who would create a violation of the necessary percentage of over-55 occupancy.

In recognition of the fact that the Resort has been developed and designed primarily for the comfort, convenience and accommodation of older persons, the use of all the lots are limited to permanent residents eighteen (18) years of age or older. No lot shall at any time, be permanently occupied by children who are under eighteen (18) years of age; except that children below the age of eighteen (18) are permitted to visit and temporarily reside for such periods as maybe permitted by the Board of Directors.

(11.4) (11.4) Guests. Guests of the lot owner shall be entitled to occupy the lot for up to thirty (30) days total in any calendar year without approval of the Board. Any guest staying for more than thirty (30) days in a calendar year must be approved by the Board. The number of guests visiting for the day shall not be limited, but since recreational facilities of the Resort are primarily for the use and enjoyment of the owners, the use of such facilities by guests will be limited. Guests under fourteen (14) years of age shall always be accompanied by an adult when making use of the recreational facility. Guests are entirely the responsibility of their host owner and all guests shall comply with all of the requirements and regulations of the Resort.

(11.5) (11.5) Motor Vehicle or Vessel. All motor vehicles of owners, sub-lessees or guests must be parked entirely upon the owner's lot in the area provided for parking. No street parking shall be allowed at any time except for normal deliveries or pickups. There shall be no boats, boat trailers, campers, crippled, disabled, or other unsightly vehicles parked on any lot. No commercial vehicle may be parked in or about the Resort without consent of the association, except for delivery purposes or service work. No major repairs of motor vehicles shall be permitted while such vehicles are located upon the Resort property. Motor vehicles with loud mufflers or exhaust systems shall not be permitted in the Resort. Any vehicle, boat or trailer shall have a current license plate, or number attached to same.

A speed limit of ten (10) miles per hour shall be observed within the Resort by all owners, sub-lessees, guests and operators of motor vehicles. Any person who fails to observe the speed limit as herein established will be prohibited from operating a vehicle within the confines of the Resort or on Resort property. Provision for a fair and just procedure to enforce this article shall be established by the Board.

No boat or vessel, shall be stored, attached to or tied to any Common Property without Board approval.

Motorcycles, motorbikes, motor-scooters, mini-bikes, and all similar vehicles shall only be permitted upon the Resort if they are used only for transportation in and out of the Resort by the shortest possible route. No such vehicles are to be driven within the confines of the Resort except for the purpose of leaving or entering the property. They shall not be used for recreation purposes within the Resort. No such vehicles may be operated by an unlicensed operator nor may guests bring any such vehicles into the Resort or operate any such vehicles within the confines of the Resort. Only handicapped person with proper identification may use handicap vehicles, such as 3 or 4 wheel golf carts and motorized wheel chairs. Golf cart operators must have liability insurance coverage.

(11.6) Storage. To every extent possible, all personal property should be kept in the park model travel trailer or motor home or storage locker or cabinet constructed in connection therewith and no personal property of any nature shall be permitted to continuously remain outside where such can be seen by others. No personal property shall be stored under the motor home or travel trailer unless that total Unit is suitably skirted, however, bicycles, tricycles, and all vehicles of those nature may be stored within the confines of the lot provided that they are maintained in a neat and orderly condition.

No outdoor storage of any kind shall be permitted except as approved by the Association. There shall be no separate storage building permitted except a storage locker or vertical cabinet located at the rear of a park model, motor home or trailer. If the above location is not feasible, then at some alternate location approved in writing by the Board. Dimensions of a horizontal cabinet shall be two (2) feet high with a maximum depth front to rear of three (3) feet.

Dimensions for a vertical cabinet shall be no more than three (3) feet deep front to rear and a vertical height not to exceed seven (7.5) feet or the bottom of the rear window if it is less than 7 1/2 feet above the ground. (County Regulation)

Construction shall be of materials that are either similar in nature or compatible with the materials used in the construction of the park model, travel trailer or motor home for which such cabinet or locker is being constructed. No such storage locker or cabinet shall be placed, directed, constructed or maintained upon any of lot nor shall any addition to or change or alteration thereof be made until the plans and specifications showing the location, nature, kind, shape, height and material of such storage locker or cabinet and shall have been submitted to and approved, in writing, by the Board or its authorized or designated representative.

(11.7) Association Employees. No owner or sub-lessee shall request or cause any employee of the Association to undertake any maintenance or other private service on behalf of the owner or sub-lessee except as shall have been approved in writing by the Board. In any event that an employee of the Association shall, for any reason provide service to an owner or sub-lessee, such owner or sublessee shall be assessed for the cost of such services.

(11.8) Repairs to Association Facilities. No electrical or plumbing repair work or electrical installations may be undertaken on the lot without first obtaining the written approval of the Board where reasonable and not an emergency. Any electrical or plumbing repairs, maintenance or installation work shall only be undertaken by an individual owner or licensed contractor approved by the Board.

(11.9) Commercial Enterprises. No business or trade shall be permitted to be conducted on any lot or anywhere on the Resort except as follows:

1. The Association is excluded from the general prohibition on the conduct of business given its duties and responsibilities under these documents, and applicable law.
2. Unit Owners and tenants may conduct limited professional or business activities incident to the primary use of the lot or residential purpose if confined solely within their lot, but only if the activity cannot be seen, heard or smelled by other residents of the cooperative, and provided further that no activity shall be permitted that results in a significant increase in pedestrian or vehicular traffic in the cooperative, nor shall any activities be permitted that would increase the insurance risk of other owners, or the Association, or constitute a dangerous activity.

(11.10) Use of Resort. The Resort and facilities therein shall be used only for the purposes for which, they are intended in the furnishing of services and facilities for the benefit and enjoyment of the lot owners, sub-lessee and guests.

(11.11) Access. The Association reserves the right of access to all lots for its officers, agents and employees and the employees of those entities furnishing utilities and services to the Resort at all reasonable times and upon reasonable conditions and notice for the purpose of inspection and maintenance of utilities and all other such service facilities.

12. Garbage and Trash. The throwing or placing of garbage, refuse, trash, stumps, debris or any other matter within the Resort or upon any abutting property or upon any other property as may be owned or utilized by the Association is strictly prohibited. All garbage and trash shall be sacked or securely wrapped and placed in an approved container which must be kept tightly closed and shall be maintained in good condition, sanitary napkins, Kleenex, paper hand towels and disposable diapers are not to be flushed down the toilet and any owner or sub-lessee causing a blockage or back-up in the sewer line leading from a lot shall be responsible for the cost of cleaning or repairing said sewer line. No trash or garbage shall be burned upon any Lot or upon any property abutting the Resort.

IN ORDER TO MAINTAIN AN ATTRACTIVE RESORT COMMUNITY, THE BOARD MAY IMPOSE A CHARGE FOR ANY CLEAN-UP SERVICES WHICH ARE REQUIRED TO BE UNDERTAKEN BY THE ASSOCIATION.

(11.13) Pets. Cats, dogs, and caged birds shall be the only type of pets permitted within the Resort and shall only be permitted at the discretion of the Board. The cats and/or dogs permitted in the Park cannot weigh more than 25 pounds, and each Pet Lot (as defined below) is

permitted a maximum total of one (1) cat and/or dog. (Except working dogs as specified by Florida Statutes). All dogs and cats must have current tags and all dogs and cats shall be collared and shall be kept under control at all times. Pets must be on a leash when out of doors. No pets may be left outdoors. When a pet is out doors, the owner shall be responsible for cleaning up after the pet. All pets must meet Manatee County health regulations.

Notwithstanding the foregoing general regulations with regard to keeping pets at SUGAR CREEK RESORT, the contiguous even numbered lot 30 through 212, together with lot 111, 113, 115, 117, 119, 131, 133, 135, 137, 139, 143, 145, 147, 149, 151 and 153 are hereby designated as those lot upon which the owners or sub-lessees thereof shall be permitted to keep dogs and cats. The keeping of dogs & cats on all other lot within SUGAR CREEK RESORT is hereby prohibited. Further, the walking of a dog shall be restricted to the following areas:

- (a) The area lying between the northern boundaries of even numbered contiguous Lots 50 through 134 and the northern boundary of Sugar Creek Resort.
- (b) The area lying between the western boundary of even numbered contiguous Lots 136 through 166 and Glen Creek. Except Lot 162 and Lot 164.
- (c) (c) The area lying between the southern boundaries of even numbered contiguous lots 166 through 210 and Glen Creek; and
- (d) The area lying between the eastern boundaries of even numbered contiguous Lots 30 through 48 and Sugarhouse Creek; and
- (e) The area located within a perimeter made up of the interior boundaries of Lots numbered 111, 113, 115, 117, 119, 131, 133, 135, 137, 139, 143, 145, 147, 149, 151 and 153

(11.14) Children. Children in residence as guests are not to play in the streets and all children's play shall be restricted to the lot they are visiting or upon another lot, if they have been so invited. Children under fourteen (14) years of age may only use the adult recreation facility when accompanied by an adult. The use of any adult recreational facility by a child shall be at the parent's own risk and the Association shall be deemed to have no responsibility or liability for accidents or injuries. Loitering, aimless grouping, and hanging about will not be

permitted. The conduct and acts of all children shall be considered to be a responsibility of the owner or sub-lessee who has them as guests.

(11.15) Lawful Use. No immoral, improper, offensive or unlawful use shall be made of a lot or the Resort and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. Failure on the part of any lot owner, sub-lessee or guest to abide by these by-laws or any valid law, zoning ordinance and regulations of applicable governing bodies shall be a violation of these by-laws and subject such lot owner, sub-lessee or guest, and the responsible lot owner who hosts such guest, to the enforcement procedures set forth in the Articles of Incorporation, these By-laws, the Proprietary Lease and applicable Florida Statutes.

(11.16) Damage. Any damage to the Resort or its facilities caused by the owner, sub-lessee or any guest of the owner or sub-lessee shall be repaired at the expense of the owner or sub-lessee responsible for the damage or the owner or sub-lessee whose guest was responsible for the damage.

(11.17) Nuisance. No nuisance shall be allowed or permitted to continue upon any lot

or in the Resort nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Resort. No owner shall permit any use of his Lot or make any use of the Resort that will increase the cost of insurance upon the Resort property.

(11.18) Signs. No "For Sale" signs or "For Rent" signs or other displays or advertising shall be maintained on any part of a lot, except a suitable sign may be displayed in one window of the living Unit on the lot or on a post on a vacant lot .

(11.19) Mining and Drilling. The mining or drilling of wells (even water wells) of any nature shall not be permitted in the Resort other than such wells as may be installed by the Association.

(11.20) Soliciting. Soliciting or peddling of any nature shall not be permitted within the Resort without the written permission of the Board.

(11.21) Alcoholic Beverages and Gambling. No alcoholic beverages shall be served or consumed in, on or about any common areas of the Resort except as permitted by the Board, nor shall any gambling be permitted in, on or about such area.

(11.22) Condition of lot. While in residence, owners and sub-lessees shall maintain their lots and residences in a neat, clean and orderly condition and upon failure of any owner or sub-lessee to maintain his lot or residence in such a manner, the Association reserves the right, after fifteen (15) days notice to such owner or sub-lessee, to enter upon the lot and clean up and maintain such lot in a manner sufficient to prevent such lot from creating an unsightly appearance within the Resort. In the event that such clean-up services and/or damages by the Association shall become necessary, the Association shall charge the owner or sub-lessee an amount equal to the actual cost of such clean-up services and/or damages

(11.23) Easements. The Association reserves for itself and for any person or entities providing services to the Resort, an easement through the Resort and upon the lots for all utilities, including telephone, electricity, water, sewer, gas, cable television and such further services as may be reasonably required.

(11.24) Schools and Churches. No school, church or similar institution of any kind shall be maintained, conducted or operated upon any lot.

(11.25) Clotheslines. Clotheslines shall be permitted, if required by law, in accordance with the Rules and Regulations.

(11.26) Landscaping. Owners shall have the right and are encouraged to landscape their lot, but the location, relocation or removal of any trees must be previously approved in writing by the Board and must be in compliance with Manatee County regulations. All trees, bushes, plants and shrubs shall be kept and maintained in an attractive appearance at all times. There shall be at least four (4) feet between plantings. If a lot owner has approval to remove a tree, an approved tree shall be planted if required by the Board. (see approved list in Association office).

(11.27) Zoning. SUGAR CREEK RESORT lies within a P.D.R.V Park District as the same is defined by the currently existing Zoning Ordinance of Manatee County, Florida.

(11.28) Antennas. No television, radio, satellite, or other antenna or satellite system may be installed on the Common Areas by any person other than the Association. Certain television, satellite, or other antenna systems may be erected or installed on a lot or residence subject to compliance with the following requirements:

- (a) Permitted antennas include (collectively hereinafter referred to as "antennas"):
1. Direct broadcast satellite dishes (DBS) that are less than one meter in diameter.
 2. Multi-channel, multi-point distribution service devices (MMDS) that are less than one meter in diameter or diagonal measurement.
- (b) Location of Antennas. No antenna may be placed in a setback area. To the extent feasible; all antennas must be placed in locations that are not visible from any street and in a location to minimize annoyance or inconvenience to other residents of the community if this placement would still permit reception of an acceptable quality signal. A preferred location is on the roof at either rear quarter of the home.
- (c) Safety Requirements. To safeguard the safety of the lot owner, occupants of the residence in which the antenna is located, neighboring property owners, and other owners and members in the community, it shall be the obligation of the owner to comply with all applicable local, state, and federal safety requirements, including but not limited to obtaining a permit for the installation of the antenna, if any, hiring licensed contractors with sufficient expertise and adequate insurance to protect their work, installing the antennas away from power lines and other potentially dangerous areas, installing and using the antenna in accordance with safety recommendations and requirements of the antenna manufacturer, and in accordance with the customs and standards for the antenna industry, including compliance with electrical code requirements to properly ground the antenna, and installation requirements to properly secure the antenna.
- (d) Communications-type CB or amateur radio antennas that can provide disaster communication are permitted if disguised as a flagpole or similar device, if possible.
- (e) It is understood that the Unit owner will continue to be responsible for payments to the supplier of cable television service.

12. SALE, PURCHASE, LEASE, EXCHANGE OR MORTGAGE OF ASSOCIATION PROPERTY.

The property belonging to the Association shall not be sold, leased, exchanged or mortgaged as an entirety without the approval by vote or written consent of two-thirds (2/3) of the owners of Proprietary Leases. The Association, through its Board has the power and is authorized to purchase any land or recreation lease upon the approval of (2/3) of the lot owners, either by vote or written consent.

13. LAWS OF THE STATE OF FLORIDA

All laws of the State of Florida now in effect or that may be adopted hereafter regulating the internal administration and operation of this cooperative Resort shall be considered incorporated by reference herein and shall control in case of any conflict with these By-Laws. All owners shall be considered as vested with all rights granted them and subject to all obligations imposed upon them as owners under the laws of the State of Florida with respect to the administration and operation of this cooperative Resort. The Board shall maintain on file in the office of the Association, as much as reasonably possible, a current copy of Chapter 719, Florida Statutes and any amendments thereto.

14. PARLIAMENTARY RULES

Robert's Rules of Order (latest addition) shall govern the conduct of the Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

15. AMENDMENTS

A resolution for the adoption of a proposed amendment of these By-Laws may be proposed by either the Board or by the membership of the Association. Members may propose such an amendment by instrument in writing directed to the President or the Secretary of the Board signed by not less than twenty percent (20%) of the membership. Amendments may be proposed by the Board by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided for the president or, in the event of his refusal or failure to act, the Board, shall call a meeting of the membership to be held no sooner than fourteen (14) days and no later than forty-five (45) days for the purpose of considering said amendment. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

(a) Not less than seventy-five percent of the entire Board and by no less than fifty-one percent (51%) of the votes of the entire membership of the Association, or

(b) Not less than two-thirds (2/3) of the votes of the entire membership of the Association.

(15.1) Proviso. Provided, however, that no amendment shall discriminate against any lot owner nor against any class or group of lots unless the owners so affected shall consent. No amendment shall be made that is in conflict with or inconsistent with the Articles of Incorporation of applicable Florida Statutes. If any such By-Law is adopted which conflicts with the Articles of Incorporation or applicable Florida Statutes, it shall be invalid and of no force or effect.

(15.2) Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the Association with the formalities of a deed and thereafter, inserted in the Association records. These By-Laws shall supersede all previous By-Laws and amendments heretofore.