

**AMENDED AND RESTATED
BY-LAWS**

OF

THE TOWNEHOMES OF DEER CREEK HOMEOWNERS ASSOCIATION, INC.

A FLORIDA NOT-FOR-PROFIT CORPORATION

NOTE: This document is a substantial rewording of the original text of the By-Laws attached as Exhibit E to the Declaration of Covenants and Restrictions executed by Developer on December 15, 1984, recorded on January 3, 1985, at Official Records Book 12240, Page 686, of the Public Records of Broward County.

ARTICLE 1

GENERAL

1.1 **The Name.** The name of the Corporation shall be THE TOWNEHOMES OF DEER CREEK HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association."

1.2 **Principal Office.** The principal office of the Corporation shall be at 1215 E. Hillsboro Blvd., Deerfield Beach, FL 33441, or at such other place as may be subsequently designated as the Principal Office location by the Board of Directors.

1.3 **Identity.** In addition to the within By-Laws being the By-Laws of the Association, these By-Laws are established pursuant to Chapter 720, Florida Statutes ("Act") for the purpose of administering, operating and managing The Townehomes of Deer Creek (the "Community").

1.4 **Definition.** As used herein, the term "Corporation" shall be the equivalent of "Association," and all other words as used herein shall have the same definitions as attributed to them in the Declaration of Covenants and Restrictions for The Townehomes of Deer Creek ("Declaration"). Any terms not defined in the Declaration shall have those definitions established by the Act.

1.5 **Dwelling Unit or Unit.** As used herein, the terms "Dwelling Unit" or "Unit" are used interchangeably and shall refer to an individual residential townhouse unit.

ARTICLE 2

MEMBERSHIP AND VOTING PROVISIONS

2.1 **Membership.** Membership in this Association shall be limited to record owners of Dwelling Units in the Community. Transfer of Unit ownership, either voluntarily or by operation of law, shall automatically terminate membership, and the transferee shall automatically become a Member of this Association. If Unit ownership is vested in more than one person, all of the persons owning a Dwelling Unit shall be authorized to attend meetings. If Unit ownership is vested in a trust for estate planning or tax planning purposes or, to the extent permitted by the Declaration, any other entity, the entity must designate a representative to exercise its rights as a Member.

2.2 **Voting Rights.** On all matters upon which the membership shall be entitled to vote, the vote for each Dwelling Unit shall be as specified in the Declaration and the Articles of Incorporation. Said votes shall be exercised or cast in the manner provided by the Declaration and these By-Laws. Any person or entity owning more than one (1) Dwelling Unit shall be entitled to the cumulative total of votes allocated to Dwelling Units owned. The vote of a Dwelling Unit shall not be divisible. Unless otherwise set forth in the Declaration, the Articles of Incorporation, herein or in the Act, matters shall be voted on by the membership of the Association and shall be determined by a vote of a majority of the voting interests ("Voting Interests") present and voting, in person or by proxy, at any meeting at which a quorum is established, or by written agreement.

2.3 **Quorum.** Unless otherwise provided in these By-Laws, the presence in person or by proxy of thirty percent (30%) of the Voting Interests of the Association shall constitute a quorum. A quorum is not required for elections pursuant to Section 4.2 hereof.

2.4 **Voting Procedure.** Votes may be cast in person, by written agreement or by proxy. All proxies shall be in writing, signed by the person entitled to vote, shall be filed with the Secretary of the Association prior to or at the meeting at which they are to be used, or prior to or at any lawful adjournment thereof, and shall be effective only for the specific meeting for which originally given and any lawful adjournment thereof. 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 Owner executing it.

2.5 **Designation of Voting Member.** If a Dwelling Unit is owned by one or more persons, their right to vote shall be established by the record title to the Dwelling Unit and any one of them may cast the vote for the Parcel. If a Parcel is owned by a trust or, to the extent permitted by the Declaration, another entity, it shall designate the representative, officer, employee or agent entitled to cast the vote by executing a certificate to be filed with the Secretary of the Association, signed by its authorized representative. The person designated in any such certificate shall be known as the Voting Member. If, for a Unit owned by a trust established for estate planning or tax planning purposes or other entity permitted by the Declaration, such certificate is not on file with the Secretary of the Association, the vote of the Unit shall not be counted in determining the presence of a quorum, or for any purpose requiring the approval of the person entitled to cast the vote for the Unit. Such certificate shall be valid until revoked or

superseded by a subsequent certificate, or until a change occurs in the ownership of the Dwelling Unit.

ARTICLE 3

MEMBERSHIP MEETINGS

3.1 **Place.** All meetings of Members shall be held at the principal office of the Association or at such other place and at such time as shall be designated by the Board and stated in the notice of meeting.

3.2 **Notices.** It shall be the duty of the Secretary to send by regular mail, hand delivery or electronic transmission a notice of each annual or special meeting to each Unit Owner and to post a copy of said notice in a conspicuous place on the property at least fourteen (14) continuous days but not more than sixty (60) days prior to such meeting. The Board may adopt a rule to provide that, in lieu of posting notice of a members' meeting on the Property, the notice and agenda may be conspicuously posted and repeatedly broadcast on a closed-circuit cable television system serving the Association in the manner required by the Act. Notice of any meeting shall list the time, place and purpose thereof and shall incorporate an identification of agenda items. All notices shall be mailed, hand delivered or sent by electronic transmission to the address last furnished to the Association by the Owner as it appears on the books of the Association to each Owner. Proof of posting, delivery or mailing of the notice (if required) shall be given by the affidavit of the person serving the notice, or a United States Postal Service Certificate of mailing, shall be included in the official records of the Association affirming that the notice was mailed, hand delivered or sent by electronic transmission in accordance with Florida law. Notice of specific meetings may be waived in writing before or after the meeting.

3.3 **Annual Meeting.** The annual meeting for the purpose of electing directors and transacting any other authorized business shall be held during the month of January at a date and time determined by the Board of Directors. At the annual meeting, the Members shall elect a Board by plurality vote (cumulative voting is prohibited), and shall transact such other business as may be properly brought before the meeting. The Board may adopt reasonable rules governing the frequency, duration and manner of Owner participation.

3.4 **Special Meeting.** Special meetings of the Members for any purpose, unless otherwise prescribed by statute, may be called by the President, or shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors or at the request, in writing, of Members representing one third (1/3) of the total voting interests in the Association. Such requests shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. The Board may adopt reasonable rules governing the frequency, duration and manner of Owner participation.

3.5 **Action by Members Without a Meeting.** Notwithstanding anything herein to the contrary, any action required or permitted to be taken at any annual or special meeting of Members may be taken by written agreement without a meeting, signed by the Members (or persons authorized to cast the vote of any such Members as elsewhere herein set forth), so long as at least a quorum of the members participates and so long as the number of votes required to authorize or approve such action is obtained. Voting by written agreement shall be done in accordance with the provisions of the applicable Statute, as same may be amended from time to time.

3.6 **Adjourned Meeting.** If any meeting of Members cannot be organized because a quorum is not present, either in person or by proxy, the meeting shall be adjourned from time to time until a quorum is present. If any agenda item at a meeting of the members cannot be approved because approval of more than a quorum of the members is required but such required percentage is not present or is not achieved, the meeting may be adjourned from time to time until the requisite vote is achieved.

3.7 **Order of Business.** The order of business at annual Members' meetings, and as far as practical at other Members' meetings, shall be:

- A. Calling to order by President, Vice President in the absence of the President, or Chairman;
- B. Appointment of chairman of the meeting by the President or, in his absence, by a majority of the Board of Directors. The chairman may be the attorney for the Association or a representative of the Association's management company who will conduct the meeting without vote;
- C. Appointment of inspectors of election;
- D. Election of directors;
- E. Calling of the roll and certifying of proxies;
- F. Proof of notice of the meeting or waiver of notice;
- G. Reading and disposal of any unapproved minutes;
- H. Reports of officers;
- I. Reports of committees;
- J. Unfinished business;
- K. New business;

- L. Adjournment.

ARTICLE 4

DIRECTORS

4.1 **Membership.** The affairs of the Association shall be managed by a Board consisting of five (5) Directors. All Directors shall be Members of the Association, be in good standing with all assessments, fines and obligations to the Association paid, and must be eligible by law to serve.

4.2 **Election of Directors.** Election of directors shall be conducted in the following manner:

- A. Election of directors shall be held at the annual Members' meeting.

B. The Board of Directors shall be elected by written ballot, an online voting system or by voting machine. Proxies shall not be used in the election of the Board of Directors, either in general elections or elections to fill vacancies, except for vacancies caused by the recall of a majority of the Board. No Owner shall permit any other person to vote his or her ballot, and any such ballots improperly cast shall be deemed invalid. Elections shall be decided by a plurality of those ballots cast. Cumulative voting is prohibited. There shall be no quorum requirement for an election of directors; provided, however, at least twenty percent (20%) of the eligible votes must cast a ballot in order to have a valid election.

C. Written notice of the scheduled election shall be mailed, hand delivered or electronically transmitted to each Member at his or her last known address as it appears on the books of the Association. The first notice of the date of the election shall be mailed, hand delivered or electronically transmitted to each Member not less than sixty (60) days before the scheduled election. The first notice must contain the name and correct mailing address of the Association.

D. Any Owner or other eligible person desiring to be a candidate for the Board shall give written notice to the Association not less than forty (40) days before the scheduled election. Written notice shall be effective when received by the Association. Nominations may not be accepted unless submitted in accordance herewith.

E. Not less than fourteen (14) days before the scheduled election, the Association shall mail, deliver or electronically transmit to the eligible voters at the addresses listed in the official records of the Association a second notice of the election, together with an absentee ballot and any information sheets timely submitted by the candidates. Each Unit shall receive one (1) absentee ballot. The second notice and accompanying documents shall not contain any communication by the Board which endorses, disapproves or otherwise comments on any candidate. An owner may mail, email or hand deliver his or her absentee ballot to the Association. Upon receipt by the

Association, no ballot may be rescinded or changed. Ballots will also be available the night of the election for those who have not previously submitted an absentee ballot.

F. The written ballot shall indicate in alphabetical order by surname, each and every Owner or other eligible person who desires to be a candidate for the Board and who gave written notice to the Association not less than forty (40) days before a scheduled election, unless such person has, prior to the mailing of the ballot, withdrawn his or her candidacy in writing. No ballot shall indicate which candidates are incumbents on the Board. No write-in candidates shall be permitted.

G. All absentee ballots shall be collected by the Association and shall be transported to the location of the election. An impartial committee of persons appointed by the Board shall validate and process the ballots. If online voting is used for the election, the online votes may be integrated with the ballots cast manually by the Association's Manager, the Association's attorney, an impartial counting committee or a representative from the online voting company. The Association shall have available additional blank ballots and envelopes at the meeting for distribution to the eligible voters who have not cast their votes. At the meeting, as the first order of business, ballots not yet cast shall be collected. Next, the signatures and Unit identifications on the absentee ballots shall be checked against the list of qualified voters as well as against the online votes cast if online voting is utilized for the election. Upon a motion by the members, the polls shall be closed, and no more ballots shall be accepted. Board members whose terms expire and who are not reelected shall relinquish their Board positions, and those positions shall be assumed by the duly elected Board members.

H. The Board shall not create or appoint any committee for the purpose of nominating a candidate or candidates for election to the Board. However, the Board may create or appoint a search committee which shall not have the authority to nominate any candidate, but may encourage eligible and qualified persons to become candidates for the Board.

I. Notwithstanding anything contained herein to the contrary, an election is not necessary unless there are more eligible candidates than vacancies. In such case, not later than the date of the scheduled election, the Association shall call and hold a meeting of the membership to announce the names of the new Board members, or shall notify the Members that one or more Board member positions remain unfilled, as appropriate under the circumstances. In the alternative, the announcement may be made at the annual meeting.

J. If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, or otherwise, a majority of the remaining directors, though less than a quorum, shall choose a successor who shall hold office for the balance of the unexpired term of office. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board.

4.3 **Organizational Meeting.** The organizational meeting of a newly elected Board shall be held after their selection within ten (10) days of their election, at such place and time as shall be fixed by the directors at the meeting at which they were elected. Notice of such organizational meeting; which notice specifically incorporates an identification of agenda items, shall be posted conspicuously on the Property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency. The organizational meeting shall be chaired by the Association Attorney or the Association Manager, and the vote to elect officers may be conducted by secret ballot.

4.4 **Term.** The term of each director's service shall be for two (2) years and subsequently until his successor is duly elected and qualified, or until he or she is removed in the manner elsewhere provided. The directors shall serve staggered terms, with three (3) directors being elected in odd numbered years and two (2) directors being elected in even numbered years. To implement staggered terms, at the first contested election after the effective date of this amendment, the three (3) or two (2) candidates (depending upon whether it is an even numbered or an odd numbered year) with the highest number of votes shall serve a two (2) year term, and the remaining person or persons elected to the Board shall serve a one (1) year term. If there is not a contested election at the first annual meeting after the effective date of this amendment, the persons seated on the Board shall decide among themselves who shall serve two (2) years and who will serve one (1) year in accordance with these provisions or the implementation of staggered terms will be delayed until the next contested election and all Board members will continue to serve one (1) year terms until staggered terms are implemented.

4.5 **Recall.** Any member of the Board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all Members. A special meeting of the Members to recall a member or members of the Board may be called by ten percent (10%) of the Members giving notice of the meeting as required for a meeting of Members, and the notice shall state the purpose of the meeting. The recall of a director shall be further governed by the applicable provisions of the Act and the Florida Administrative Code, as same may be amended from time to time.

4.6 **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings which shall include an agenda, shall be given to each director, personally or by mail, telephone, facsimile, or electronic mail, and shall be transmitted at least forty-eight (48) hours prior to the meeting. The business at the meeting shall be limited to the items on the agenda, unless the Board determines that a matter must be taken up on an emergency basis. Regular meetings of the Board shall be open to all Members, and notice of such meetings shall be posted conspicuously at the Property forty-eight (48) continuous hours preceding the meeting for the attention of the Members of the Association except in the event of an emergency. However, written notice of any meeting at which non-emergency special assessments, or at which amendments to rules regarding Lot use will be proposed, discussed or approved, shall be mailed, hand delivered or electronically transmitted to the Members and posted conspicuously on the Property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice requirement shall be made by an affidavit executed by

the person providing the notice and filed among the official records of the Association. The Board may adopt a rule to provide that, in lieu of posting notice of a regular Board meeting on the Property, the notice and agenda may be conspicuously posted and repeatedly broadcast on a closed-circuit cable television system serving the Association in the manner required by the Act. Notice of any meeting where assessments against Owners are to be considered for any reason shall contain a statement that assessments will be considered, and the nature of any such assessments. The right of a Member to attend regular Board meetings includes the right to speak at such meetings with reference to all designated agenda items. A Member does not have the right to speak with reference to items not specifically designated on the agenda, but the Board, in its discretion, may permit a Member to speak on such items. The Board may adopt reasonable rules governing the frequency, duration, and manner of Owner statements. Any Member may tape record or videotape meetings of the Board, committee or Members; provided, however, that the equipment utilized does not produce distracting sound or light emissions and subject to any rules which may be adopted by the Board regarding placement, assemblage of audio and video equipment, prior notice to record the meeting, and distraction resulting from moving about during recording of the meeting. Videotapes of Board Meetings, Membership Meetings or Committee Meetings may not be posted on the internet.

4.7 **Special Meetings.** Special meetings of the directors may be called by the President or, in his absence, by the Vice President, and must be called by the President or Secretary at the written request of three (3) of the directors. Notice of the meeting which shall include an agenda, shall be given personally or by mail, telephone, facsimile, or electronic mail, which notice shall state the time, place and purpose of the meeting, and shall be transmitted to each director not less than forty-eight (48) hours prior to the meeting. The business at the meeting shall be limited to the items on the agenda, unless the Board determines that a matter must be taken up on an emergency basis. Special meetings of the Board shall be open to all Members, and notice of a special meeting shall be posted conspicuously on the Property forty-eight (48) continuous hours in advance for the attention of the Members of the Association except in the event of an emergency. However, written notice of any special meeting at which non-emergency special assessments, or at which amendments to rules regarding Unit use will be proposed, discussed or approved, shall be mailed, hand delivered or electronically transmitted to the Members and posted conspicuously on the Property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice requirement shall be made by an affidavit executed by the person providing the notice and filed among the official records of the Association. The Board may adopt a rule to provide that, in lieu of posting notice of a special Board meeting on the Property, the notice and agenda may be conspicuously posted and repeatedly broadcast on a closed-circuit cable television system serving the Association in the manner required by the Act. Notice of any meeting where assessments against Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. The right of a Member to attend special Board meetings includes the right to speak at such meetings with reference to all designated agenda items. The Board may adopt reasonable rules governing the frequency, duration and manner of Owner

participation. The provisions set forth in Section 4.6 hereof with respect to speaking at meetings and recording of meetings shall also apply to special meetings.

4.8 **Waiver of Notice.** Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the giving of notice. Attendance by any director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.9 **Quorum and Voting.** A quorum at directors' 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 directors is required by the Declaration, the Articles or these By-Laws. Directors may not vote by proxy or secret ballot at Board meetings, except, if allowed by statute, for election of officers. A vote or abstention for each director present shall be recorded in the minutes. A director of the Association who is present at a meeting of its board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he or she votes against such action or abstains from voting due to a conflict of interest. Directors may not abstain from voting unless he or she has a conflict of interest on the matter being voted upon. A director of the association who abstains from voting on any action taken on any corporate matter shall be presumed to have taken no position with regard to the action. Directors may meet by telephone conference or the use of Skype or other internet service and those attending by telephone conference, Skype or other internet service may be counted toward a quorum and may vote, provided that the director's electronic attendance is conducted on a speaker so that the conversation of those Board members attending by telephone, Skype or other internet service may be heard by the Board and any other person attending the meeting.

4.10 **Adjourned Meetings.** 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 until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.11 **Presiding Officer.** The presiding officer of the directors' meetings shall be the President, his or her designee or, in the absence of the President, the Vice-President or his or her designee. In the absence of the President or Vice-President, the directors present shall designate one of their number to preside or designate the attorney of the Association or a representative of the Association's management company to act as chairman.

4.12 **Order of Business.** The order of business at directors' meetings shall, to the extent practical, be:

- A. Calling of roll;

- B. Proof of due notice of meeting;
- C. Reading and disposal of any unapproved minutes;
- D. Reports of officers and committees;
- E. Unfinished business;
- F. New business;
- G. Adjournment.

4.13 **Compensation.** Directors shall not be entitled to compensation for their services.

4.14 **Resignation.** Any Board member may resign at any time at a Board or members' meeting or by written resignation, delivered to the Association, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date. The acceptance of a resignation shall not be required to make it effective.

4.15 **Committees.** All committee meetings shall be exempt from the procedural requirements applicable to Board meetings, except where prohibited by the Act.

ARTICLE 5

POWERS AND DUTIES

The Board exercise all powers and duties of the Association under Chapters 617 and 720, Florida Statutes, the Declaration, Articles of Incorporation and By-Laws, except where a vote of the members is specifically required. Such powers and duties of the Board shall include, without limitation (except as limited elsewhere herein and to the extent that same is in accordance with the Act) the following:

- A. Operation, care, upkeep and maintenance of the Property and facilities.
- B. Determination and adoption of the annual budget of Common Expenses required for the operation of the Property and the Association.
- C. Levying and collection of regular and special Assessments for Common Expenses from Owners required to pay same.
- D. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Property and facilities.

E. Adoption and amendment of the Rules and Regulations covering the details of the operation and use of Property and facilities.

F. Maintaining of bank accounts on behalf of the Association and the designation of the signatories required therefor.

G. Purchase of Dwelling Units at foreclosure or other judicial sales, in the name of the Association or its designee.

H. Selling, mortgaging or otherwise dealing with Units acquired by the Association or its designee.

I. Organization of Corporations to act as designees of the Association in acquiring title to Units or leasing Units by the Association.

J. Obtaining and reviewing insurance for the Property.

K. Making repairs, additions and improvements to, or alterations of, the Property, and repairs to and restoration of the Property, in accordance with the provisions of the Declaration.

L. Enforcement of the obligations of the Owners, the allocation of profits and expenses, and the performance of anything and everything else necessary and proper for the sound management of the Community.

M. Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Property, subject to the terms of the Declaration.

N. Contracting for the management of the Community and the delegation to such manager such powers and duties of the Board as the Board may deem appropriate in the circumstances, and contracting for the management or operation of portions of the Property susceptible to separate management or operation thereof, and the granting of concessions for the purpose of providing services to the Owners. As an exception to the foregoing, there shall be no delegation of powers and duties wherein (1) same are contrary to the Statutes of the State of Florida and are accordingly not susceptible of being delegated; (2) those delegations and duties which may be required by the Declaration and these By-Laws to have approval of the Board or of the Owners; (3) the delegation is a power and duty which by its very nature is a decision or fiduciary responsibility to be made by the Board and is therefore not susceptible of delegation; and (4) same may be contrary to the Declaration or the By-Laws.

O. Exercising emergency powers conferred by the Act when a State of Emergency is declared by the Governor.

ARTICLE 6

OFFICERS

6.1 **Executive Officers.** The executive officers of the Association shall be a President, one or more Vice Presidents, Secretary, and Treasurer, all of whom shall be members of the Board and shall be elected by and serve at the pleasure of the Board. No two of said offices may be united in one person, except that the offices of the Secretary and Treasurer may be united in one person.

6.2 **Appointive Officers.** The Board may appoint such other officers from among the members as they may deem necessary, who shall hold office at the pleasure of the Board and have such authority and perform such duties as from time to time may be prescribed by said Board.

6.3 **Election.** The Board, at its first meeting after each annual meeting of general members, shall elect all officers.

6.4 **Term.** The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board.

6.5 **The President.** The President shall be the chief executive officer of the Association. Subject to the provisions of 4.11 hereinabove, the President shall preside at all meetings of Members and of the Board, shall exercise the executive powers of the Association and have general supervision over its affairs and other officers, and shall perform all of the duties incident to the office and such other duties as may be delegated to the President from time to time by the Board.

6.6 **The Vice President.** The Vice President shall perform all of the duties of the President in the absence of the President, and such other duties as may be required by the Board. If the Board elects more than one Vice President, the order of succession shall be determined by the Board.

6.7 **The Secretary.** The Secretary or assistant Secretary shall issue notices of all Board meetings and all meetings of Members, shall attend and keep the minutes of same, and shall have charge of all of the books of the Association as well as its records and papers, except those kept by the Treasurer. All minutes shall be kept in a businesslike manner and shall be available for inspection by Owners as set forth in the Act.

6.8 **The Treasurer.**

A. The Treasurer shall have custody of the Association's funds and securities, shall keep full and accurate accounts of the Association's receipts and disbursements, and shall deposit all monies and other valuable effects in the name of, and

to the credit of, the Association in such depositories designated by the Board. The books shall reflect an account for each Lot in the manner required by the Act.

B. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, making proper vouchers for such disbursements, and shall render an account of all his or her transactions as the Treasurer, and of the financial condition of the Association to the Board whenever it may require it.

C. The Treasurer shall collect all assessments and shall report promptly to the Board the status of collections.

D. The Treasurer shall maintain accounting records according to good accounting practices and shall render to Owners or their authorized representatives, at least annually, a written summary of the Association's fiscal activities.

6.9 **Compensation.** Officers shall not receive compensation for their services.

6.10 **Resignations.** Any officer may resign at any time at a Board or members' meeting or by written resignation, delivered to the Association, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE 7

FINANCES AND ASSESSMENTS

7.1 **Depositories.** The funds of the Association shall be deposited in such banks and depositories as determined and approved by appropriate resolutions of the Board. Funds shall be withdrawn only upon checks and demands for money signed by such officer(s) as may be designated by the Board. All withdrawals of funds must be approved and signed by two (2) authorized officers of the Association.

7.2 **Fiscal Year.** The fiscal year of the Association shall begin on the first day of January of each year; provided, however, that the Board, whenever it deems it advisable, is expressly authorized to change to a different fiscal year in accordance with the applicable provisions of the Internal Revenue Code.

7.3 **Determination of Assessments.**

A. The Board of Directors shall fix and determine the sum or sums necessary and adequate to assess Owners for their share of the Common Expenses set forth in the budget for the Association and the Community. Funds for the payment of Common Expenses shall be assessed against Owners as provided in the Declaration. Assessments shall be payable monthly and shall be due on the first day of each quarter or month unless otherwise ordered by the Board. Assessments shall be made against Owners in an amount not less than required to provide funds in advance for payment of all

of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Special Assessments, if necessary, shall be levied in the manner provided in the Act and shall be payable in the manner determined by the Board. All funds due under these By-Laws and the Declaration are Common Expenses.

B. Any meeting at which a proposed annual budget of the Association or an amendment thereto will be considered by the Board shall be open to all Owners.

C. The proposed annual budgets for Common Expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications. In addition to annual operating expenses, the Board is empowered, at its discretion, to include reserve accounts for capital expenditures and deferred maintenance.

D. When the Board determines the amount of any Assessment, the Treasurer shall mail or present to each Owner a statement of Assessment specifying the amount of same and to whom and where same should be payable and sent.

7.4 **Fidelity Bonds**. The Association shall obtain and maintain insurance or fidelity bonding for all persons who control or disburse funds of the Association in the principal sum not less than that required by and subject to the terms of the Act.

7.5 **Financial Statements**. The Board shall cause to be prepared financial statements either compiled, reviewed or audited, financial statement or a report of cash receipts and expenditures in lieu of financial statements, in accordance with the Act.

ARTICLE 8

OFFICIAL RECORDS

The Association shall maintain official records as defined in the Act, which shall be subject to inspection as provided in the Act, and as may be supplemented by Rules and Regulations adopted by the Board.

ARTICLE 9

PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

ARTICLE 10

AMENDMENTS

Except as otherwise provided, these By-Laws may be amended in the following manner:

10.1 **Notice**. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

10.2 **Adoption**. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board or by not less than one-fourth (1/4) of the Voting Interests of the Association. A proposed amendment must be approved by not less than sixty percent (60%) of the votes of the members present and participating, in person or by proxy, at a meeting at which a quorum is established or by written agreement provided that a quorum participates, provided, however, that all amendments must be approved by at least a majority of the total votes of the entire membership of the Association.

No By-Law provision shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-Laws. See By-Law . . . for present text." Nonmaterial errors or omissions in the By-Law process shall not invalidate any otherwise properly promulgated amendment.

10.3 **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 President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Broward County.

ARTICLE 11

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any former Owner or Member from any liability or obligation incurred under or in any way connected with the Community during the period of ownership and membership, or impair any rights or remedies which the Association may have against such former Owner and Member, arising out of, or which is in any way connected with, such ownership and membership.

ARTICLE 12

LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair parts of the property, the Association shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements, or other Owners or persons.

ARTICLE 13

SEAL

The seal of the Association shall have inscribed thereon the name of the Association, the year of its organization, and the words "not-for-profit." Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

ARTICLE 14

CONFLICT

If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws and of any of the Declaration, the provisions of the Declaration shall prevail.

ARTICLE 15

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provisions hereof.