

THIS INSTRUMENT PREPARED BY
AND RETURN TO:
KEVIN L. EDWARDS, ESQ.
BECKER & POLIAKOFF, P.A.
630 S. ORANGE AVENUE
SARASOTA, FL 34236

BARBARA T. SCOTT, CLERK
CHARLOTTE COUNTY
OR BOOK 02183 PAGE 1116
RECORDED 03/07/2003 08:21:10 AM
FILE NUMBER 1012254
RECORDING FEES 199.50

**CERTIFICATE OF ADOPTION
OF
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR
PELICAN LANDING CONDOMINIUM OF CHARLOTTE COUNTY, A CONDOMINIUM
AND
AMENDED AND RESTATED ARTICLES OF INCORPORATION
AND
AMENDED AND RESTATED BYLAWS
FOR
PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC.**

Pelican Landing Condominium Association of Charlotte County, Inc., a Florida not for profit corporation organized and existing to operate Pelican Landing Condominium of Charlotte County, a Condominium, according to the Declaration of Condominium thereof as recorded in O.R. Book 645, page 2104, et seq., Public Records of Charlotte County, Florida, as amended, hereby certify that not less than three-fourths (3/4ths) of the voting interests of the Association, present in person or by proxy, at a membership meeting held December 28, 2002, approved the adoption of the attached Amended and Restated Declaration of Condominium which shall replace the original Declaration of Condominium, and prior amendments, referenced above. The undersigned further certify that not less than eighty (80%) of the voting interests of the Association, present in person or by proxy, at a membership meeting held December 28, 2002, approved the adoption of the attached Amended and Restated Articles of Incorporation and Amended and Restated Bylaws. The original Articles and Bylaws for the Association were recorded in O.R. Book 645, pages 2158 and 2166, respectively and are hereby replaced with the attached Amended and Restated Articles of Incorporation and Amended and Restated Bylaws.

In witness whereof, the Association has caused this instrument to be executed by its authorized officers this 12 day of FEBRUARY, 2003.

**PELICAN LANDING CONDOMINIUM ASSOCIATION
OF CHARLOTTE COUNTY, INC.**

BY: _____

LEO J. HUGHES, President

Witness Signature

Printed Name

Witness Signature

Printed Name

STATE OF FLORIDA

COUNTY OF ~~CHARLOTTE~~ SARASOTA

The foregoing instrument was acknowledged before me this 12 day of FEBRUARY, 2003 by LEO J. HUGHES, as President of PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification. If no type of identification is indicated, the above-named person is personally known to me.

Notary Public

Printed Name

State of Florida

My Commission Expires

**OFFICIAL NOTARY SEAL
CATHRYN E JOY
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. DD129354
MY COMMISSION EXP. JULY 18, 2006**

**AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
FOR
PELICAN LANDING CONDOMINIUM OF CHARLOTTE COUNTY,
A CONDOMINIUM**

**SUBSTANTIAL RE-WRITING OF DECLARATION – PLEASE
SEE ORIGINAL DECLARATION FOR CURRENT TEXT.**

The Declaration of Condominium (“original Declaration”) of PELICAN LANDING CONDOMINIUM OF CHARLOTTE COUNTY, A CONDOMINIUM (hereinafter the “Condominium”) was recorded in Official Records Book 645, Page 2104 et seq., of the Public Records of Charlotte County, Florida. That Declaration of Condominium, as it previously has been amended, is hereby being further amended in part and restated in its entirety.

ARTICLE 1 – SUBMISSION STATEMENT

This Amended and Restated Declaration of Condominium is made by PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC. a Florida not-for-profit corporation. The lands subject to this Declaration as described below and the Improvements located thereon have already been submitted to the condominium form of ownership by the original Declaration. The covenants and restrictions contained in this Declaration shall run with the land, be binding on and inure to the benefit of all present and future owners of condominium parcels. The acquisition of title to any unit or any interest in the condominium property, or use of any portion of the condominium property constitutes an acceptance and ratification of all the provisions of this Amended and Restated Declaration of Condominium and the exhibits referenced herein, as they may be lawfully amended from time to time, and an agreement to be bound thereby. The property is more fully described as:

Lots 49 thru 53 inclusive and Lots 57 thru 61, inclusive, Second Addition to Gulfridge according to the Plat thereof, as recorded in Plat Book 2, Page 70, of the Public Records of Charlotte County, Florida, less the following parcel: Begin at the NW corner of said Lot 57 thence east 244.63 feet , thence South 41.23 feet; thence 583°34'3"W 78.28; thence West 71.4 feet; thence S 72°5'51"W 60.57 feet; to the Easterly right-of-way of a 75 ft. county road, thence N 28°51'0"W along said right-of-way 78.34 feet to the point of beginning. Said lands situate, lying and being in Charlotte County, Florida.

ARTICLE 2 – DEFINITIONS

2.1 “Act” means the Condominium Act , (Chapter 718 of the Florida Statutes) as it now exists or as may be amended from time to time including the definitions therein contained.

2.2 “Articles” means the Articles of Incorporation as attached hereto as Exhibit “A”.

2.3 "Assessment" means a share of the funds required for the payment of common expenses, which from time to time is assessed against the Unit Owner, and such additional sums which may be assessed directly against the Unit.

2.4 "Association" means PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC., a Florida Corporation Not For Profit, the entity responsible for the operation of the Condominium.

2.5 "Association Property" means that property (real or personal) which is owned or leased by, or is dedicated by a recorded plat to, the association for the use and benefits of its members.

2.6 "Bylaws" mean the Bylaws of the Association as attached hereto as Exhibit "B".

2.7 "Common Elements" mean and include:

2.7.1 The portions of the condominium property not included within the Units.

2.7.2 Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the common elements.

2.7.3 An easement of support in every portion of a Unit that contributes to the support of the building, including but not limited to all load bearing interior walls within the units.

2.7.4 The property and installations required for the furnishing of utilities and other services to more than one Unit or to the common elements.

2.7.5 All outside surfaces of walls except for glass or screened surfaces of windows, doors or porches of the various Units which said glass and screened surfaces are a part of each such Unit and are not common elements.

2.7.6 Any other parts of the condominium property designated as common elements in this Declaration.

2.8 "Common Expenses" means those expenses for which unit owners are liable to the Association, including but not limited to expenses of administration, maintenance and operation of the condominium association, repair and replacement of common elements and association property and such other expenses as may be declared common expenses either by this Declaration, the Articles of Incorporation, the Bylaws or by the Association. Common Expenses include, but are not limited to, such items as the cost of premiums for hazard and public liability insurance, repairs, replacements and expenses of the common elements, lawn service, utility bills (if not metered separately to units), pool service, maintenance of docks, decks and tennis courts, all real property taxes and special assessments and any use or other taxes imposed upon rentals by governmental authorities (if such taxes and special assessments are not charged directly to the Owners of Condominium Parcels), janitor service, accounting and legal fees, wages and fees for managerial and other services, and a reasonable and adequate reserve fund to provide for contingencies, all as may be required in the maintenance and management of this Condominium. The expenses of basic bulk cable and/or satellite service and exterior pest control are specifically considered a common expense. Common expenses also include reasonable insurance for directors and officers, road maintenance and operation expenses, master antenna television, and

security services, which are reasonably related to the general benefit of the unit owners even if such expenses do not attach to the common elements or property of the condominium.

2.9 "Common Surplus" means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the common elements, above the amount of the common expenses.

2.10 "Condominium Documents" mean this Amended and Restated Declaration, the Surveyor's Plat attached to the original Declaration; Articles of Incorporation of Pelican Landing Condominium Association of Charlotte County Association, Inc., Bylaws and Rules and Regulations as they may be adopted, promulgated, amended or repealed from time to time.

2.11 "Condominium Parcel" means a Unit together with the undivided share in the common elements which is appurtenant to said Unit and when the context permits, the term includes all of the appurtenances to the Unit.

2.12 "Condominium Property": means the land and personal property that are subjected to condominium ownership under this Declaration, all improvements on the land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.13 "County" means the County of Charlotte, State of Florida.

2.14 "Declaration" or "Declaration of Condominium" means this instrument, and as it may be amended from time to time.

2.15 "Family" or "Single Family" shall refer to any one of the following:

- (i) One natural person, his spouse, if any, and their custodial children, if any.
- (ii) Not more than two natural persons not meeting the requirement of 2.15.1 above, but who customarily reside together as a single housekeeping unit, and the custodial children of said parties, if any. The reference to "natural" herein is intended to distinguish between any individual between an individual and a corporation or other artificial entity.

2.16 "Fixtures" means those items of tangible personal property which by being physically annexed or constructively affixed to the unit have become accessory to it and part and parcel of it, including but not limited to, interior partitions, walls, appliances which have been built in or permanently affixed, and plumbing fixtures in kitchens and bathrooms. Fixtures do not include floor, wall or ceiling coverings.

2.17 "Guest" means any person who is not the unit owner or a lessee or a member of the owner's or lessee's family, who is physically present in, or occupies the unit on a temporary basis at the invitation of the owner or other legally permitted occupant, without the payment of consideration.

2.18 "Lease" means the grant by a unit owner of a right of use of the owner's unit regardless of whether there is a written agreement or monetary consideration.

2.19 " Limited Common Elements" shall include property reserved for the use of a certain unit to the exclusion of other units as reflected on the condominium plat or in this

Declaration. Whenever a portion of the Condominium Property naturally and exclusively services a particular unit and where the area in question lies outside of the boundaries of the unit, the delegation of maintenance responsibility for the area (e.g. air conditioning compressors) shall serve to define the area as a limited common element.

2.20 "Primary Occupant" means a natural person approved for occupancy of a unit when title to the unit is held in the name of two or more persons who are not husband and wife, or by a trustee or a corporation or other entity which is not a natural person.

2.21 "Rules and Regulations" means those rules and regulations promulgated by the Board of Directors, governing the use, occupancy, alteration, maintenance, transfer and appearance of units, common elements and limited common elements, subject to any limits set forth in the Declaration of Condominium.

2.22 "Unit" means a part of the condominium property subject to exclusive ownership.

2.23 "Unit Owner" or "Owner of a Unit" means the record title owner of a condominium parcel.

2.24 "Voting Interest" means and refers to the arrangement established in the Condominium Documents by which the Owners of each Unit collectively are entitled to one vote in the Association matters. There are 84 units, so the total number of voting interests is 84.

ARTICLE 3 – UNIT IDENTIFICATION

The property includes 84 units created as a condominium development as shown on the survey attached to the original Declaration as Exhibit "2."

3.1 Unit Boundaries. Condominium units are those cubicles of space, and all improvements constructed therein identified and described in the Surveyor's Plat attached to the original Declaration. The horizontal and vertical boundaries of the condominium units shall be as follows:

(i) Horizontal Boundaries. The upper and lower boundaries of the units shall be the underside of the finished, undecorated ceiling of the unit extended to the upper side of the finished undecorated surface of the floor of the unit, extended to meet the vertical boundaries.

(ii) Vertical Boundaries. The vertical boundaries shall be the interior surfaces of the perimeter walls of the unit as shown on the surveyor plans and the interior surfaces of the unit's windows and doors that abut the exterior of the buildings or common areas. Where there is a balcony, lanai or similar structure attached to a unit the unit boundary shall include the interior, unfinished surfaces of the same.

ARTICLE 4 – SURVEY AND PLOT PLAN

A survey of PELICAN LANDING, a description of the improvements in which the Units are located and of the Units themselves, and a Plot plan showing the relative position of the buildings of PELICAN LANDING CONDOMINIUM OF CHARLOTTE COUNTY, A CONDOMINIUM, appear on the plat recorded in O.R.B. 645, Page 2137, et. seq., of the Public

records of Charlotte County, Florida. A copy of this exhibit is attached to the original Declaration as Exhibit "2."

ARTICLE 5 – COMMON EXPENSES

The common expenses of the Condominium and common surplus of the Condominium shall be apportioned equally among the unit owners. Each unit owner shall have an undivided 1/84 ownership interest in the common elements.

5.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all assessments coming due while he/she is the Unit Owner. The grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his/her share of the common expenses including attorney's fees and other costs of collection incurred by the Association up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by the abandonment of the Unit for which the assessments are made.

5.2 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall incur a late fee and bear interest in an amount as determined by the Board of Directors up to the maximum allowed by law. The Association has a lien on each condominium parcel for any unpaid assessments on such parcel, with interest, late charges and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the assessment or enforcement of the lien. The lien is in effect until all sums secured by it have been fully paid or until barred by law. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon recording, the Association's claim of lien shall relate back to the date of the filing of the original Declaration of Condominium. Upon payment the condominium parcel is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien.

5.3 Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid assessments. If this notice is not given at least thirty days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment or foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit owner or by certified mail, return receipt requested, addressed to the Unit Owner. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this sub-section are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

5.4 First Mortgagee. The priority of the Association's lien and the obligation for payment of past due assessments in relation to first mortgagees who obtain title as a result of foreclosure or deed in lieu of foreclosure, shall be determined by the Florida Condominium Act, Chapter 718, Florida Statutes (2001), as amended from time to time.

5.5 Possession of Unit. Any person who acquires an interest in a Unit, except First Mortgagees through foreclosure of a first mortgage of record (or deed in lieu thereof), including without limitation persons acquiring title by operation of law, shall not be entitled to occupancy of the Unit or enjoyment of the common elements until such time as all unpaid assessments and gather charges due and owing by the former Owner, if any, have been paid. Possession shall be subject to all other Association requirements pertaining thereto.

5.6 Certificate of Unpaid Assessments. Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him/her with respect to his/her Unit.

5.7 Lien For Charges. There is hereby created a common law and contractual lien to secure any service which the Association provides for an individual member and which is not otherwise secured by the statutory lien for common expenses created herein. By way of example, but not limitation, a lien for charges exists to secure repayment to the Association when it must remove or reinstall unit owner alterations or items of unit owner maintenance responsibility in connection with the Association's discharge of its common element maintenance responsibilities. The lien for charges shall be of equal priority to, shall be secured as to interest, late fees and attorney's fees and the like, and shall be foreclosed in the same manner as the common expense lien.

ARTICLE 6 – ASSOCIATION

The administration and management of the condominium shall be by the Condominium Association, which shall have by and through its officers and directors, such powers, authority and responsibilities as are vested in the officers and directors of a corporation not-for-profit under the laws of the State of Florida, including but not limited to those set forth elsewhere in the Condominium Documents. Each of the Units shall be entitled to one (1) vote at meetings of the Association which shall be cast in the manner set forth in the Bylaws attached to this Amended and Restated Declaration as Exhibit "B". The Association shall have authority to enter into management and other agreements concerning the matters of common interest through its officers. The management of the Association and election of the members to the Board of Directors shall be as set forth in the Bylaws without limiting the foregoing, the Association shall have the following powers and duties:

6.1. Access. The irrevocable right of access to each Unit during reasonable hours as may be necessary for the maintenance, repair or replacement of any common elements therein, or for making emergency repairs therein necessary to prevent damage to the common elements or to any other Unit or Units. The Association may require that a key be posted for each unit as well as the unit's alarm code, if applicable.

6.2 Assessments. The power to make and collect regular and special assessments and other charges against Unit Owners and to lease, maintain, repair and replace the common elements.

6.3 Approval. The power to approve or deny applications for the sale, lease or transfer of a unit.

6.4 Record Keeping. The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

6.5 Delegation. The power to enter into contracts with others, for valuable consideration, for maintenance and management of the condominium property and in connection therewith to delegate the powers and rights herein contained, including, without limitation, the making and collecting of assessments and other charges against Unit Owners, and perfecting liens for non-payment thereof.

6.6 Regulations. The power to adopt and amend Rules and Regulations covering the details of the operation and use of the condominium property.

6.7 Acquisition of Real Property. The power to acquire real property or otherwise hold, convey, lease and mortgage real property for the use and benefit of its members with the approval of a majority of the entire membership of the Association, which approval may be evidenced in writing or by vote cast at a meeting or as may otherwise be permitted by law.

6.8 Limitation upon Liability of Association. Notwithstanding the duty to maintain and repair parts of the Condominium Property, the Association is not liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any alterations or improvements done by or on behalf of any Unit Owners, regardless if whether or not same shall have been approved by the Association pursuant to the provisions hereof.

ARTICLE 7 – AMENDMENT OF DECLARATION

This Declaration of Condominium may be amended in the following manner:

7.1 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 considered.

7.2 Vote Required. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by twenty-five percent (25%) of the voting interests. Except as elsewhere provided, amendments to this Declaration of Condominium shall be adopted with the approval of not less than 70% of the entire membership, evidenced either by vote at any annual or special meeting where a quorum has been obtained, or in writing, in lieu of a meeting. Amendments correcting errors or omissions may be adopted by the Board.

7.3 Proviso. Provided, however, that no amendment shall unlawfully discriminate against any unit owner; and no amendment shall change the size of any unit or the unit owner's share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, unless all record owners of the units and all first mortgage holders on any of the units join in the execution of the amendment.

7.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Charlotte County, Florida.

ARTICLE 8 – MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the condominium property, and restrictions upon the alteration and improvement thereof, shall be as follows:

8.1 Association Maintenance. The maintenance, repair and replacement of all common elements, Association property, and exterior building maintenance shall be performed by the Association, and the cost is a common expense. The unit owners in this condominium will be assessed a proportionate share of the expenses associated with maintaining, repairing, improving and replacing the condominium property as a whole. Exterior building maintenance shall include, but not be limited to: painting, roofing, and maintaining portions of the condominium property exposed to the elements, exterior door maintenance (i.e. painting, cleaning and repair), exterior windows and screens attached to the exterior windows and balustrade railing but shall not include maintenance of screen frames or screening, lanai or patio enclosures beyond the balustrade railing or other improvements, alterations or additions made by the unit owner to the interior or exterior of the unit or other portions of the condominium property which exclusively service or benefit a particular unit unless otherwise provided in this section. The Association's maintenance responsibility also includes, without limitation; all electrical conduits; plumbing fixtures and installations located outside the unit, other installations located within a unit but serving another unit, or located outside the unit for the furnishing of utilities to more than one unit or the common elements, landscaping to the common areas and maintenance of the irrigation system. The Association's responsibility does not include interior electrical fixtures, switches or receptacles, plumbing fixtures, or other electrical, plumbing or mechanical installations located within the unit and serving only that unit or any such fixtures or installations located outside of the unit and serving only one unit. Notwithstanding anything in the Declaration to the contrary, the Association, by action of its Board of Directors, may assume some of the maintenance responsibilities of the unit owners for portions of the units or limited common elements, provided the Board adopts a resolution setting forth the basis on which the Board has determined that the best interests of the community will be served by the Association assuming the maintenance rather than the unit owner. The resolution shall be included as part of the Association records and all expenses incurred by the Association in performing these assumed maintenance duties shall be a common expense. Any resolution adopted in accordance with this paragraph may be subsequently changed, rescinded or modified by action of the Board of Directors.

8.2 Unit Owner Maintenance. Each unit owner is responsible, at his own cost and expense, for all maintenance, repairs, and replacements of (excepting exterior building maintenance) his own unit and limited common elements serving only his unit, except as provided elsewhere herein, whether ordinary or extraordinary including, without limitation: maintenance, repair and replacement of sliding glass doors (including hardware and framing) and other glass partitions and the structural components thereof; all doors to units (except the exterior of the front entry door) and the structural components thereof (including locks and hardware) within or servicing the unit; the electrical, mechanical and plumbing fixtures and outlets (including connections) within a unit or serving only that unit; appliances; all portions of the heating and air conditioning equipment and utility installations in connection therewith serving an individual unit (no matter where located); carpeting and other floor covering, door and window hardware and locks; all other facilities or fixtures located or contained entirely within a unit or limited common element area which serve only one unit; all interior walls with ceilings, including interior walls which form a part of the outer side of the building including drywall and framing, and including walls and ceilings within balcony areas. All said areas, if located outside of the boundaries of the unit, are declared limited common elements. Parking facilities shall be maintained by the Association. Any insurance proceeds paid to the Association with respect to any loss or damage within the unit or limited

common elements which is covered by the Association's casualty insurance, and which loss would otherwise be borne by the unit owner, shall be paid to the unit owner, after the work has been completed and invoices have been submitted verifying the costs of repair. In connection with his maintenance, repair and replacement obligations, the unit owner shall also have the following responsibilities:

8.2.1 Alterations, Additions and Modifications.

A. Unit Owners. Unit owners must obtain the prior written approval of the Board of Directors prior to performing: (i) any maintenance, repair or replacement that requires changes or alterations to the physical appearance of the unit, (ii) removal or modification of any interior partitions and (iii) relocation of plumbing, electrical lines or fixtures. All such requests to the Board must be submitted with detailed plans and drawings depicting the proposed work to be done. The Board may request that plans be prepared and sealed by an appropriate design professional. The Board may also request other information or documentation from the unit owner, including the requirement of a security deposit not to exceed \$250.00. Once the Board has received all of the information requested, it shall make every reasonable effort to either approve or disapprove the request within thirty (30) days or such other time that the Board deems reasonable in light of the circumstances. Unit owners are required to ensure that no waste or damage occurs to the Condominium Property or Common Elements. Debris generated from approved construction must be removed from the Condominium Property each day. Such garbage and debris may not be placed within the Association's garbage receptacles unless specifically authorized in writing by the Board of Directors.

B. Association. The Association, through its Board of Directors, may unilaterally authorize or construct alterations, additions or improvements to the Common Elements or Association Property provided the cost to do so does not exceed \$15,000.00. Alterations, improvements or additions to the Common Elements or Association Property in excess of \$15,000.00 shall require the affirmative approval of not less than 70% of the entire membership of the Association. Such approval shall be in writing, signed by the record title-holder or authorized voting representative of the Unit; or, alternatively, approval shall be obtained at a duly noticed meeting of the members. The repair, replacement and preservation of the Common Elements is the sole maintenance responsibility of the Board of Directors and may be accomplished regardless of the cost. Nothing shall preclude the Association from acting as the owner's agent and obtaining the services of Contractors to perform unit owner maintenance responsibilities, provided that the Association and the owner so agree in the event of an emergency, and provided that the owner is deemed to consent to reimbursement of expenses incurred, secured by such rights as exist for collecting common expenses under these condominium documents.

8.2.2 Each unit owner is responsible for all decorating within his own unit, including painting, wallpapering, ceiling fans, paneling, floor covering, draperies, window shades, curtains, lamps and other light fixtures, and other furnishings and interior decorating.

8.2.3 If a unit owner makes any modifications, installations, or additions to the interior or exterior of the unit, common elements, or limited common elements, the unit owner shall be financially responsible for the insurance, maintenance, care, and preservation of the modifications, installations or additions and shall execute such documents as the Association may promulgate accepting said financial responsibility. Any modification, alteration, or addition to the condominium property made by a unit owner, and duly approved by the Board of Directors, may be required to be removed in connection with the Association's maintenance of the common elements. In such cases, the unit owner who installs the alteration, addition, or improvement

(and their successors in title) shall be obligated to reimburse the Association for any costs affiliated with removal and/or re-installation of the item, with said obligation being secured by a right of lien of equal dignity to the common expense lien created by this Declaration. Further, the Association, its contractors and agents, shall not be liable for any damage to the item arising out of its removal and/or reinstallation, unless occasioned by the gross negligence or willful misconduct of the Association or its contractor or agent.

8.3 Negligence. Damage Caused by Condition of Unit. Each unit owner shall be liable to the Association for the expenses of any maintenance, repair or replacement of common elements, Association property, or maintenance of portions of the unit as are the responsibility of the Association, made necessary by his act or negligence, or by that of any member of his family or his or their guests, employees, agents, or lessees. If any condition, defect or malfunction existing within a unit, if caused by the owner's negligence, shall cause damage to the common elements or to other units, the owner of the offending unit shall be liable to the person or entity responsible for repairing the damaged areas for all costs of repair or replacement not paid by insurance (including the deductible). If one or more of the units involved is not occupied at the time the damage is discovered, the Association may enter the unit without prior notice to the owner and take reasonable action to mitigate damage or prevent its spread at the unit owner's expense. The Association may, but is not obligated to, repair the damage with the prior consent of the owner.

ARTICLE 9 – INSURANCE

Insurance shall be carried upon the Condominium Property, including the Units, Common Elements and Association Property, as follows:

9.1 Authority to Purchase Insurance. All insurance policies shall be purchased by the Association for the benefit of the Association and the Unit Owners and their mortgagees as their respective interests may appear.

9.2 Casualty. Except as otherwise provided herein, the Association shall obtain and maintain fire and extended coverage insurance with a responsible insurance company, or through alternate sources as may be available, upon the insurable improvements of the Condominium, including Association Property, the Common Elements, the portions of the Units contributing to the structure of the condominium building, and the personal property of the Association, for the full replacement or insurable value thereof, provided the Board may exclude foundation and excavation costs in its discretion. Notwithstanding the foregoing requirement, the Association, through its Board of Directors, will have fulfilled its duty to obtain insurance coverage if it obtains and maintains such insurance coverage as may be available from time to time given market and economic conditions, provided such coverage shall always meet the minimum level of adequate coverage required by Section 718.111(11), Florida Statutes (2001). The original policy of insurance shall be held by the Association, and Institutional Lenders shall be furnished, upon request, mortgage endorsements covering their respective interests. Each Unit Owner shall be responsible for insuring personal property located within the Unit; ceiling, floor and wall coverings, and electrical fixtures, appliances, air conditioning and heating equipment, water heater, and built-in cabinets to the extent these items are located within the Unit boundaries; and any improvements made within the Unit which are not covered by the Association policy. The owners shall also be responsible to insure any portion of the Condominium Property which may be removed from Association insurance responsibilities by virtue of future amendments to Section 718.111(11), Florida Statutes (2001). Notwithstanding the foregoing, any insurance otherwise required to be maintained by the Unit Owners by the terms hereof may be included in the insurance coverage

purchased by the Association and paid for as part of the Common Expenses, if so authorized by the Association Board of Directors, unless prohibited by law.

9.3 Liability Insurance. The Association shall obtain and maintain public liability insurance covering all of the Common Elements and Association Property and insuring the Association and the Unit Owners as their interest may appear in such amount as the Board of Directors may deem appropriate. The Board of Directors shall have authority to compromise and settle all claims against the Association or upon insurance policies held by the Association. The Unit Owners shall have no personal liability upon such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the Association a duty to assess Unit Owners for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage. Each Unit Owner will be responsible for procuring and maintaining public liability insurance covering losses that may occur in and about the owner's Unit, as the Owner may deem appropriate.

9.4 Worker's Compensation. Such worker's compensation coverage as may be required by law.

9.5 Other Insurance. Such other insurance as the Board of Directors may from time to time deem to be necessary, including but not limited to Officers and Directors Liability insurance coverage, flood insurance, windstorm and insurance for the benefit of its employees.

9.6 Deductible and Other Insurance Features. The Board of Directors shall establish the amount of the deductible under the insurance policies, and other features, as they deem desirable and financially expedient, in the exercise of their business judgment.

9.7 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

9.8 Insurance Shares or Proceeds. Insurance proceeds of policies purchased by the Association covering property losses shall be paid to the Association, and all policies and endorsements thereon shall be deposited with the Association. The duty of the Association shall be to receive such proceeds as are paid and to hold and disburse the same for the purposes stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares:

9.8.1 Common Elements. Proceeds on account of damage to Common Elements - an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to the Unit.

9.8.2 Unit. Proceeds on account of damage to Units shall be held in the following undivided shares:

(i) When the Condominium Building is to be restored - for the Owners of damaged Units in proportion to the costs of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.

(ii) When the Condominium Building is not to be restored - an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to the Unit.

9.8.3 Mortgages. In the event a mortgage endorsement has been issued as to a Unit, the share of that Unit Owner shall be held in trust for the Mortgagee and the Unit Owner as their interests may appear.

9.9 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed in the following manner:

9.9.1 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagee's being payable jointly to them. This is a covenant for the benefit of any mortgagee of any Unit and may be enforced by such mortgagee.

9.9.2 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagee being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

9.10 Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon any Unit and for each Owner of any other interest in the Condominium Property or any property in which the Association owns an interest, to adjust all claims arising under insurance policies by the Association, and to execute and deliver releases upon the payment of such claim.

9.11 Repair and Reconstruction after Casualty.

9.11.1 Determination to Reconstruct or Repair. If any part of the Condominium Property or any property in which the Association owns an interest shall suffer loss or damage by casualty, the improvements shall be restored unless eighty (80%) percent of the voting interests vote to terminate this condominium. Except for the consent of Institutional Lenders as may be provided herein, no further consent from any other person or entity shall be necessary to effectuate a termination of the condominium in the manner above described. In the event the condominium is to be terminated, then all Owners of Units shall immediately convey all their right, title, and interest to their respective Units to the Association. The recording of each such conveyance in the Public Records of Charlotte County will have the immediate effect of releasing all liens upon the respective Unit and shall cause their instantaneous transfer to that Unit Owner's share of the funds to be subsequently distributed by the Association as provided herein.

The Association shall collect all insurance proceeds payable as a result of such destruction, shall collect all assets of the Association which are allocable to the Units in this Condominium and which may remain after the Association pays its liabilities, and shall effect a public or private sale of the Condominium Property, by whatever means the Association Board of Directors shall deem best, for the highest and best price, for cash or terms, as soon as practicable consistent with local real estate market conditions. The Association may make partial distributions of each Unit's share of the funds collected by the Association at such times and in such aggregate amounts as the Association Board of Directors may deem appropriate. In determining the amount of any partial distribution, the Association Board of Directors shall ensure that sufficient funds are retained by the Association to cover unpaid or anticipated costs, fees, or other liabilities of the Association. When the Association has collected all insurance proceeds and all proceeds from the sale of the

Condominium Property and, to the extent applicable, the assets of the Association and has paid all applicable Association liabilities and reasonable Association fees, appraiser's fees, and other costs reasonably incurred, the Association shall make a final distribution of each Unit's share of the remaining funds held by the Association.

Any distribution, whether partial or final, of a Unit's share of the funds held by the Association shall be made jointly to the Owner of the Unit and the record Owners of any mortgages or other liens encumbering the Unit at the time of the recording of the conveyance to the Association by the Unit Owner. All mortgages and other liens upon the respective Units shall be fully released and discharged as provided herein even though the share of a particular Unit in the funds distributed by the Association is insufficient to pay all liens in full; in such event the lienholders who had priority against the title to the Unit shall have priority of payment of the Unit's share of such funds. Nothing herein provided shall in any way relieve the Unit Owner of his personal liability for any deficiency which may remain upon any liens which encumbered his Unit at the time of his conveyance to the Association.

9.11.2 Method.

(i) Plans and Specifications. Any repair or reconstruction must be substantially in accordance with the plans and specifications for the original improvements, if available, or if not, then according to plans and specifications approved by the Board of Directors of the Association, provided that if the damaged property is a Building containing Units, approval must also be obtained from the Owners of all Units and mortgagees of record in the damaged Building, which approval shall not be unreasonably withheld.

(ii) Responsibility. If the loss or damage is only to those parts of a Unit or Units for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for repair and reconstruction. In all other instances, the responsibility for repair and reconstruction after casualty shall be that of the Association.

(iii) Estimates of Costs. Immediately after a determination is made to repair or reconstruct damage to property for which the Association has responsibility for repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost of the repair or reconstruction.

(iv) Assessments. If the insurance proceeds are insufficient to defray the estimated cost of repair of the Common Elements or any property in which the Association owns an interest, or if at any time during repair or reconstruction the insurance proceeds are insufficient, Assessments shall be made against all Unit Owners who own the damaged Units in the proportion that the damage to their Unit bears to the whole, and against all Unit Owners in the case of damage to Common Elements or Association Property, in sufficient amounts to provide the necessary funds for the payment of such costs. Such Assessments on account of damages to Common Elements or Association Property, shall be in proportion to the Unit Owner's share of the Common Expense.

9.11.3 Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of insurance proceeds and funds collected by the Association by Assessments against Unit Owners shall be disbursed in payment of such costs in the following manner:

(i) **Association - Insurance.** The proceeds of insurance collected on account of casualty and the sums from collections of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(ii) **Association - Lesser Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than \$100,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.

(iii) **Association - Major Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$100,000.00 then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect or engineer qualified to practice in Florida and engaged by the Association to supervise the work.

(iv) **Unit Owners.** The portion of insurance proceeds representing damage for which responsibility of reconstruction and repair lies with a Unit Owner shall be paid by the Association to the Unit Owner and if there is a mortgagee endorsement to such Unit, then to the Unit Owner and the mortgagee jointly, who may use such proceeds as they may deem advisable.

(v) **Surplus.** It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial Owners of the fund in the manner elsewhere stated.

ARTICLE 10 – USE RESTRICTIONS

The following restrictions shall apply to and bind the Condominium, Condominium property, Unit, Units and Unit parcels, to-wit:

10.1 Uniformity of Appearance. All Condominium Units shall be and remain of like exterior design, shape, color and appearance as other Condominium Units of the same class or type provided, however, that alterations may be made after prior written approval by the Board of Directors, consistent with specifications approved by the Board from time to time as provided in Article 8 of this Declaration.

10.2 Nuisances. Occupants of Condominium Units shall not permit, suffer or maintain in their premises loud noises, obnoxious odors, offensive household pets, or any activity that creates a health, safety or fire hazard. The condominium units shall not be used for any immoral, improper or unlawful purpose and no use or behavior shall be allowed which will create a public or private nuisance, nor which shall unreasonably interfere with the quiet possession or enjoyment of the condominium property, nor which becomes a source of annoyance to the condominium residents. All property shall be kept in a neat and orderly manner.

10.3 Single Family Residential Use. No business, commercial use or trade shall be permitted to be conducted in any Unit, and each unit shall be used only as a single family residential dwelling. As used in the Condominium Documents, "single family" means one natural person, or a group of two or more natural persons living together, each of whom is related to each

of the others by blood, marriage or adoption, or not more than two persons not so related, who customarily reside together as a single housekeeping unit. No unit may be divided or subdivided into a smaller unit nor shall any portion of a unit be sold or otherwise transferred. No more than four (4) adults may permanently reside in a unit. However, as to the temporary occupancy of a unit, there shall be no more than six (6) adults occupying a unit at any one time. Temporary occupancy is defined as any period of continuous occupancy of ten (10) days or less.

10.4 Compliance with Laws. Occupants and owners of each Unit shall keep and obey all laws, ordinances, regulations, requirements and rules of all governmental bodies, divisions or subdivisions, in so far as the same pertain to the control or use of such Unit.

10.5 No Subdividing. No Condominium parcel or Unit shall be divided or severed from the realty.

10.6 Antenna Restrictions. No television, radio, satellite, or other antenna or satellite system intended to service a single unit shall be installed on the Common Elements by any person other than the Association, except as specifically provided by law.

10.7 Exterior Appearance. No clothes lines, hangers or drying facilities shall be permitted or maintained on the exterior of any Unit or in or on any part of the common elements, except by the Association, and that no for sale signs, clothes, rugs, drapes, spreads or household articles or goods of any sort shall be dried, aired, beaten, cleaned or dusted by hanging or extending the same from any window or door. Nothing is allowed or permitted to be stored, placed or maintained on the common elements in the absence of advance written permission from the Board of Directors. Notwithstanding same, each unit may have one (1) outdoor mat placed in front of the front-door to the unit. Colors of window coverings, glass door coverings and lanais visible from the exterior shall be off white only.

10.8 No Partition. No Unit shall be the subject of a partition action in any Court of the State of Florida, and all Unit owners do by their acceptance of a conveyance of such Unit waive any right to maintain or bring such action.

10.9 No Interference. No electric machine or apparatus of any sort shall be used or maintained in any Unit that causes interference with the Television reception in other Units.

10.10 Compliance with Rules. All occupants of the Units must abide by Chapter 718, Florida Statutes, this Declaration, the Articles of Incorporation, Bylaws and all Rules and Regulations promulgated by the Association concerning occupancy and use of the Condominium Units and common elements/areas, as the same now exist or may be amended from time to time.

10.11 Overnight Guests in the Absence of the Unit Owner or Tenant.

(i) Tenants are not permitted to have overnight guests (related or non-related) in the absence of the tenant(s).

(ii) Unit Owners are permitted to have overnight guests in the absence of the Unit Owner subject to any and all rules and regulations promulgated by the Board of Directors to effectuate the residential, non-transient nature of this Condominium. The Unit Owner must provide the Association with prior notice of any intended occupancy in his/her absence, along with such other information that the Board may reasonably require such as, and without limitation, the names

and address of the guests, the relationship (familial or otherwise) to the owner(s), the duration of the stay, the type of vehicle, etc. Guests are not permitted to bring or maintain pets or any animals on the condominium property. Guests are required to notify the Board upon their arrival.

10.12 Parking Spaces. Parking spaces are common elements designed for the use of all owners, tenants and guests. Accordingly, there are no "assigned" parking spaces. Parking spaces shall be used on a "first come, first served" basis. Parking of automobiles is permitted only in paved areas specifically designated and marked for parking and parking in any other area is prohibited, except as may otherwise be provided in the Rules and Regulations as adopted from time to time by the Board of Directors. There shall be no trucks, open-bed vehicles, commercial vehicles, buses, campers, mobile homes, motor homes, motorcycles, motor scooters, mopeds, golf carts, off road vehicles, inoperable vehicles, unregistered vehicles, vehicles with expired tags or no tags or vehicles not owned by or registered to a Unit Owner or properly approved tenant/guest. This provision applies to all owners, tenants and guests and other invitees of owners or tenants. This provision shall not apply to the temporary (less than 12 hours) parking of commercial vehicles used by outside vendors to furnish commercial services to the condominium property (the units or common elements) or to the temporary parking (less than 12 hours) of non-commercial, passenger pick-up trucks owned or operated by guests of Unit Owners. The temporary parking of a guest's non-commercial, passenger pick-up truck shall be permitted only in a designated parking space.

10.13 Pets. Each Unit (regardless of the number of Owners), may maintain up to a maximum of one (1) domestic dog per unit weighing 20 pounds or less at maturity, provided the dog is not kept, bred, or maintained for any commercial purpose and does not become a nuisance or annoyance to neighbors. In addition, unit owners may maintain domestic cats, birds, fish and other "indoor" animals in their unit. Unit Owners must pick up all solid wastes of their pets and dispose of such waste immediately. All pets, including cats, must be leashed or held at all times when outside the Unit. Pets shall not be walked anywhere other than in areas designated by the Association. No reptiles or wildlife shall be kept in or on the Condominium Property (including Units). No one other than a Unit Owner is permitted to keep, bring, maintain or house any pet on the condominium property. This provision shall not be construed as to prohibit service animals under the appropriate circumstances.

ARTICLE 11 - SALES, LEASES AND OTHER TRANSFERS

In order to maintain a community of congenial residents and thus protect the value of the condominium Units, the sale and leasing of a Unit by an Owner shall be subject to the following provisions:

11.1 Transfers Subject to Approval: No Unit Owner may lease, or dispose of a Unit or any interest therein by sale, gift or otherwise without prior notification to and approval of the Association. The Association may delegate its authority to a director, a committee, or a managing agent.

11.2 Approval of Leasing. All leases shall be subject to prior written approval of the Association. Except for the spouse of an Owner/lessee, parents, grandparents or children of either the Owner/lessee or his or her spouse, any period of occupancy of a Unit by a person or persons in the absence of the Owner/lessee, or any period of occupancy of a Unit by persons accompanied by the Unit Owner/lessee in excess of thirty (30) days in the aggregate in any calendar year, shall be treated as a lease regardless of whether there is a written lease agreement or monetary consideration. The Owner or the intended lessee shall furnish such

information as the Association may reasonably require, including a copy of the proposed lease, and the prospective lessee shall make himself or herself available for a personal interview, if desired by the Board, prior to the approval of such lease. The Association may require a background investigation as to the proposed lessee's finances, credit history, criminal history, residential history or otherwise. It shall be the Owner's obligation to furnish the lessee with a copy of all Condominium Documents, including all Rules and Regulations established by the Association. Each lease, or addenda attached thereto, shall (i) contain an agreement of the lessee to comply with the Condominium Documents and Rules and regulations; (ii) provide or be deemed to provide that any violations of the Condominium governing documents shall constitute a material breach of the lease; (iii) contain a provision appointing the Association as agent for the Owner so the Association may act on behalf of the Owner to enforce the lease, evict the lessee, or otherwise. The Owner shall not be relieved of any liability or responsibility hereunder by virtue of the existence of said lease or any of the foregoing provisions. The unit owners shall have a duty to bring his or her tenant's conduct into compliance with the Condominium Documents by whatever action is necessary, including without limitation, the institution of eviction proceedings, where legally permissible. If the unit owner fails to bring the conduct of the tenant into compliance with the Condominium Documents, the Association shall then have the authority to act as agent of the owner to undertake whatever action is necessary to abate the tenant's non-compliance with the Condominium Documents, including without limitation the right to institute an action for eviction against the tenant in the name of the Association. The Association shall have a right to recover any costs or fees, including attorney's fees, from the unit owner that shall be secured by assessment and lien in the same manner as common expense charges.

11.3. General Provisions Regarding Leasing.

11.3.1 Only entire units may be rented. Rent-sharing, the rental of rooms or less than the entire unit is prohibited. There shall be no subdivision or subletting of units. Units may only be occupied by tenants as a single-family residence. Guests of tenants must be registered with the Association. Guests of tenants may not use the unit except when the tenant is also in residence.

11.3.2 The Board of Directors may relax the leasing approval procedures in connection with the approval of seasonal leases for tenants that have resided in the condominium prior to the seasonal lease subject to the approval process. The Association may, but is not required, to conduct a background investigation and personal interview with a seasonal renter that has resided in the condominium prior to the effective date of the lease. The Association may waive the application requirement if the tenant has resided in the condominium pursuant to an approved lease or other occupancy prior to the effective date of the instant lease. However, this paragraph shall not be construed as to allow leasing, renting or occupancy by persons other than permitted guests without the advance approval of the Board of Directors.

11.4 Disapproval of Leasing. If the Association disapproves a proposed lease the unit owner shall receive a statement so indicating and the lease shall not be made. Any lease made in violation of this Declaration shall be voidable and the Association may institute suit to evict the tenant. The Association shall neither have a duty to provide an alternate tenant nor shall it assume any responsibility for the denial of a lease application.

11.5 Approval of Sale or Transfer of Unit. The approval of the Association that is required for the transfer of ownership of Units shall be obtained in the following manner:

11.5.1 Unit Owners intending to sell their units or convey any interest therein shall give to the Association written notice of such intention, together with such other information concerning the intended gift, sale and purchase or other transfer as the Association may reasonably require, and shall also be accompanied by a copy of the proposed contract of sale signed by the proposed purchaser, if applicable. A contractual obligation such as an "Agreement for Deed" is expressly included within the meaning of the term "transfer" for purposes of this provision. The Association may require a background investigation as to the prospective owner's finances, credit history, criminal history, residential history or otherwise. The prospective purchaser shall make himself or herself available for a personal interview, if desired, by the Board, prior to approval of such sale. Within thirty (30) days after receipt of such fully completed notice and information, and the holding of a personal interview (if applicable), whichever date last occurs, the Association must either approve or disapprove the proposed transaction. The above requirements as to application, interview and background investigation may be waived by the Association if the proposed transfer is to a trust or to a member of the unit owner's family, if the occupancy of the unit will not change as a result of the transfer. If approved, the approval shall be stated in a certificate executed by an Association officer or its agent, in recordable form. Failure of the Association to respond within the thirty (30) day period shall constitute approval.

11.6 Disapproval of Sale or Transfer of Unit. Approval of the Association shall be withheld only if a majority of the entire Board so votes. The Board shall consider the following factors and may confer with counsel in reaching its decision. The following may be deemed to constitute good cause for disapproval:

(i) The application for approval on its face, or subsequent investigation thereof, indicates that the person seeking approval intends to conduct himself or herself or the occupancy is inconsistent with the Condominium Documents.

(ii) The person seeking approval (which shall include all proposed occupants) has been convicted of a felony involving violence to persons or property, or demonstrating dishonesty or moral turpitude.

(iii) The person seeking approval has a record of financial irresponsibility, including without limitation bankruptcies, foreclosures or bad debts.

(iv) The owner allows a prospective owner to take possession of the premises prior to approval by the Association as provided for herein.

(v) The person seeking approval has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his or her conduct in other social organizations, communities or associations, or by conduct in this condominium as a tenant, unit owner or occupant of a unit.

(vi) The person seeking approval failed to provide the information, fees or appearance required to process the application in a timely manner.

(vii) All assessments, fines and other charges against the unit or the unit owner have not been paid in full, provided however, the Association may grant approval subject to payment in full as a condition of the approval.

11.7 Right of First Refusal, Duty to Provide Alternate Purchaser. If the Association disapproves a prospective purchaser, and if the owner has made a written demand at the time the

notice of intent to sell is delivered to the Association for the Association to purchase the unit in the event the ownership is disapproved, the Association shall have the obligation to purchase the unit on the same terms and conditions as the offer from the disapproved purchaser or provide an alternate purchaser within sixty (60) days after written notice of disapproval, or at such later date as the parties may agree. Notwithstanding the foregoing, should transfer be rejected on the grounds for disapproval set forth above, the Association shall have no obligation to purchase the unit or substitute an approved purchaser and the transaction shall not be made.

11.7.1 If the application for transfer raises a question, in the Board's reasonable judgment, as to whether the stated purchase price is bona fide, the price to be offered shall be determined by taking an average fair market value established by two qualified real estate appraisals from current condominium prices in Charlotte County, one appraiser will be selected by the selling owner and the other selected by the Association. The cost of the appraisals shall be shared equally by the owner and the Association. Closing and transfer shall be within thirty (30) days from submission of the agreement to purchase by the Association or ten (10) days after the price is determined as provided above, whichever occurs later.

11.8 Screening Fees. The Association may require the payment of a preset screening fee simultaneously with the giving of notice of intention to sell or lease, said screening fee to be set by the Board from time to time and shall be in conformance with applicable law. No fee may be collected in connection with an application to renew a previously approved lease.

11.9 Unauthorized Transactions. Any event transferring ownership or possession of a unit that shall occur without the required prior notice having been given to the Association or otherwise not authorized pursuant to the terms of this Declaration 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 attorney's fees from the owner and/or possessor of the unit, through all appellate levels, whether a lawsuit is brought or not.

11.11 Mortgages.

No Unit Owner may mortgage his unit or any interest therein without the approval of the Association, except to an institutional mortgagee. The approval of any other mortgage may be granted upon conditions determined by the Association, or may be arbitrarily withheld. This provision shall not be construed so as to prevent the Association from accepting a Purchase Money Mortgage as a part of the purchase price of an apartment, nor prevent an apartment owner from accepting a Purchase Money Mortgage from an approved purchaser.

ARTICLE 12 - TERMINATION

The Condominium created hereby may not be merged, dissolved or terminated unless a majority of the Board of Directors resolves to do so and 70 % of the entire voting interests vote to approve the resolution to so merge, dissolve or terminate at a duly called and noticed meeting of the membership.

ARTICLE 13 - CONDEMNATION

13.1 Awards. The taking of all or any part of the condominium property by the condemnation or eminent domain shall be deemed to be a casualty to the portion taken, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to unit owners, the unit owners shall deposit the awards with the Association, and if any fail to do so, a special assessment shall be made against a defaulting unit owner in the amount of this award, or the amount of the award shall be set off against any sums payable to that owner.

13.2 Determination Whether to Continue Condominium. Whether the condominium will be continued after condemnation will be decided in the same manner as repair after casualty as set forth in Article 9 hereof.

13.3 Distribution of Funds. If the Association is terminated after condemnation, the proceeds of all awards and special assessments shall be deemed Association property and shall be owned and distributed in the manner provided for insurance proceeds when the condominium is terminated after a casualty. If the Association is not terminated after condemnation, the size of the Association may be reduced. The owners of condemned units, if any, will share in awards and special assessments as provided below.

13.4 Association as Agent. The Association is hereby irrevocably appointed as each unit owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation for the taking.

13.5 Units Reduced but Tenantable. If the taking reduces the size of a unit and the remaining portion of the unit can be made tenantable, the awards for the taking of a portion of that unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the condominium.

13.5.1 Restoration of Unit. The unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the owner of the unit.

13.5.2 Distribution of Surplus. The balance of the award, if any, shall be distributed to the owner of the unit and to each mortgagee of the unit, the remittance being made payable jointly to the owner and mortgagees.

13.5.3 Adjustment of Shares in Common Elements. If the floor area of a unit is reduced by the taking, the number representing the share in the common elements appurtenant to the unit shall be reduced in the proportion by which the floor area of the unit is reduced by the taking, and then the shares of all unit owners in the common elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

13.6 Units not Tenantable. If the taking is of any entire unit or so reduces the size of a unit that it cannot be made tenantable, the award for the taking of the unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the condominium:

13.6.1 Payment of Award. The condemnation award immediately prior to the taking shall be paid to the owner of the unit and to each mortgagee of the unit, the remittance being made payable jointly to the owner and mortgagee(s).

13.6.2 Addition to Common Elements. If possible and practical, the remaining portion of the unit shall become a part of the common elements and shall be placed in condition for use by all unit owners in the manner approved by the Board of Directors.

13.6.3 Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned unit to the unit owner and to recondition the remaining portion of the unit, the amount required for those purposes shall be raised by special assessment against all of the unit owners who will continue as owners of any unit after the changes in the condominium effected by the taking. The assessments shall be made in proportion to the shares of those owners in the common elements after the changes effected by the taking.

13.7 Taking of Common Elements. Awards for the taking of common elements shall be used to make the remaining portion of the common elements usable in the manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the unit owners in the shares in which they own common elements after adjustment of these shares on account of the condemnation. If a unit is mortgaged, the remittance shall be paid jointly to the owner and mortgagee(s) of the unit.

13.8 Amendment of Declaration. The changes in units, in the common elements and in the ownership of the common elements that are necessitated by condemnation shall be evidenced by an amendment of the Declaration of Condominium that need be approved only by a majority of all Directors of the Board.

ARTICLE 14 - COMPLIANCE AND DEFAULT

14.1 Duty to Comply; Right to Sue. Each Unit Owner, his tenants and guests, and the Association shall be governed by and shall comply with the provisions of the Condominium Act, this Declaration, the documents creating the Association, the Bylaws and the Rules and Regulations. Action for damages or for injunctive relief, or both, for failure to comply may be brought by the Association or by a unit owner against:

- (i) The Association;
- (ii) A Unit Owner; or
- (iii) Anyone who occupies a unit as a tenant or is a guest in a unit.

14.2 Waiver of Rights. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future. A provision of the Condominium Act may not be waived if the waiver would adversely affect the rights of the owner or defeat the purpose of the provision, except that unit owners or Directors may waive notice of specific meetings as provided in the Bylaws.

14.3 Attorney's Fees. In any legal proceeding arising out of an alleged failure of a guest, tenant, unit owner or the Association to comply with the requirements of the Condominium Act or the condominium documents, as they may be amended from time to time, the prevailing

party shall be entitled to recover the costs and expenses of the proceeding as well as reasonable attorney's fees incurred prior to arbitration or litigation, at arbitration or trial and through all appeals. The Association may also recover attorney's fees it incurs because of non-compliance with the condominium documents in cases where no court action is filed including, but not limited to, arbitration and pre-litigation fees incurred in the collection of delinquent assessments. Any award of attorney's fees granted by a Court or Arbitrator may become a lien against the Unit and enforced in the same manner as the collection of assessments for common expenses.

14.4 No Election of Remedies. All rights, remedies and privileges granted to the Association or unit owners under any terms, provisions, covenants, or conditions of the condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising such other additional rights, remedies, or privileges as may be granted by the condominium documents, or at law or in equity.

14.5 Notice of Lien or Suit.

(i) A unit owner shall give to the Association written notice of every lien upon his unit other than for permitted first mortgages, taxes and special assessments, within five (5) days after the unit owner receives actual notice of the attachment thereof.

(ii) A unit owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his unit, such notice to be given five (5) days after the unit owner receives actual knowledge thereof.

14.5.1 Failure to Comply. Failure of an owner to comply with this Section 14 will not affect the validity of any judicial suit, however, the failure may render the owner liable to any party injured by such failure.

ARTICLE 15 - MISCELLANEOUS PROVISIONS

15.1 The covenants and restrictions as herein contained, or forming a part of the condominium documents, shall be deemed to run with the land.

15.2 If any provision of the Condominium Documents hereto, as the same now exist or as may be later amended or any portion thereof, shall be held invalid by any Court, the validity of the remainder of said condominium documents shall remain in full force and effect.

15.3 These condominium documents shall be binding upon the heirs, nominees, successors, administrators, executors and assigns of all unit owners.

15.4 All notices shall be given as provided in the Bylaws.

15.5 There shall be no limitation upon sale, lease or occupancy of any unit based upon race, creed, color, sex, religion, national origin, handicap or familial status. The Association may make reasonable accommodations, including waiver of the covenants and restrictions of the Condominium Documents, when necessary to afford handicapped individuals the opportunity to enjoy the condominium premises.

15.6 The Developer granted to each unit owner a non-exclusive easement for streets, walks and other rights of way serving the unit as a part of the common elements. All liens and

leaseholds shall be subordinate and subsequent to the rights of easement herein granted to each unit owner.

15.7 In the event of a conflict between any provision of this Declaration and the Condominium Act, the Condominium Act, Section 718, Florida Statutes, shall control. In the event of a conflict between this Declaration and the other Condominium Documents, the Declaration shall control. In the event of a conflict between the Bylaws and Articles, the Articles of Incorporation shall control.

15.8 The Board of Directors of the Association shall be responsible for interpreting the provisions of this Declaration and of any exhibits attached or referenced herein.

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**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
PELICAN LANDING CONDOMINIUM ASSOCIATION
OF CHARLOTTE COUNTY, INC.**

Substantial Rewrite of the Articles of Incorporation. See original and Restated Articles for current text.

**ARTICLE I
NAME OF CORPORATION AND PRINCIPAL ADDRESS**

The name of this corporation is PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC., hereinafter referred to as Association. The principal office of said corporation is located at 2700 North Beach Road, Englewood, Florida 34223. The Directors of the Association may change the location of the principal office of said Association from time to time.

**ARTICLE II
PURPOSES**

PURPOSES: This corporation shall operate and manage the affairs and property of the condominium known as PELICAN LANDING CONDOMINIUM OF CHARLOTTE COUNTY, A CONDOMINIUM, located in Charlotte County, Florida, and to perform all acts provided in the Declaration of Condominium and the Florida Condominium Act, Chapter 718, Florida Statutes.

**ARTICLE III
POWERS**

The Association shall have all of the statutory powers of a corporation not for profit and all of the powers and duties set forth in the Florida Condominium Act and the Declaration of Condominium, as amended from time to time, except as may be limited or otherwise provided by these Articles.

**ARTICLE IV
MEMBERS**

All persons owning a vested present interest in the fee title to any of the condominium units of the Condominium, which interest is evidenced by a duly recorded proper instrument in the Public Records of Charlotte County, Florida, shall be members. Membership shall terminate automatically and immediately as a member's vested interest in the fee title terminates, except that upon termination of the entire condominium project, the membership shall consist of those who were members at the time of each conveyance of the respective units to the Association, or its designee, as provided in said Declaration of Condominium.

After the Association approves of a conveyance of a condominium unit as provided in the Declaration of Condominium, the change of membership in the Association shall be evidenced in the Association records by delivery to the Secretary of a copy of the deed or other instrument of conveyance.



**ARTICLE V
VOTING RIGHTS**

Each condominium unit shall be entitled to one vote at Association meetings, notwithstanding that the same owner may own more than one unit or that units may be joined together and occupied by one owner.

**ARTICLE VI
REGISTERED OFFICE AND REGISTERED AGENT**

The registered office of the Association shall be 630 S. Orange Avenue, Sarasota, Florida 34236 and the registered agent at such address will be BECKER & POLIAKOFF, P.A. The Board may change the registered office and registered agent from time to time as permitted by law.

**ARTICLE VII
EXISTENCE**

TERM OF EXISTENCE: The term for which this corporation is to exist shall be perpetual, unless dissolved according to law.

**ARTICLE VIII
BOARD OF DIRECTORS**

OFFICERS AND DIRECTORS: The affairs of this corporation shall be managed by a governing board called the Board of Directors, who shall be elected and serve in accordance with the Bylaws.

**ARTICLE IX
BYLAWS**

BY-LAWS: The By-Laws of this corporation may be amended, altered or rescinded in the manner provided in such Bylaws.

**ARTICLE X
AMENDMENTS**

The Association reserves the right to amend, alter, change or repeal any provisions contained in these Articles of Incorporation. Amendments to these Articles shall be proposed and adopted in the following manner:

- (A) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered.
- (B) An amendment may be proposed either by the Board of Directors or by not less than twenty (20%) percent of the voting interest of the Association.
- (C) Except as otherwise required by law, a proposed amendment to these Articles of Incorporation shall be adopted if it is approved by a majority of the members of the entire Association whether at a meeting or in writing, provided that notice of any proposed amendment has been given to the Members of the Association, and that the notice contains the text of the proposed amendment.

- (D) An amendment shall become effective upon filing with the Secretary of State and recording a copy in the Public Records of Charlotte County, Florida.

ARTICLE XI INDEMNIFICATION OF OFFICERS AND DIRECTORS

A. Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer or committee member of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceedings, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith, nor in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceedings by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. It is the intent of the membership, by the adoption of this provision, to provide the most comprehensive indemnification possible to their officers, directors and committee members as permitted by Florida law.

B. Expenses. To the extent that a director, officer, or committee member of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Article XI(A) above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

C. Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceedings upon receipt of an undertaking by or on behalf of the affected director, officer, or committee member to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article XI, or as otherwise permitted by law.

D. Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

E. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, or committee member against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article. Notwithstanding anything in this Article XI to the contrary, the provisions herein provided for indemnification shall only be applicable to the extent insurance coverage does not apply or is insufficient.

The recitals set forth in these Amended and Restated Articles of Incorporation are true and correct and are certified by the Board of Directors.

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept services of process for Pelican Landing Condominium Association of Charlotte County, Inc. at the place designated in these Articles of Incorporation, Becker & Poliakoff, P.A. accepts the appointment to act in this capacity and agree to comply with the laws of the State of Florida in keeping open said office.

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AMENDED AND RESTATED BY-LAWS

OF

PELICAN LANDING CONDOMINIUM ASSOCIATION OF CHARLOTTE COUNTY, INC.

**SUBSTANTIAL REWORDING OF BY-LAWS -
SEE CURRENT BY-LAWS FOR CURRENT TEXT**

1. IDENTITY.

These are the Amended and Restated By-Laws (hereinafter "By-Laws") of Pelican Landing Condominium Association of Charlotte County, Inc., a Florida not-for-profit Corporation formed for the purpose of administering the Pelican Landing Condominium of Charlotte County, a Condominium according to the Declaration thereof, as it was originally recorded in Official Records Book 645, Page 2104, et seq., of the Public Records of Charlotte County, Florida and has or may be amended from time to time (hereinafter "the Condominium") which is located in Englewood, Charlotte County, Florida, upon the lands described in the Declaration of Condominium. (The corporation may hereafter be referred to as the "Association.")

1.1 Office. The office of the Association shall be at 2700 North Beach Road, Englewood, Florida, or such other location within Charlotte County, as may from time to time be determined by the Board of Directors.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year, unless otherwise determined by the Board of Directors.

1.3 Seal. The corporate seal of the Association shall be adopted and may be changed by the Board of Directors and shall bear the name or abbreviated name of the Association, the word "Florida," the year of establishment, and shall identify the Association as a not-for-profit corporation. A common seal may be used in lieu of a raised corporate seal and in no event shall a seal be required to validate corporate actions unless specifically required by law.

1.4 Definitions. All terms used in these By-Laws shall have the same meaning, to the extent applicable, as set forth in the Articles of Incorporation for the Association, the Declaration of Condominium for the Condominiums and the Florida Condominium Act (Chapter 718, Florida Statutes, 2001), all as amended from time to time.

1.4.1 Condominium Documents. The term Condominium Documents shall mean the Declaration of Condominium, Surveys, Plot Plans, Site Plans, Articles of Incorporation of the Association, these By-Laws, and the Rules and Regulations of the Association and any other document referenced in the Declaration of Condominium as constituting part of the Condominium Documents, all as amended from time to time.



2. MEMBERS' MEETINGS.

2.1 Annual Meetings. Annual members' meetings shall be held at such convenient location in Charlotte County as may be determined by the Board of Directors. The annual meeting shall be held on the date and time determined by the Board for the purpose of transacting any business authorized to be transacted by the members.

2.2 Special Meetings. Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors and shall be called by the President within a reasonable time of receipt of written notice from 25% of the voting interests of the Association. Members' meetings to recall a member or members of the Board of Directors may be called by 20% of the voting interests of the Association who shall give notice of the meeting, stating the purpose of the meeting, pursuant to F.S. 718.112(2)(j) (2001), as amended from time to time.

2.3 Notice of Members' Meetings. Notice of all members' meetings, stating the time, place, and purpose(s) of the meeting, shall be sent to each unit owner by United States regular mail, unless waived in writing, at least 14 days prior to the meeting as to annual meetings and 10 days as to special meetings. Hand delivery is acceptable where permissible by law. Any members' meeting or election at which one or more Directors are to be elected must be noticed as provided for in Section 2.4 next following. An officer of the Association or other person providing notice shall execute an affidavit of mailing per F.S. 718.112(2)(d)(2) (2001), as amended from time to time, which shall be retained in the official records of the Association as proof of such mailing. The notice of the annual meeting shall include an agenda for all known substantive matters to be discussed, or have such an agenda attached to it. A copy of the notice and agenda shall be posted at a conspicuous location, designated by Board resolution, on the Condominium Property.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the sole and express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

2.4 Board of Directors Election Meetings - Notice and Procedure. The regular election of Directors shall occur as the first item of business at the annual meeting.

2.4.1 Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each unit owner entitled to vote, a first notice of the date of the election. Any person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than 40 days before scheduled election. Not less than 14 days before the election, the Association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a written ballot which shall include an information sheet (if provided by the candidate), no larger than 8½ inches by 11 inches furnished by the candidate, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association.

2.4.2 There is no quorum requirement necessary for an election. However, at least twenty percent (20%) of the units must cast a ballot in order to have a valid election and elections shall be decided by a plurality of those votes cast.

2.4.3 In the event that there are only as many (or fewer) candidates pre-qualified for election as there are open seats on the Board, no election shall be held and the pre-qualified candidates shall automatically become members of the Board after the annual meeting.

2.4.4 It is the intention of this Article 2.4 to "opt out" of the statutory election procedures found at Section 718.112(2)(d), Florida Statutes (2001). To this end, the Board may establish additional election rules as it deems appropriate to ensure a fair election process. Substantial compliance with these By-Laws relative to election procedures is sufficient.

2.5 Quorum. A quorum at members' meetings shall consist of persons entitled to cast 51% of the voting interests of the entire membership. Decisions made by a majority of the voting interests present and voting, in person or by proxy, at a meeting at which a quorum is present shall be binding and sufficient for all purposes except such decisions as may by F.S. 718 or the Condominium Documents require a larger percentage in which case the percentage required in F.S. 718 or the Condominium Documents shall govern.

2.6 Indivisible Vote. Each unit shall have one indivisible vote. If there are multiple owners of a unit (with the exception of units owned by a husband and wife) the authorized voting representative shall be that person so designated on a voting certificate. The voting certificate shall be maintained as part of the Association's official records. This is the only situation in which a voting certificate is required unless otherwise indicated in these Bylaws, the Declaration of Condominium or Articles of Incorporation.

2.7 Proxies. Votes may be cast in person or by proxy held by other members of the Association or the Association, through its Board of Directors. A proxy designating the Secretary or any other Board member/Officer, on behalf of the Association, is a proxy delivered to the Association. Proxies shall be in writing, signed and dated, and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than 90 days, and must be filed with the Association before or at the voter registration immediately preceding the meeting, or adjournment thereof. Except as specifically otherwise provided by law, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes. Limited proxies and general proxies may be used to establish a quorum. No proxy, limited or general, shall be used in the election of Board members. An executed telegram or cablegram appearing to have been transmitted by the proxy giver, or a photographic, photostatic, facsimile, or equivalent reproduction of a proxy is a sufficient proxy. Owners may retroactively cure any alleged defect in a proxy by signing a statement ratifying the owner's intent to cast a proxy vote. The use of proxies is to be liberally construed.

2.8 No Quorum/Adjournment. If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. Any meeting in which a quorum has been obtained may be adjourned and reconvened from time to time by vote of a majority of the membership present and voting.

2.9 Order of Business. The order of business at annual members' meetings and, as far as applicable at all other members' meetings, shall be:

- a. Call to order by the President;
- b. Calling of the roll, certifying of proxies and determination of a quorum; or, in lieu thereof, certification and acceptance of registration procedures establishing the number of persons present in person or by proxy;
- c. Appointment by the Chair of inspectors of election;
- d. Election of Directors;
- e. Proof of notice of the meeting or waiver of notice;
- f. Disposal of unapproved minutes;
- g. Reports of officers;
- h. Reports of committees;
- i. Unfinished business;
- j. New business;
- k. Adjournment.

3. BOARD OF DIRECTORS.

3.1 Number, Term, and Qualifications. The affairs of the Association shall be governed by a Board composed of at least three (3) members, the exact number to be determined by the Board of Directors. All Directors shall be unit owners or the spouse of a unit owner. However, only one representative of any unit shall serve on the Board at the same time. All officers of a corporation, trustees and/or beneficiaries of a trust, partners of a partnership, or other such owner shall be deemed to be members so as to be eligible for Board membership. Persons who are convicted felons, who have not had their civil rights restored, are not eligible to serve on the Board. All Directors will be elected for a three (3) year term. It is the intention of these By-Laws that a staggered Directorate be maintained. To implement and maintain a staggered Directorate, the Board may hold seats in future elections open for one or two year terms, when necessary or appropriate. In such cases, those receiving the higher number of votes shall be elected to the longer terms and when no election is held, the decision shall be made by agreement of the affected parties, or by lot. The term of each Director's service shall extend until their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled in the manner provided in the Condominium Act, or resigns. Resignations of Directors are effective when received by the Association in writing, unless a later date is stated. In addition, a director's term of office is automatically terminated when he/she (or their respective spouses) no longer own a unit within the Condominium. In such event, the remaining Directors may appoint a

replacement director to fill the unexpired term of the resigning or ineligible director.

3.2 Board Vacancies. Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by appointment by the remaining Director(s) for the remainder of the unexpired term; provided that when a Director has been recalled by the membership, the vacancy created by his removal cannot be filled with the same person as has been removed from the Board.

3.3 Organizational Meeting. The organizational meeting of each newly-elected Board of Directors to elect officers shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present. Unless otherwise noticed, the organizational meeting shall be held immediately following the annual meeting of the members.

3.4 Regular Meetings. Regular meetings of the Board of Directors 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, unless fixed by Board resolution, shall be given to each Director personally or by mail, telephone, or facsimile at least two days prior to the day named for such meeting.

3.5 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than two days' notice of the meeting (except in an emergency) shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile, which notice shall state the time, place, and purpose of the meeting.

3.6 Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

3.7 Notice to Owners of Board Meetings. Notice of meetings, which notice shall specifically include an agenda, shall be posted conspicuously as provided in Section 2.3 of these By-Laws at least 48 continuous hours in advance of the meeting for the attention of unit owners, except in an emergency. Meetings at which a regular monthly or quarterly assessment is to be considered shall contain a statement that assessments will be considered and the nature of such assessments. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use will be considered, shall be mailed or delivered to the unit owners and posted conspicuously as provided in Section 2.3 of these By-Laws not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by an affidavit executed by the person giving notice and shall be filed among the official records of the Association.

3.8 Owner Participation in Board Meetings. Meetings of the Board of Directors at which a majority of the members of the Board are present, shall be open to all unit owners. The right to attend such meetings includes the right to speak with reference to all designated agenda items; provided, however, the Board may adopt reasonable rules governing the frequency, duration, and manner of unit owner statements. Unless otherwise provided by the Board, each unit owner is entitled to speak for three minutes with reference to designated agenda items. Board meetings subject to the attorney-client privilege shall not be subject to unit owner observation.

3.9 Board Meetings, Quorum, and Voting. The designation of the agenda for Board meetings shall be at the discretion of the President. However, the President shall be obligated to include any item on the agenda for a Board meeting, if requested, in writing, by two Board members. A quorum at Directors' Meetings shall consist of a majority of the Directors. The acts approved by a majority of the entire Board of Directors present at a meeting shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings (except that Directors may vote by secret ballot when electing Officers) and a vote or abstention for each member present shall be recorded in the minutes. Directors may not abstain from voting except in the case of an asserted conflict of interest. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. Absent Directors may later sign written joinders in Board actions, but such joinders may not be used for purposes of creating a quorum.

3.10 Presiding Officer. The presiding officer at Directors' meetings shall be the President, and in his absence, the Vice President. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.11 Director Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

All of the powers and duties of the Association existing under the laws of Florida generally, Florida Not For Profit Corporation Statute, the Condominium Act, and the Condominium Documents, all as amended from time to time, shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees, subject only to the approval by unit owners when such is specifically required. Such powers and duties of the Directors shall include, but shall not be limited to, the following:

4.1 To Assess. The Directors shall adopt budgets and make and collect special and periodic assessments against owners to defray the costs of the Association.

4.2 To Expend Association Funds. The Directors shall use the proceeds of assessments in the exercise of its powers and duties.

4.3 To Maintain The Condominium Property. The Directors shall maintain, repair, replace, and operate the property within the Condominium.

4.4 To Adopt Regulations. The Directors shall enact and may amend Rules and Regulations concerning the transfer, use, appearance, maintenance, and occupancy of the units, common elements, limited common elements, and Association property, and to enact rules, policies, and resolutions pertaining to the operation of the Association.

4.5 To Reconstruct After Casualty. The Directors may reconstruct the units, common elements, limited common elements, and association property improvements after casualty and to further improve the property, as specified in the Declaration of Condominium.

4.6 To Approve Transfers. The Directors may approve or reject proposed transactions or transfers in the manner provided by the Declaration of Condominium, and to charge

a preset fee, not to exceed the maximum permissible by law, in connection with such right of approval. In connection with the lease of units, the Board may require the posting of a security deposit to protect against damages to the common elements or Association property, in the manner provided by law.

4.7 To Enforce. The Directors may enforce by legal means the provisions of applicable laws and the Condominium Documents, and to interpret said Condominium Documents, as the final arbiter of their meaning.

4.8 To Contract. The Directors may contract for management, maintenance and operation of the Condominium. The Directors may delegate such powers to said entities to the extent lawful.

4.9 To Insure. The Directors shall carry insurance for the protection of the unit owners and the Association, pursuant to requirements contained in the Declaration of Condominium and Chapter 718 (2001), Florida Statutes, both as amended from time to time.

4.10 To Pay Utility Bills. The Directors shall pay the cost of all utility services rendered to the Condominium and not billed to owners of individual units.

4.11 To Hire and Discharge. The Directors may employ personnel and designate other officers to be paid a reasonable compensation and grant them such duties as seem appropriate for proper administration of the purposes of the Association.

4.12 To Sue and Be Sued. The Directors may bring and defend suits, make and execute contracts, deeds, mortgages, notes, and other evidence of indebtedness, leases, and other instruments by its officers and to purchase, own, lease, convey, and encumber real and personal property. The Directors grant easements and licenses over the condominium property necessary or desirable for proper operation of the Condominiums.

4.13 To Enter Into Contracts for Products and Services. All contracts for the purchase, lease, or renting of materials or equipment, or which are not to be fully performed within one year, and all contracts for services shall be in writing. As to any such contract which requires payment exceeding 5% of the gross budget (including reserves) except for contracts with employees of the Association, attorneys, accountants, architects, engineers and landscape architects, and community association managers, the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency or unless the desired supplier is the only source of supply within the County serving the Association. The Association need not accept the lowest bid. A contract executed before January 1, 1992 and any renewal thereof is not subject to competitive bid requirements of this Section. If a contract was awarded under the competitive bid procedures of this Section, any renewal of that contract is not subject to such competitive bid requirements if the contract contained a provision that allowed the Board to cancel a contract on thirty days' notice. Materials, equipment, or services provided to a condominium under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this Section. The Association may opt out of competitive bidding requirements, by a unit owner vote, in the manner provided by law.

4.14 To Levy Fines. The Directors may, pursuant to Section 718.303, Florida Statutes (2001) impose fines against a unit not to exceed the maximum permissible by law, for failure to comply with the provisions of the Board policies and resolutions, the Condominium

Documents, including the Rules and Regulations, and applicable laws by owners, occupants, licensees, tenants, and invitees.

4.14.1 A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law.

4.14.2 The party against whom a fine is sought to be levied shall be afforded an opportunity for hearing and be given notice of the Board's intent not less than fourteen (14) days before the fine is levied. Notice shall be deemed effective when deposited in the United States Mail, certified, return receipt requested, to the address of the unit owner listed in the official records of the Association, and as to tenants, to the mailing address for the unit. Said notice shall include:

- (a) A statement advising of the opportunity for a hearing;
- (b) A statement of the provisions of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations, Board policies and resolutions or laws which have allegedly been violated; and
- (c) A short and plain statement of the matters asserted by the Association.

4.14.3 The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing, if requested, shall be held before a Committee of other unit owners. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect said fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal.

4.15 To Appoint Committees. The Directors may appoint committees whose members shall consist of unit owners or spouses of unit owners. All committees and committee members shall serve at the pleasure of the Board. However, when a committee member (or his/her spouse) no longer owns a unit within the Condominium, his/her committee position shall automatically be terminated. The Board may then appoint replacement committee members if need be. Meetings of a Committee to take final action on behalf of the Board or 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, unless otherwise directed by the Board of Directors.

4.16 To Ensure Fire Safety Compliance. The Directors may accept a Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the condominium units with the applicable Fire and Life Safety Code.

4.17 To Approve the Installation of Hurricane Shutters. The Directors shall

adopt hurricane shutter specifications for the Condominium which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code, or shall be structured to ensure that installed shutters are in compliance with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board, provided that the Board may condition approval upon the unit owner's agreement to execute appropriate documentation regarding same.

4.18 To Exercise Emergency Powers. In the event of any "emergency" as defined in Section 4.18.7 below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, and 617.0303, Florida Statutes, as amended from time to time.

4.18.1 The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

4.18.2 The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

4.18.3 During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

4.18.4 Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association; and shall have the rebuttable presumption of being reasonable and necessary.

4.18.5 Any officer, director, or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.

4.18.6 These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

4.18.7 For purposes of this Section only, an "emergency" exists only during a period of time that the condominium, or the immediate geographic area in which the condominium is located, is subjected to:

- (a) a state of emergency declared by local civil or law enforcement authorities;
- (b) a hurricane warning;
- (c) a partial or complete evacuation order;
- (d) federal or state "disaster area" status; or

- (e) a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the condominium, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

5. OFFICERS.

5.1 Executive Officers. The executive officers of the Association shall be the President, a Vice President, a Secretary, a Treasurer, and such assistant officers as may be desired, all of whom shall be elected annually by and from the Board of Directors, and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary.

5.2 President — Powers and Duties. The President shall be the chief executive officer of the Association, shall preside at all meetings of the Board of Directors and Association meetings. The President shall have general supervision over the affairs of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

5.3 Vice-President — Powers and Duties. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors. If directed to do so, the Vice President will be responsible for development of a long range plan for Pelican Landing.

5.4 Secretary — Powers and Duties. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep and have custody of the records of the Association, except those of the Treasurer. He shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

5.5 Treasurer — Powers and Duties. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer of a corporation.

5.6 Officers' Compensation. Officers shall not be entitled to compensation for service as such, but shall be entitled to reimbursement of expenses reasonably incurred. This provision shall not preclude the Board of Directors from employing an Officer or Director as an agent or employee of the Association.

5.7 Indemnification.

5.7.1 Indemnity. The Association shall indemnify any officer, director, or committee member who was or is a party or is threatened to be made a party to any threatened, pending, or contemplated action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a director, officer, or committee member of the Association, against expenses (including attorney's fees and appellate attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, unless (i) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (ii) such court also determines specifically that indemnification should be denied. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. It is the intent of the membership of the Association, by the adoption of this provision, to provide the most comprehensive indemnification possible to their officers, directors, and committee members as permitted by Florida law.

5.7.2 Defense. To the extent that a director, officer, or committee member of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 5.7.1 above, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees and appellate attorney's fees) actually and reasonably incurred by him in connection therewith.

5.7.3 Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, or committee member to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized by this Article 5.7.

5.7.4 Miscellaneous. The indemnification provided by this Article 5.7 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a director, officer, or committee member and shall inure to the benefit of the heirs and personal representatives of such person.

5.7.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, or agent of the Association, or a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

5.7.6 Amendment. Anything to the contrary herein notwithstanding, the

provisions of this Article 5.7 may not be amended without the approval in writing of all persons whose interest would be adversely affected by such amendment.

5.8 Delegation. To the extent permitted by law, the powers and duties of the directors and officers may be delegated for the purpose of management.

6. MINUTES AND INSPECTION OF RECORDS.

Minutes of all meetings of unit owners and of the Board of Directors shall be kept in a business-like manner and shall be reduced to written form within thirty (30) days and these, plus records of all receipts and expenditures and all other official records, as defined in F.S. 718.111 (2001), as amended from time to time, shall be available for inspection by unit owners and Board members at all reasonable times. Provided, however, that the Directors may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and any copying.

7. FISCAL MANAGEMENT.

7.1 Budget. Proposed annual budgets of common expenses shall be prepared and adopted by the Board of Directors which shall include all anticipated expenses for operation, maintenance, and administration of the Condominiums. The proposed budget may also include expenses of security, in-house communications, directors and officers insurance, transportation services, bulk cable or master antenna/satellite television, and interior pest control, all of which are declared to be common expenses under these By-Laws as well as any other expense determined by the Board of Directors to benefit the condominium as a whole. The proposed budget shall include reserves per F.S. 718.112(2)(f)2 (2001), as amended from time to time, the funding of which may be waived or reduced by the owners. The budget will contain a reasonable allowance for contingencies and provide funds for all operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year, provided that notice of the Board meeting at which the revised budget will be considered along with a copy of the proposed revisions to the budget shall be mailed to each member as provided in Article 7.2 hereof.

7.2 Mailing. A copy of the proposed annual budget shall be mailed or delivered to the unit owners not less than 14 days prior to the meeting of the Directors at which the budget will be adopted together with a notice of the meeting.

7.3 Assessments. The annual shares of the unit owners of the common expenses shall be made payable in installments due monthly or quarterly (as determined by the Board) in advance and shall become due on the first day of each such period and shall become delinquent 30 days thereafter. The Association shall have the right to accelerate assessments of an owner delinquent in the payment of common expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.

7.4 Special Assessments. Assessments for common expenses which are not provided for and funded in the Budget or an amendment to the Budget may be made by the Board of Directors, and the time of payment shall likewise be determined by them. Notice of the Board meeting at which such assessments shall be considered shall be posted and mailed to each unit owner as provided in Article 3.7 hereof, except in the event of an emergency. The funds collected

pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, upon completion of such specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the Board, either be returned to the unit owners or applied to the operating budget as a credit towards future assessments.

7.5 Assessment Roll. The assessments for common expenses and charges shall be set forth upon a roll of the units which shall be available for inspection at all reasonable times by unit owners. Such roll shall indicate for each unit the name and address of the owner, and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative of the Association or by the Board of Directors as to the status of a unit's account may be relied upon for all purposes by any person for whom made.

7.6 Liability for Assessments and Charges. A unit owner shall be liable for all assessments and charges coming due while the owner of a unit, and such owner and owner's grantees or successors after a voluntary conveyance or other acquisition of title shall be jointly and severally liable for all unpaid assessments and charges due and payable up to the time of such voluntary conveyance. Liability may not be avoided by waiver of the use or enjoyment of any common elements or Association property or by abandonment of the unit for which the assessments are due. Where a mortgagee holding a first mortgage of record obtains title to a unit by foreclosure, such mortgagee and its successors and assigns shall only be liable for such unit's assessments, charges, or share of the common expenses which became due prior to acquisition of title as provided in the Florida Condominium Act (1997), as amended from time to time.

7.7 Liens for Assessments. The unpaid portion of an assessment, including an accelerated assessment which is due, together with all costs, interest, late fees, and reasonable attorney's fees for collection, including appeals, shall be secured by a continuing lien upon the unit.

7.8 Lien for Charges. Unpaid charges due to the Association together with costs, interest, late fees, and reasonable attorney's fees shall be secured by a common law and contractual lien upon the unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association.

7.9 Collection. Assessments or charges paid on or before ten days after the date due shall not bear interest, but all sums not paid on or before ten days shall bear interest at the highest rate permitted by law from the date due until paid. In addition to such interest the Association may charge an administrative late fee in an amount not to exceed the greater of \$25 or 5% of each installment of the assessment for which payment is late, or the maximum late fee permissible by law. All payments upon account shall be first applied to interest, then the late fee, then to any costs and reasonable attorney's incurred, and then to the assessment payment first due.

7.10 Collection — Suit. The Association, at its option, may enforce collection of delinquent assessments or charges by suit at law, by foreclosure of the lien securing the assessments or charges, or by any other remedy available under the laws of the State of Florida, and in any event the Association shall be entitled to recover the payments which are delinquent at the time of collection, judgment, or decree, together with those which have become due by acceleration or which have thereafter become due, plus interest thereon, and all costs incident to the collection and the proceedings, including reasonable attorney's fees, incurred before trial, at trial, and on appeal. The Association may attach rental income for delinquent units and may withhold approval for the sale, lease, or other transfer of a unit, or any interest therein, until all past

due assessments, interest, late fees, costs, and attorney's fees have been paid in full. The Association must deliver or mail by certified mail to the unit owner a written notice of its intention to foreclose the lien as provided by law.

7.11 Accounts. All sums collected from assessments or charges shall be credited to accounts from which shall be paid the expenses for which the respective assessments or charges are made.

7.12 Association Depository. The depository of the Association shall be a bank or banks or state or federal savings and loan associations with offices in Florida and other governmentally insured or guaranteed depositories as shall be designated from time to time by the Directors and in which the monies for the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

7.13 Commingling of Funds Prohibited. All funds shall be maintained separately in the Association's name. No community association manager or business entity required to be licensed or registered under F.S. 468.432, and no agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in F.S. 468.431, or with those of any other entity. Reserve funds and operating funds of the Association may not be commingled for investment purposes, as provided by law.

7.14 Financial Reports. A complete financial report of actual receipts and expenditures of the Association shall be made annually which shall comply with Rule 61B-22.006, Florida Administrative Code (2001), as amended from time to time, and with F.S. 718.111(13) (2001), as amended from time to time, as determined in the Rule based upon the amount of the Association's budget from time to time.

7.15 Fidelity Bonding. The Association shall obtain and maintain adequate fidelity bonding pursuant to in F.S. 718.111(11)(d) (2001), as amended from time to time, for each person (whether or not a Director) who controls or disburses Association funds, and the President, Secretary and Treasurer. The Association shall bear the cost of bonding. In the case of a licensed manager, the cost of bonding may be reimbursed by the Association as the parties may agree. All persons providing management services to the Association, or otherwise having the authority to control or disburse association funds, shall provide the Association with a certificate of insurance evidencing compliance with this paragraph, naming the Association as an insured under said policy.

8. PARLIAMENTARY RULES.

Robert's Rules of Order (latest edition) shall be used as a guide in the conduct of members' meetings, Board meetings, and committee meetings to ensure fairness, impartiality, and respect for minority views without unduly burdening majority rights. Meetings shall also be conducted in accordance with these By-Laws and the procedures established by the Board from time to time, including the form of voting documents to be used. The ruling of the Chair of the meetings unless he or the Board of Directors designates a third person, as Parliamentarian, shall be binding unless contrary to law.

9. BY-LAW AMENDMENTS.

Amendments to the By-Laws shall be adopted in the following manner:

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

9.2 Proposal of Amendments. An amendment may be proposed by either a majority of the Directors or by twenty (20%) percent of the voting interests.

9.3 Adoption of Amendments. A proposed amendment shall be adopted by the affirmative vote of 70% of all owners present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present.

9.4 Effective Date. An amendment when adopted shall become effective only after being recorded in the Charlotte County Public Records according to law.

9.5 Automatic Amendment. These By-Laws shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium or the Articles of Incorporation. Whenever Chapter 718, Florida Statutes (2001) Chapter 617, Florida Statutes (2001) or other applicable statutes or administrative regulations are amended to impose procedural requirements less stringent than set forth in these By-Laws, the Board may operate the Association pursuant to the less stringent requirements. The Board of Directors, without a vote of the owners, may adopt by majority vote, amendments to these By-Laws as the Board deems necessary to comply with such operational changes as may be enacted by future amendments to Chapters 607, 617, and 718 of the Florida Statutes (2001), or such other statutes or administrative regulations as required for the operation of the Association.

9.6 Proposed Amendment Format. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BY-LAW. SEE BY-LAW NUMBER ___ FOR PRESENT TEXT."

10. DISPUTE RESOLUTION.

10.1 Mandatory Arbitration. If unresolved, disputes between the Board and unit owners as defined in F.S. 718.1255(1) (2001), as amended from time to time, must be arbitrated in mandatory non-binding arbitration proceedings as provided in the Condominium Act prior to commencing litigation, so long as the Condominium Act requires such arbitration.

10.2 Unit Owner Inquiries. When a unit owner files a written inquiry by certified mail with the Board, the Board shall respond in writing to the unit owner within 30 days of receipt of said inquiry. The Board's response shall either give a substantive response to the inquirer, or notify the inquirer that legal advice has been requested, or notify the inquirer that advice has been requested from the Association's counsel or the Division. If the Board requests advice from the Division, the Board shall, within ten days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the inquiry, provide in writing a substantive response to the inquirer. The failure to

provide a substantive response to the inquirer as provided herein precludes the Association from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. Absent a different rule adopted by the Board of Directors, the Board shall only be obligated to respond to one inquiry per month pertinent to any particular unit. In the event of a grievance of a unit owner against the Association, the Board of Directors, or a member thereof, written notice in detail of the grievance shall be given the Directors prior to the institution of litigation, (including but not limited to arbitration) and they shall be allowed a period of 30 days in which to resolve the grievance.

10.3 Other Remedies. Nothing herein shall preclude the Association from pursuing any remedy for the violation of the Condominium Documents or disputes with a unit owner or other party as may be available to the Association under the laws of the State of Florida or the Condominium Documents.

11. MISCELLANEOUS.

The following miscellaneous provisions shall apply to these By-Laws and the Condominium Documents.

11.1 Conflicts. The term "Condominium Documents," as used in these By-Laws and elsewhere shall include the Declaration of Condominium, Articles of Incorporation, these By-Laws, the Rules and Regulations of the Association, the Plats, Surveys, Plot Plans, and graphic descriptions of improvements of record, and all other exhibits to the original Declaration of Condominium. In the event of a conflict between the language in the Declaration of Condominium and the graphic descriptions of record, the graphic description of record shall control. In the event of a conflict between language in any of the other Condominium Documents, the following priorities shall control:

1. Declaration of Condominium;
2. Articles of Incorporation;
3. By-Laws; and
4. Rules and Regulations.

11.2 Gender. The use of the term "he," "she," "his," "hers," "their," "theirs" and all other similar pronouns should be construed to include all genders and encompass the plural as well as the singular.

11.3 Severability. In the event that any provisions of these By-Laws is deemed invalid, the remaining provisions shall be deemed in full force and effect.