


State of Florida



Department of State

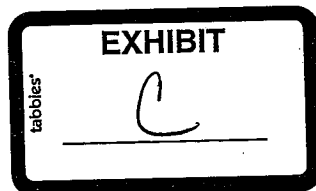
I certify the attached is a true and correct copy of the Articles of Incorporation of PEACE HARBOR CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on November 17, 2003, as shown by the records of this office.

The document number of this corporation is N03000009983.



CR2EO22 (2-03)

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Seventeenth day of November, 2003



Glenda E. Hood
Glenda E. Hood
Secretary of State

ARTICLES OF INCORPORATION

OF

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

Pursuant to Section 617.0202, Florida Statutes, these Articles of Incorporation are created by Tamela Eady Wiseman, Esquire, of Tamela Wiseman, P.A. at 350 Fifth Avenue South, Suite 203, Naples, Florida 34102 as sole incorporator, for the purposes set forth below.

FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA
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ARTICLE I

NAME AND ADDRESS: The name of the corporation, herein called the "Association", is Peace Harbor Condominium Association, Inc. The address of the Association is 942 North Collier Boulevard, Marco Island, Florida 34145.

ARTICLE II

PURPOSE AND POWERS: The purpose for which the Association is organized as to provide an entity pursuant to the Florida Condominium Act for the operation of Peace Harbor, a Condominium, located in Charlotte County, Florida. The Association is organized and shall exist upon a non-stock basis as a corporation not for profit under the laws of the State of Florida, and no portion of any earnings of the Association shall be distributed or inure to the private benefit of any member, Director or officer of the Association. For the accomplishment of its purposes, the Association shall have all of the common law and statutory powers and duties of a corporation not for profit except as limited or modified by these Articles, the Declaration of Condominium or Chapter 718 Florida Statutes, as it may hereafter be amended, including but not limited to the following:

- (A) To make and collect assessments against members of the Association to defray the costs, expenses and losses of the Condominium, and to use the proceeds of assessments in the exercise of its powers and duties.
- (B) To protect, maintain, repair, replace and operate the condominium property.
- (C) To purchase insurance upon the condominium property and Association property for the protection of the Association and its members.
- (D) To reconstruct improvements after casualty and to make further improvements of the property.
- (E) To make, amend and enforce reasonable rules and regulations governing the use of the common elements and association property, and the operation of the Association.
- (F) To approve or disapprove the transfer of ownership, leasing and occupancy of units, as provided by the Declaration of Condominium.

- (G) To enforce the provisions of the Condominium Act, the Declaration of Condominium, these Articles, and the Bylaws and any Rules and Regulations of the Association.
- (H) To contract for the management and maintenance of the Condominium and the condominium property; to delegate any powers and duties of the Association in connection therewith except such as are specifically required by the law or by the condominium documents to be exercised by the Board of Directors or the membership of the Association.
- (I) To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of the Condominium.
- (J) To enter into agreements, or acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities. It has the power whether or not the lands or facilities are contiguous to the lands of the Condominium, if they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners.
- (K) To borrow money without limit as to amount if necessary to perform its other functions hereunder.

All funds and the title to all property acquired by the Association shall be held in trust for the benefit of the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

ARTICLE III

MEMBERSHIP:

- (A) The members of the Association shall consist of all record owners of legal title to one or more units in the Condominium, as further provided in the Bylaws.
- (B) The share of a member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to his unit.
- (C) The owners of each unit, collectively, shall be entitled to one (1) vote in Association matters, as further set forth in the Declaration of Condominium and the Bylaws. The manner of exercising voting rights shall be as set forth in the Bylaws.

ARTICLE IV

TERM: The term of the Association shall be perpetual.

ARTICLE V

BYLAWS: The Bylaws of the Association may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VI

DIRECTORS AND OFFICERS:

- (A) The affairs of the Association will be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but not less than three (3) Directors. In the absence of a Bylaw provision to the contrary, the Board shall consist of three (3) Directors.
- (B) Directors of the Association shall be elected by the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.
- (C) The business of the Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected each year by the Board of Directors at its first meeting after the annual meeting of the members of the Association, and they shall serve at the pleasure of the Board.

ARTICLE VII

AMENDMENTS: Amendments to these Articles shall be proposed and adopted in the following manner:

- (A) Prior to the recording of the Declaration of Condominium of Peace Harbor, a Condominium amongst the Public Records of Charlotte County, Florida, these Articles may be amended by an instrument in writing signed by the President (or Vice President) and the Secretary (or an Assistant Secretary) and filed with the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendment and give the date of adoption of the amendment by the Board of Directors. A certified copy of each such amendment shall always be attached to any certified copy of these Articles or a certified copy of the Articles as restated to include such amendments and shall be an exhibit to the Declaration of Condominium upon the recording of such Declaration. This Article VII is intended to comply with Chapter 617, Florida Statutes.
- (B) After the recording of the Declaration of Condominium of Peace Harbor, a Condominium amongst the Public Records of Charlotte County, Florida, these Articles may be amended in the following manner:
 - (1) Proposal. Amendments to these Articles may be proposed by a majority of the Board or by petition of the owners of one-fourth (1/4) of the units by instrument, in writing, signed by them.
 - (2) Procedure. Upon any amendment or amendments to these Articles being proposed by said Board or unit owners, such proposed amendment or amendments shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can be given.
 - (3) Vote Required. Except as otherwise required for by Florida law, these Articles of Incorporation may be amended by vote of a majority of the

voting interests at any annual or special meeting, or by approval in writing of a majority of the voting interests without a meeting, provided that notice of any proposed amendment has been given to the members of the Association, and that the notice contains the full text of the proposed amendment.

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

ARTICLE VIII

INITIAL REGISTERED AGENT:

The initial registered office of the Association shall be at:

350 Fifth Avenue South, Suite 203
Naples, Florida 34102

The initial registered agent at said address shall be:

Tamela Eady Wiseman

ARTICLE IX

INDEMNIFICATION: To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director and every officer of the Association against all expenses and liabilities, including attorneys fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his being or having been a Director or officer of the Association. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

- (A) Willful misconduct or a conscious disregard for the best interests of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor.
- (B) A violation of criminal law, unless the Director or officer had no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful.
- (C) A transaction from which the Director or officer derived an improper personal benefit.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled. The indemnification hereby afforded to Directors and officers shall also extend to any other entity other than the Association found responsible or liable for the actions of such individuals in their capacity as Directors or officers, including, but not limited to Developer.

WHEREFORE the incorporator has caused these presents to be executed this 12 day of November, 2003.

By: Tamela Eady Wiseman
Tamela Eady Wiseman, Esquire

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 12 day of November 2003, by Tamela Eady Wiseman, Esquire.

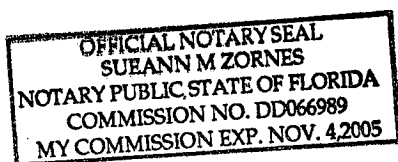
Notary Public-State of Florida

Sign Sueann M. Zornes

Print SUEANN M. ZORNES

Personally Known ☒; or Produced
Identification _____ Type of Identification
Produced: _____

Affix Seal Below:



ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above-named corporation, at the place designated in these Articles of Incorporation, I hereby accept the appointment to act in this capacity and acknowledge that I am familiar with and agree to accept the obligations imposed upon registered agents under the Florida Not For Profit Corporation Act.


Tamela Eady Wiseman

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TALLAHASSEE, FLORIDA
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BYLAWS

OF

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

1. **GENERAL.** These are the Bylaws of Peace Harbor Condominium Association, Inc., (the "Association"), a corporation not for profit organized under the laws of Florida for the purpose of operating a condominium pursuant to the Florida Condominium Act. All prior Bylaws are hereby revoked and superseded in their entirety.

1.1. **Principal Office.** The principal office of the Association is at 942 North Collier Boulevard, Marco Island, Florida 34145, or at such other location as may be determined by the Board of Directors.

1.2. **Seal.** The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

1.3. **Definitions.** The definitions set forth in Section 4 of the Declaration of Condominium to which these Bylaws are attached as Exhibit "D" shall apply to terms used in these Bylaws.

2. **MEMBERS.**

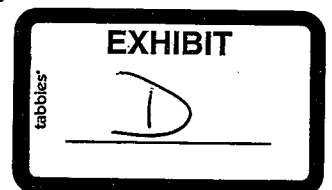
2.1. **Qualification.** The members of the Association shall be the record Owners of legal title to the units. In the case of a unit subject to an agreement for deed, the purchaser in possession shall be deemed the member for purposes of determining voting and use rights. In the case of a unit owned in trust, a grantor of a trust described in Section 733.707(3), Florida Statutes, or a beneficiary as defined in Section 737.303(4)(b), Florida Statutes, who occupies the unit shall be considered the member for the unit.

2.2. **Voting Rights; Voting Interests.** The members of the Association are entitled to one (1) vote for each unit owned by them. The total number of votes ("voting interests") is equal to the total number of units. The vote of a unit is not divisible. The right to vote may not be denied because of delinquent assessments. If a condominium unit is owned by one natural person, his right to vote shall be established by the record title to the unit. If a unit is owned jointly by two or more natural persons, that unit's vote may be cast by any one of the record Owners. If two or more Owners of a unit do not agree among themselves how their one vote shall be cast, that vote shall not be counted. If the Owner of a unit is a corporation, the vote of that unit may be cast by the president or any vice-president of the corporation. If a unit is owned by a partnership, its vote may be cast by any general partner.

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

Page 1



2.3. **Approval or Disapproval of Matters.** Whenever the decision or approval of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by any person authorized to cast the vote of such unit at an Association meeting as stated in Section 2.2 above, unless the joinder of all record owners is specifically required.

2.4. **Change of Membership.** Following written approval of the Association, as elsewhere required herein, a change of membership in the Association shall be established by the new member's membership becoming effective as provided in 2.1 above. At that time, the membership of the prior owner shall be terminated automatically.

2.5. **Termination of Membership.** The termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Condominium during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former owner or member arising out of, or in any way connected with, such ownership and membership and the covenants and obligations incident thereto.

3. **MEMBERS' MEETINGS; VOTING.**

3.1. **Annual Meeting.** There shall be an annual meeting of the members in each calendar year not later than the month of March. The annual meeting shall be held in Charlotte County, Florida, at a place and time designated by the Board of Directors, for the purpose of transacting any business duly authorized to be transacted by the members. During the annual meeting the ballots cast in the annual election of Directors shall be counted and results announced.

3.2. **Special Members' Meetings.** Special members' meetings must be held whenever called by the President or by a majority of the Board of Directors, and may also be called by members having at least ten percent (10%) of the voting interests. The business at any special meeting shall be limited to the items specified in the notice of meeting. The provisions of this section, as applicable, shall be modified by the provisions of the Condominium Act concerning: budget meetings; recall; budget reserves; and the election of directors.

3.3. **Notice of Meetings; Waiver of Notice.** Notice of all members' meetings must state the time, date, and place of the meeting, and include an agenda for the meeting. The notice must be mailed to each member at the address which appears on the books of the Association, or may be furnished by personal delivery. The member is responsible for informing the Association of any change of address. The notice must be mailed or delivered at least fourteen (14) days before the annual meeting. If ownership of a unit is transferred after notice has been mailed, no separate notice to the new owner is required. Attendance at any meeting by a member constitutes waiver of notice by that member unless the member objects to the lack of notice at the beginning of the meeting. A member may waive notice of any meeting at any time, but only by written waiver.

3.4. **Notice of Annual Meeting; Special Requirements.** Notice of the annual meeting together with an agenda shall be posted in a conspicuous place on the Condominium property for at least fourteen (14) continuous days prior to the annual meeting. The notice and agenda for the annual meeting shall also be sent to each unit owner at least fourteen (14) days before the annual meeting by first class mail to each owner, and an affidavit of the officer, manager, or other person making such mailing, or a U.S. Postal Service certificate, shall be retained in the Association records as proof of mailing. Notice of the annual meeting may, alternatively, be delivered in person if a written waiver of mailing is obtained.

3.5. **Quorum.** A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast at least one-third (1/3rd) of the votes of the entire membership.

3.6. **Vote Required.** The acts approved by a majority of the votes cast at a duly called meeting of the members at which a quorum has been attained shall be binding upon all unit owners for all purposes, except where a greater or different number of votes is expressly required by law or by any provision of the Condominium documents.

3.7. **Proxy Voting.** To the extent lawful, any person entitled to attend and vote at a members meeting may establish his presence and cast his vote by proxy. Proxies may not be used in electing Directors. Limited proxies must be used for votes taken to waive reserves or financial statement requirements, to amend the Condominium documents, and for all other matters for which the Condominium Act requires or permits a vote of the members. General proxies may be used to establish a quorum, for procedural votes, and for non-substantive amendments to proposals for which a limited proxy is being used. A proxy may be given by any person entitled to vote, but shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting, and no proxy is valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the vote for the unit, specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Secretary before the appointed time of the meeting or adjournment thereof. Holders of proxies need not be members. No proxy shall be valid if it names more than one person as the holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy.

3.8. **Adjourned Meetings.** Any duly called meeting of the members may be adjourned to be reconvened at a specific later time by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance, provided a quorum is present.

3.9. **Order of Business.** The order of business at members' meetings shall be substantially as follows:

- (A.) Collection of ballots not yet cast
- (B.) Counting of ballots for annual election of directors (if necessary)
- (C.) Call of the roll or determination of quorum
- (D.) Reading or disposal of minutes of last members meeting
- (E.) Reports of Officers
- (F.) Reports of Committees
- (G.) Unfinished Business
- (H.) New Business
- (I.) Adjournment

3.10. **Minutes.** Minutes of all meetings of members and of the Board of Directors shall be kept in a businesslike manner and available for inspection by members or their authorized representatives and Board members at all reasonable times and for a period of seven (7) years after the meeting. Minutes must be reduced to written form within thirty (30) days after the meeting at which they were taken.

3.11. **Parliamentary Rules.** Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with these Bylaws. The presiding officer may appoint a Parliamentarian whose decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

3.12. **Action by Members Without Meeting.** Except for the holding of the annual meeting, any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting if written consents or other instruments expressing approval of the action proposed to be taken are signed and returned by members having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all of the voting interests were present and voting. If the requisite number of written consents are received by the Secretary within sixty (60) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect as if the action had been approved by a vote of the members at a meeting of the members held on the sixtieth (60th) day. Within ten (10) days thereafter, the Board shall send written notice of the action taken to all members who have not consented in writing. If the vote is taken by the method described in this Section 3.12, the list of Unit Owners on record with the Secretary at the time of mailing the voting material shall be the list of qualified voters.

4. **BOARD OF DIRECTORS.** The affairs of the Association shall be managed initially by a Board of three (3) Directors selected by the Developer. Unit Owners other than the Developer are entitled to elect representatives to the Board, as provided by Florida Statute 718.301. All powers and duties granted to the Association by law, as modified and explained in the

Declaration, Articles of Incorporation, and these Bylaws, shall be exercised by the Board, subject to approval or consent of the unit owners only when such is specifically required.

4.1. **Number and Terms of Service.** The number of persons constituting the Board of Directors shall be three (3). When the Unit Owners other than the Developer are entitled to elect a majority of the Directors, the Board of Directors shall be elected for staggered terms so as to provide a continuity of experience on the board. At the first election at which unit owners other than the Developer elect a majority of the Directors, the two (2) candidates receiving the highest number of votes shall serve two (2) year terms and the remaining candidate elected to the Board shall serve for a one (1) year term. If the number of candidates is equal to the number of seats to be filled, or in the event of a tie vote, the determination of who will serve the longer terms shall be made among them by agreement or by lot. Thereafter, all Directors shall be elected for two (2) year terms. A Director's term will end at the annual election at which his successor is to be duly elected, unless he sooner resigns or is recalled as provided in Section 4.6 below. Directors shall be elected by the members as described in Section 4.4 below, or in the case of a vacancy, as provided in Section 4.5 below.

4.2. Florida Statutes Section 718.301 (2002) provides for "Transfer of association control.--

"(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association.

Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

- (a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- (b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- (c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;
- (d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or
- (e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

Page 5

Exhibit "D"

condominium created pursuant to s. 718.403, 7 years after recordation of the declaration creating the initial phase, whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration.”

4.3. **Qualifications.** Except for Directors appointed by the Developer, each Director must be a member or the spouse of a member, except as provided in the following sentences. In the case of a unit owned by a corporation, the president or vice-president of the corporation shall be qualified to serve as a director. In the case of a unit owned by a partnership, any general partner shall be so qualified.

4.4. **Annual Elections.** On the day of each annual meeting the members shall elect by written ballot as many Directors as there are regular terms of Directors expiring or Directors to be elected, unless balloting is dispensed with as provided by law.

- (A.) Not less than sixty (60) days before the meeting 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.
- (B.) Any unit owner or other eligible person desiring to be a candidate for Director may give written notice to the Association not less than forty (40) days prior to the annual election in order to qualify. The list of unit owners as of forty (40) days before the election shall be the official list of qualified voters.
- (C.) If the number of qualified candidates exceeds the number of Directors to be elected, not less than fourteen (14) days before the election, the Association shall mail or deliver a second notice of election to all unit owners entitled to vote therein, together with a ballot which shall list all qualified candidates. The same materials shall be posted conspicuously on the condominium property not less than fourteen (14) days prior to the election.

- (D.) Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches furnished by the candidate not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association.

Directors shall be elected by a plurality of the votes cast in the annual election, but no election in which balloting is required shall be valid unless at least twenty percent (20%) of the eligible voters cast ballots. Proxies may not be used in the election. In the election of Directors, there shall be appurtenant to each unit as many votes for Directors as there are Directors to be elected, but no unit may cast more than one vote for any candidate, it being the intent hereof that voting for Directors shall be non-cumulative. Tie votes shall be broken by agreement among the candidates who are tied or, if there is no agreement, by lot.

4.5. **Vacancies on the Board.** If the office of any director becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected as follows:

- (A.) If a vacancy is caused by the death, disqualification or resignation of a Director, a majority of the remaining Directors, though less than a quorum, shall appoint a successor, who shall hold office for the remaining unexpired term.
- (B.) If a vacancy occurs as a result of a recall and less than a majority of the Directors are removed, the vacancy may be filled by appointment by a majority of the remaining Directors, though less than a quorum. If vacancies occur as a result of a recall in which a majority or more of the Directors are removed, the vacancies shall be filled in accordance with procedural rules adopted by the Division, governing the method of selecting successors, as well as the operation of the Association during the period of recall but prior to the designation of successor Directors sufficient to constitute a quorum.

4.6. **Removal of Directors.** Any or all Directors may be removed with or without cause by a majority vote of the entire membership, either by a written petition or at any meeting called for that purpose. If a meeting is held or a petition is filed for the removal of more than one Director, the question shall be determined separately as to each Director sought to be removed. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given.

4.7. **Organizational Meeting.** The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors at such place and time as may be determined by the Board.

4.8. **Other Meetings.** Meetings of the Board may be held at such time and place in Charlotte County, Florida, as shall be determined from time to time by the President or a majority of the Directors. Notice of meetings shall be given to each Director, personally or by mail, telephone or telegram at least two (2) days prior to the day named for such meeting.

4.9. **Notice to Owners.** Meetings of the Board of Directors shall be open to members, except meetings with Association counsel with respect to proposed or pending litigation, when the meeting is held for the purpose of seeking or rendering legal advice. Notices of all Board meetings, together with an agenda, shall be posted conspicuously on the Condominium property at least forty-eight (48) continuous hours in advance of each Board meeting, except in an emergency. Notice of any Board meeting where a non-emergency special assessment or a rule restricting the use of units is to be considered for any reason shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than fourteen (14) days prior to the meeting. An affidavit executed by the person making the mailing shall be filed among the official records of the Association as proof of mailing. Notice of any Board meeting at which a budget will be adopted or amended shall conform to the requirements set forth in Section 6.2 below. The right of owners to attend Board meetings includes the right to participate subject to the rules of the Association as follows:

- (A.) Roberts Rules of Order (latest edition) shall govern the conduct of the Association meeting when not in conflict with the Declaration of Condominium, the Articles of Incorporation or Bylaws.
- (B.) After a meeting of the Board is called to order and a quorum established, the next order of business shall be a discussion by the Board of items appearing on the agenda, in the order in which they appear on the agenda.
- (C.) A unit owner wishing to speak with regard to a specific agenda item may do so only while that item is being discussed by the Board and he or she must first raise his or her hand and wait to be recognized by the Chair.
- (D.) While a unit owner is speaking he or she must address the Chair, no one else is permitted to speak at the same time.
- (E.) A unit owner may speak only once, for not more than three (3) minutes, on each agenda item.
- (F.) The Chair may, by asking if there be any objection and hearing none, permit a unit owner to speak for longer than three (3) minutes, or to speak

more than once on the same subject. If there is an objection, then the question will be decided by a vote of the Board.

- (G.) The Chair will have the sole authority and responsibility to see to it that all unit owner participation is within the limits specified and is relevant to the agenda items.

4.10. **Waiver of Notice.** Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.11. **Quorum of Directors.** A quorum at a Board meeting shall exist when at least a majority of all Directors are present in person at a duly called meeting. Directors may participate in any meeting of the Board, by a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting. Directors may not vote or participate by proxy at Board meetings.

4.12. **Vote Required.** The acts approved by a majority of those Directors present and voting at a meeting at which a quorum exists shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Condominium documents or by applicable statutes. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes.

4.13. **Adjourned Meetings.** The majority of the Directors present at any meeting of the Board, regardless of whether a quorum exists, may adjourn or recess the meeting to be reconvened at a later specific time and date. At such reconvened meeting, provided a quorum is present, any business may be transacted that might have been transacted at the meeting originally as called.

4.14. **The Presiding Officer/Chair.** The President of the Association, or in his absence, the Vice-President, shall be the presiding officer or Chair at all meetings of the Board of Directors. If neither is present, the Chair shall be selected by majority vote of the Directors present.

4.15. **Compensation of Directors and Officers.** Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

4.16. **Committees.** The Board of Directors may appoint from time to time such standing or temporary committees as the Board may deem necessary and convenient for the

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

efficient and effective operation of the Condominium. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee. All committees which take final action on behalf of the Board or make recommendations shall hold their meetings and give notice of such meetings with the same formalities as required for Board meetings.

5. **OFFICERS.**

5.1. **Officers and Elections.** The executive officers of the Association shall be a President, and a Vice-President, who must be Directors, a Treasurer and a Secretary, all of whom shall be elected annually by a majority of the Board of Directors. The election of officers may be by secret ballot. Any officer may be removed with or without cause by vote of a majority of all Directors at any meeting. Any person except the President may hold two or more offices. The Board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice-President.

5.2. **President.** The President shall be the chief executive officer of the Association; he shall preside at all meetings of the members and Directors, shall be ex-officio a member of all standing committees, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.3. **Vice-Presidents.** The Vice-Presidents in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall assign.

5.4. **Secretary.** The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for that purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. He shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the Condominium documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one has been designated.

5.5. **Treasurer.** The Treasurer shall be responsible for Association funds and securities, the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association, and the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall oversee the disbursement of the funds of the Association, keeping proper

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

Page 10

Exhibit "D"

vouchers for such disbursements, and shall render to the President and Directors, at the meetings of the Board, or whenever they may require it, an accounting of all transactions and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated.

6. **FISCAL MATTERS.** The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

6.1. **Depository.** The Association shall maintain its funds in federally insured accounts in such financial institutions authorized to do business in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market trusts, certificates of deposit, U.S. Government Securities, and other similar investment vehicles.

6.2. **Budget.** The Board of Directors shall adopt a budget of common expenses for each fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting of the Board at which the budget will be adopted shall be mailed to or served on the owner of each unit not less than fourteen (14) days prior to that meeting. The proposed budget shall be detailed and shall show the amounts budgeted by income and expense classifications.

6.3. **Statutory Reserves for Capital Expenditures and Deferred Maintenance.** In addition to annual operating expenses, the proposed budget must include reserve accounts for capital expenditures and deferred maintenance as required by law. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount to be reserved shall be computed by a formula based upon the remaining estimated useful life and replacement cost of each item. The Association may adjust replacement reserve assessments annually to reflect any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. These reserves shall be funded unless the members subsequently determine, in the manner provided by law, to fund no reserves or less than adequate reserves for a fiscal year. The vote to waive or reduce reserves, if any is taken, may be taken only after the proposed budget has been mailed to the unit owners as required in Section 6.2 above. Reserves funded under this paragraph, and all interest earned on such reserves, shall be used only for the purposes for which they were reserved, unless their use for other purposes is approved in advance by the members in the manner provided by law. Furthermore, these reserves shall not be commingled with the operating funds unless combined for investment purposes.

6.4. **Other Reserves.** In addition to the statutory reserves provided in Section 6.3 above, or in place of them if the members so vote, the Board may establish one or more additional reserve accounts for contingencies, operating expenses, repairs, minor improvements or deferred maintenance. The purpose of these reserves is to provide financial stability and to

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

Page 11

Exhibit "D"

avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual operating budget each year. These funds may be spent for any purpose approved by the Board.

6.5. **Assessments.** Regular annual assessments based on the adopted budget shall be paid in quarterly installments, in advance, due on the first day of January, April, July and October of each year. Written notice of each quarterly installment shall be sent to the members at least fifteen (15) days prior to the due date. Failure to send or receive such notice shall not excuse the obligation to pay. If an annual budget has not been adopted at the time the first quarterly installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last quarterly payment, and shall be continued at such rate until a budget is adopted and pro rata assessments are calculated, at which time any overage or shortage calculated shall be added or subtracted from each unit's next due quarterly installment.

6.6. **Special Assessments.** Special assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses. Special assessments are due on the day specified in the resolution of the Board approving such assessments. The notice of any Board meeting at which a special assessment will be considered, discussed or proposed shall be given as provided in Section 4.9 above, and the notice to the owners of the levy of the assessment must contain a statement of the purpose(s) of the assessment, and the funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7. **Fidelity Bonds.** The Treasurer, and all other officers who are authorized to sign checks, and all other persons having access to or control of Association funds, shall be bonded in such amounts as may be required by the Condominium Act or otherwise determined by the Board of Directors. The premiums on such bonds shall be a common expense.

6.8. **Financial Statements.** Not later than ninety (90) days after the close of each fiscal year, the Board shall cause to be prepared a financial report meeting the minimum standards of Section 718.111(13), Florida Statutes, showing in reasonable detail the financial condition of the Association as of the close of its fiscal year, detailed by accounts, showing in reasonable detail the financial condition of the Association as of the close of its fiscal year. Within 21 days after the financial report is completed or received by the Association from the third-party, the Association shall mail to each unit owner at the address last furnished to the Association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. Any requirements to have financial statements compiled, reviewed or audited may be waived by the Unit Owners as provided in Section 718.111(13)(d), Florida Statutes.

6.9. **Fiscal Year.** The fiscal year for the Association shall begin on the first day of January and end on the last day of December of each calendar year. The Board of Directors may

PEACE HARBOR CONDOMINIUM ASSOCIATION, INC.

BYLAWS

change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed in the Internal Revenue Code of the United States of America.

7. **RULES AND REGULATIONS; USE RESTRICTIONS.** The Board of Directors may, from time to time, adopt, amend and rescind administrative rules and regulations governing the use, maintenance, management and control of the common elements and the operation of the Association. Copies of such rules and regulations shall be furnished to each unit owner. Any rule or regulation created and imposed by the Board must be reasonably related to the promotion of health, happiness and peace of mind of the unit owners and uniformly applied and enforced.

8. **COMPLIANCE AND DEFAULT; REMEDIES.** In addition to the remedies provided in Section 19 of the Declaration of Condominium, the following provisions shall apply:

8.1. **Fines.** The Board of Directors may levy reasonable fines against units whose owners commit violations of the Condominium Act, the provisions of the Condominium documents or Association rules and regulations, or condone such violations by their family members, guests or lessees. The fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed the maximum amounts allowed by law. The procedure for imposing such fines shall be as follows:

- (A.) The party against whom the fine is sought to be levied shall be afforded an opportunity for a hearing after reasonable notice of not less than fourteen (14) days, and the notice shall include:
 - (1.) A statement of the date, time and place of the hearing;
 - (2.) A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws or Rules and Regulations which have allegedly been violated; and,
 - (3.) A short and plain statement of the matters asserted by the Association; and,
 - (4.) The amount of any proposed fine.
- (B.) At the hearing, the party against whom the fine may be levied shall have a reasonable 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 shall be conducted before a panel of three (3) non-Director unit owners appointed by the Board. If the committee, by majority vote, does not agree with the fine, it may not be levied.

- (C.) Fines shall be paid not later than five (5) days after notice of imposition of same. For non-payment of fines the Association shall have all of the remedies available at law.

8.2. **Correction of Health and Safety Hazards.** Any violations which are deemed by the Board of Directors to be a hazard to the public health or safety must be corrected immediately as an emergency matter by the Association, and the cost thereof shall be charged to the unit owner.

8.3. **Mandatory Non-Binding Arbitration.** In the event of any "dispute" as defined in Section 718.1255(1), Florida Statutes, between a unit owner and the Association arising from the operation of the Condominium, the parties, if required by law, must submit the dispute to mandatory non-binding arbitration, or alternative mediation, under the rules of the Division of Florida Land Sales, Condominiums and Mobile Homes prior to filing any lawsuit over the disputed matters. Nothing herein shall be construed to require arbitration of disputes related to the levy or collection of fees or assessments.

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

9. **AMENDMENT OF BYLAWS.** Amendments to these Bylaws shall be proposed and adopted in the following manner:

9.1. **Proposal.** Amendments to these Bylaws may be proposed by a majority of the Board or upon written petition signed by at least one-fourth (1/4th) of the voting interests of the members.

9.2. **Procedure.** Upon any amendment or amendments to these Bylaws being proposed by said Board or unit owners, such proposed amendment or amendments shall be submitted to a vote of the owners not later than the next annual meeting for which proper notice can still be given.

9.3. **Vote Required.** Except as otherwise provided by law, or by specific provision of the Condominium documents, a proposed amendment to these Bylaws shall be adopted if it is approved by at least two-thirds (2/3rds) of the voting interests present in person or by proxy at any annual or special meeting called for the purpose, provided that notice of the proposed amendment has been given to the members in accordance with law.

9.4. **Recording; Effective Date.** A copy of each amendment shall be attached to a certificate that the amendment was duly adopted, which certificate shall be executed by the President or Vice-President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Charlotte County, Florida. The certificate must identify the book and page of the Public Records where the Declaration of Condominium was originally recorded.

10. **UNIT OWNER INQUIRY.** When a unit owner files a written inquiry by certified mail, with the Board of Directors, the Board shall respond in writing to the owner within thirty (30) days of receipt of the inquiry. The Board's response shall give either a substantive response to the inquirer, notify the inquirer that a legal opinion has been requested, or notify the inquirer that advice has been requested from the Division of Florida Land Sales, Condominiums and Mobile Homes. If the Board requested advice from the Division, the Board shall, within ten (10) days of its receipt of the advice, provide in writing, a substantive response to the inquirer. If a legal opinion is requested from the Association's counsel, the Board shall, within sixty (60) days after receipt of the inquiry, provide in writing a substantive response to the inquirer. Failure to provide a substantive response to the inquirer as provided precludes the Board from recovering attorneys' fees and costs in any subsequent litigation, administrative proceeding or arbitration arising out of the inquiry. The Association is only obligated to respond to one (1) written inquiry per unit in any given thirty (30) day period. Any additional inquiry or inquiries must be responded to in the subsequent thirty (30) day period or periods, as applicable.

11. **MISCELLANEOUS.**

11.1. **Gender.** Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

11.2. **Severability.** Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.

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

11.4. **Certificate of Compliance.** A Certificate of Compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board of Directors as evidence of compliance of the condominiums to the applicable fire and life safety code.