

**EXHIBIT "C"**

**BY-LAWS  
OF  
ROUND LAKE CHALETS HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I  
Name and Location**

The name of the corporation is ROUND LAKE CHALETS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at: 738 9<sup>th</sup> Avenue, St. Petersburg, Florida 33701, or such other place as is designated by the Board of Directors, but meetings of Members and directors may be held at such places within the county where the property is situate, as may be designated by the Board of Directors.

**ARTICLE II  
General**

Section I. Definition and Operation. Express reference is here made to the Declaration of Covenants, Conditions, Restrictions and Easements of the Round Lake Chalets Homeowners' Association, Inc. (The "Declaration") recorded in the Pinellas County Public Records where necessary to interpret, construe and apply the provisions of these By-Laws. Without limitation:

- (a) Definitions. All terms defined in the Declaration have the same meaning when used in these By-Laws.
- (b) Consistency. By adopting these By-Laws, the Board intends them to be consistent with the provisions of this Association's Articles of Incorporation (the "Articles") and with those of the Declaration.
- (c) Conflict. These By-Laws are to be interpreted, construed and applied, with the Articles and the Declaration to avoid inconsistencies of conflicting results, but, if such conflict results, the provisions of the Articles or the Declaration prevail over the By-Laws.

Section 2. Membership and Voting Rights. Membership and voting rights in the Association are set forth in Articles V and VI of the Articles and in Article III of the Declaration.

Section 3. Seal. This Association has a seal in circular form having within its circumference the words "ROUND LAKE CHALETS HOMEOWNERS' ASSOCIATION, INC." "Florida" and "Corporation Not for Profit"; an impression of such seal appearing in the margin.

Section 4. Fiscal Year. This Association's fiscal year begins on the first day of January of each calendar year.

Section 5. No Vested Rights. No Member of this Association has any vested right, interest, or privilege of, in, or to the assets, functions, affairs, or franchises of this Association, nor any right, interest, or privilege that is transferable or inheritable except as an incident to the transfer of title to such Member's Units, as provided in Article II, of the Declaration, and in Articles V of the Articles.

Section 6. Amendment. These By-Laws may be amended by the affirmative vote or written consent, or any combination thereof, by at least two-thirds (2/3) of the total Class "A" Members in the Association in addition to the Developer's approval, and the consent of the Class "B" Member, so long as such membership exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken

under that clause. Any amendment to be effective must be Recorded in the public records of Pinellas County, Florida and shall contain a certificate of the Association that the requisite approval has been obtained.

### **ARTICLE III**

#### **Membership Meetings**

**Section 1. Annual Meetings.** The annual meeting of this Association is to be held each year within sixty (60) days before or after of the next ensuing fiscal year, on such date and at such time and place in Pinellas County, Florida, as the board determines.

**Section 2. Special Meetings.** Special Member meetings may be called at any time by: (i) the President; or (ii) the Board; or (iii) by the written request of Members entitled to cast fifty percent (50%) of all votes eligible to be cast by Members. The agenda at special meetings shall be confined to the subject matter for which the meeting was called.

**Section 3. Notice.** Written notice of all meetings shall be given by or at the direction of the Secretary. All notices must specify the place, day and hour of the meeting and, in the case of special meetings, its purpose.

**Section 4. Manner of Notice.** Notice of all meetings must be given not less than fifteen (15) days nor more than thirty (30) days in advance to each Member either by personal delivery, electronic transmission or by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Association. Such notice also must be given to Developer as long as Developer owns a Unit. Mailing or delivery of notice to any co-owner of a Unit is effective upon all co-owners of such Unit, unless any co-owner has requested the Association in writing to give notice to such co-owner and furnished the Association with the address to which such notice may be given by mail.

**Section 5. Proof of Notice.** An affidavit by the person or persons actually giving notice of any meeting, and attested by the Secretary under this Association's seal, is conclusive upon any person without actual knowledge of any defect in notice as to the regularity of any notice.

**Section 6. Waiver of Notice.** Notice of any meeting may be waived in writing or at any time before, at, or after such meeting; and neither the business transacted at, nor the purpose of, any regular or special meeting need be specified in any written waiver. A Member's attendance at any meeting constitutes a waiver of all defects in notice unless such Member expressly objects at the beginning of such meeting to the transaction of any business because the meeting is not regularly called.

**Section 7. Quorum.** The presence of Members, in person or by proxy, entitled to cast thirty percent (30%) of the votes eligible to be cast by the Members constitutes a quorum for all purposes except consideration of any action which requires the presence of Members entitled to cast two-thirds (2/3) of the votes eligible to be cast by the Members in which at least two-thirds (2/3) of the Members shall be present. Once established, a quorum is effective for all purposes notwithstanding the subsequent withdrawal of Members. If the required quorum is not present at any meeting duly called, a majority of the Members present have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until the required quorum is present, provided such adjournment is taken within one (1) hour following the scheduled time of meeting.

**Section 8. Right to Speak.** Members have the right to attend all membership meetings and to speak at any meeting with reference to all items opened for discussion or included on the agenda.

**Section 9. Minutes.** Minutes of all meetings of the members of the Association must be maintained in written form or in another form that can be converted into written form within a reasonable time.

Section 10. Adjournment. Adjournment of an annual or special meeting to a different date, time or place must be announced at that meeting before an adjournment is taken, or notice must be given of the new date, time or place in accordance with Article III, Section 4 hereof. Any business that might have been transacted on the original date of the meeting may be transacted at the adjourned meeting. If a new record date for the adjourned meeting is or must be fixed under Article III, Section 11 hereof, notice of the adjourned meeting must be given to persons who are entitled to vote and are members as of the new record date but were not members as of the previous record date.

Section 11. Record Date. Notice of any meeting of the Membership must be given to each Member as shown upon the Association's books on the date such notice is given. Only those Members shown as Members in good standing upon the Association's books on the eleventh (11th) calendar day preceding a meeting are entitled to vote at such meeting, or its adjournment.

Section 12. Proxies. Any Member may vote in person or by proxy at any meeting. All proxies must be in writing, must state the date, time and place of the meeting for which it is given and must be signed by the Member. A proxy shall be effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. A proxy is not revoked by incompetency or death until the Association receives written notice thereof. If a proxy confers authority upon two or more persons and does not otherwise provide a majority of such proxies present at the meeting or, if only one is present, then that one, may exercise all powers conferred by the proxy. A proxy expressly may provide for a right of substitution by written designation of the proxy holder. A Member represented by a valid proxy at any meeting is "present" for all purposes. All proxies must be filed with the Secretary of the Association at least forty-eight (48) hours prior to the meeting to which they pertain, or they shall not be considered for that meeting.

Section 13. Membership List. At least ten (10) days prior to each Membership meeting, a complete list of the Members entitled to vote at such meeting, and their respective addresses, must be kept on file at the Association's office, open to inspection by any Member. Such list also must be produced and kept open at the time and place of the meeting for inspection by any Member at any time during the meeting. In the absence of substantial compliance with the requirements of this Section, and upon the demand of any Member present, the meeting must be adjourned until such compliance occurs. If no such demand is made, failure to comply with the requirements of this section does not affect the validity of any action taken at such meeting.

Section 14. Voting Requirements. Every act and decision done or made by a majority of the Membership present at a meeting duly called at which a quorum is present is the act of the Membership, except with respect to any action requiring two-thirds (2/3) vote of the Membership, as to which the voting requirements of the applicable provisions of the Articles or Declaration govern.

#### ARTICLE IV Powers

Without limitation the Association, acting through the Board of Directors is empowered to:

(a) Declaration. Exercise all rights, powers, privileges, and perform all duties, of the Association set forth in that certain Declaration of Covenants, Conditions, Restrictions and Easements for ROUND LAKE CHALETS (hereinafter called the "Declaration") applicable to the Property and recorded or to be recorded in Pinellas County, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth in full;

(b) Property. In any lawful manner, acquire, own, hold, improve, manage, operate, maintain, repair, replace, operate, convey, sell, lease, transfer, assign, and otherwise dispose of property of any nature whatsoever, real, personal, or mixed, tangible or intangible, in connection with this Association's affairs;

(c) Assessments. Fix, levy, collect, and enforce by any lawful means all charges or assessments established by, or pursuant to, the Declaration; and to use and expend the proceeds of assessments in the exercise of its powers and duties hereunder;

(d) Costs. Pay all costs, expenses, and obligations lawfully incurred in connection with this Association's affairs including, without limitation, all licenses, taxes, or other governmental charges levied or imposed against this Association's property;

(e) Borrowing. Borrow money and, with the approval of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, hypothecate, assign, grant security interests in, or otherwise transfer any or all of its property as security for money borrowed, debts incurred, or any of its other obligations;

(f) Dedications. With the approval of three-fourths (3/4) of each class of members, dedicate, sell or transfer all or any part of its property to any public agency, authority, or utility for such purposes, and subject to such conditions, as three-fourths (3/4) of each class of members determine;

(g) Mergers. With the approval of two-thirds (2/3) of each class of members, participate in mergers and consolidations with other non-profit corporations organized for similar purposes;

(h) Rules and Regulations. From time to time adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing the use of the Units and Common Property (as those terms are defined in the Declaration) consistent with the rights and duties established by the Declaration and these Articles;

(i) Levy/Collect Assessments. To levy and collect adequate assessments in accordance with Article V of the Declaration including assessments for the costs of maintenance and operation of the surface water or stormwater management systems, including but not limited to, work within retention areas, drainage structures, and drainage easements.

(j) Operate/Maintain. To operate, maintain, and manage conservation areas and the surface water management system, including all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, floodplain compensation areas, wetlands and any associated buffer areas, and wetland mitigation areas, in a manner consistent with the Southwest Florida Water Management District permit requirements and applicable District rules, and assist in the enforcement of the restrictions and covenants contained therein. If the association contemplates employing a maintenance company, it shall have the power to contract for services to provide for operation and maintenance of the surface water management facilities.

(k) General. Have and exercise all common law rights, powers, and privileges and those that a corporation not for profit may now or hereafter have or exercise under the laws of the State of Florida, together with all other rights, powers, and privileges reasonably to be implied from the existence of any right, power, or privilege so granted, or granted by the Declaration or these Articles, or reasonably necessary to effectuate the exercise of any right, power, or privilege so granted;

(l) Enforcement. To enforce by legal means the obligations of the members of this Association and the provisions of the Declaration;

(m) Litigation. To sue or be sued; provided, however, that this Association's right to sue any third party is limited in the manner described in the Declaration;

(n) Other. Engage in all lawful acts permitted or authorized by Section 617.0302, Fla. Stat., and take any other action necessary for the purposes for which the association is organized;

(o) The SouthWest Florida Water Management District [the "District"] has the right to take enforcement measures, including a civil action for injunction and/or penalties against the Association to

compel it to correct any outstanding problems with the surface water management system facilities;

(p) Any amendment of the Declaration affecting the surface water management system facilities shall have the prior written approval of the District;

(q) If the Association ceases to exist, all of the unit owners, parcel owners or unit owners shall be jointly and severally responsible for operation and maintenance of the surface water management system facilities in accordance with the requirements of the Environmental Resource Permit, unless and until an alternate entity assumes responsibility as explained in subsection 2.6.2.2.4.h.; and

(r) For projects which have on-site wetland mitigation as defined in Section 1.4.24 which requires ongoing monitoring and maintenance, the declaration of protective covenants, deed restrictions or declaration of condominium shall include a provision requiring the Association to allocate sufficient funds in its budget for monitoring and maintenance of the wetland mitigation area(s) each year until the District determines that the area(s) is successful in accordance with the Environmental Resource Permit.

## ARTICLE V Board of Directors

Section 1. Number and Composition. Except as expressly provided otherwise, all powers of this Association are exercised by or under the authority of, and the business and affairs of the Association are managed under the direction of a Board of Directors consisting of three (3) Members, who, except for the initial Directors and until the Developer no longer exercises voting power as set forth in the Declaration, shall be Association Members. The number of Directors from time to time may be changed by amendment to these Bylaws, but at all times it must be either 3 or 5 members. Each Director continues in office until a successor has been elected and qualified, unless such Director sooner dies, resigns, is removed, or disqualified or otherwise unable to serve.

Section 2. Term. The term of office for all Directors is one year.

Section 3. Standard of Care. Each Director shall perform all duties as a Director, including duties as a committee member, (i) in good faith, (ii) in a manner such Director reasonably believes to be in the best interests of this Association, and (iii) with such care as an ordinary prudent person in a similar position would exercise under similar circumstances.

Section 4. Reliance. A Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by any of the following, unless such Director has actual knowledge that reliance is unjustified.

(a) Officers. One or more officers, employees or managers of this Association whom the Director reasonably believes are reliable and competent in the matters presented.

(b) Professionals. Legal counsel, public accountants, or other persons as to matters which the Director reasonably believes are within such person's professional or expert competence.

(c) Committees. An Association committee upon which such Director does not serve, duly constituted pursuant to the Declaration, the Articles or these By-Laws, as to matters within designated authority, which committee the Director reasonably believes merits confidence.

Section 5. Compensation. Any Director may be reimbursed by the Board for actual expenses incurred in the performance of such Director's duties; but no Director may be paid any compensation by this Association for the service rendered to this Association as a Director.

Section 6. Nomination. Nomination for election by the Board of Directors may be made among Members by a Nominating Committee or from the floor at the annual meeting of the Membership.

Section 7. Election. Election for the Board of Directors shall be held at the Annual Meeting and must be by ballot. At all meetings during the Class "B" Control Period, all vacancies occurring on the Board of Directors, if any, will be filled by majority vote of the remaining Directors, even if less than a quorum. Any Director may succeed himself or herself in office. After the Class "B" Control Period expires, the Directors shall be elected by the Members. Each Member may cast as many votes for each vacancy as such Member has under the provisions of Article III, Section 1 of the Declaration. The person receiving the largest number of votes for each vacancy shall be elected. Cumulative voting is not permitted.

Section 8. Removal. Any Director, or the entire Board, may be removed with or without cause by a majority of the votes eligible to be cast by the Members at any meeting called expressly for such purpose, by an agreement in writing or by written ballot without a membership meeting. A Director may only be removed by the class of members that elected such Director.

(a) If the Members elect to remove a Director or the entire Board by an agreement in writing or by written ballot, the agreement in writing or the written ballots, or a copy thereof, shall be served on the Association by certified mail or by personal service in the manner authorized by the Florida Rules of Civil Procedure. The Board shall duly notice and hold a meeting of the Board within five (5) full business days after receipt of the agreement in writing or written ballots. At the meeting, the Board shall either certify the written ballots or written agreement to recall a director or directors of the Board in which case such director or directors shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession.

(b) The agreements in writing or written recall ballots shall list at least as many possible replacement directors as there are Directors subject to the recall, when at least a majority of the Directors are sought to be recalled; the person executing the recall instrument may vote for as many replacement candidates as there are directors subject to the recall.

(c) Any rescission or revocation of a member's written recall ballot or agreement must be in writing and, in order to be effective, must be delivered to the Association before the Association is served with the written recall agreements or ballots.

(d) If the Members elect to remove a Director, or the entire Board at a meeting, a special meeting of the Members may be called by 10 percent of the voting interests giving notice of the meeting as required for a meeting of the Members. The notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose. The Board shall duly notice and hold a board meeting within five (5) full business days after the adjournment of the Member meeting. At the meeting, the Board shall certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession.

(e) If the Board determines not to certify the written agreement or written ballots to recall a Director or Directors of the Board or does not certify the recall by a vote at a meeting, the Board shall, within five (5) full business days after the meeting, file with the Division of Florida Land Sales, Condominium, and Mobile Homes of the Department of Business and Professional Regulation (the "Division") a petition for binding arbitration pursuant to Article IV, Section 8 of the Declaration. For the purposes of this subsection, the Members who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any director or directors of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. The Director or Directors so recalled shall deliver to the Board any and all records of the Association in their possession within five (5) full business days after the effective date of the recall. If it is determined by the Division pursuant to binding arbitration proceedings that an initial recall effort was defective, written recall agreements or written ballots used in the first recall effort and not found to be defective may be reused in one subsequent recall effort. However, in no event shall a

written agreement or written ballot be valid for more than 120 days after it has been signed by the Member.

(f) If a vacancy occurs on the Board as a result of a recall and less than a majority of the Directors are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any provision to the contrary contained in this subsection or in the Association documents. If vacancies occur on the Board as a result of a recall and a majority or more of the Board of Directors are removed, the vacancies shall be filled by Members voting in favor of the recall; if removal is at a meeting, any vacancies shall be filled by the Members at the meeting. If the recall occurred by agreement in writing or by written ballot, members may vote for replacement directors in the same instrument in accordance with procedural rules adopted by the Division.

(g) If the Board fails to duly notice and hold a Board meeting within five (5) full business days after service of an agreement in writing or within five (5) full business days after the adjournment of the member recall meeting, the recall shall be deemed effective and the Board of Directors so recalled shall immediately turn over to the Board all records and property of the Association.

(h) If a Director who is removed fails to relinquish his or her office or turn over records as required under this section, the circuit court in the county where the Association maintains its principal office may, upon the petition of the Association, summarily order the Director to relinquish his or her office and turn over all Association record upon application of the Association.

(i) The minutes of the Board meeting at which the Board decides whether to certify the recall are an official association record. The minutes must record the date and time of the meeting, the decision of the board, and the vote count taken on each board member subject to the recall. In addition, when the Board decides not to certify the recall, as to each vote rejected, the minutes must identify the parcel number and the specific reason for each such rejection.

(j) When the recall of more than one Director is sought, the written agreement, ballot or vote at a meeting shall provide for a separate vote for each Director sought to be recalled.

**Section 9. Vacancies.** If a Director, dies, resigns, is removed, or is disqualified or otherwise unable to serve, the remaining Directors, even if less than a quorum, may fill such vacancy by majority vote. Any appointed Director serves only the unexpired term of his predecessor, unless such appointee sooner dies, resigns, is removed, or is disqualified or otherwise unable to serve.

## **ARTICLE VI**

### **Directors' Meetings**

**Section 1. Regular Meetings.** The Board shall meet regularly as and when necessary for the proper conduct of this Association's affairs, on such dates and at such time and place as are determined resolution. The Board shall meet immediately following the annual meeting in order to elect officers and undertake such other business as it deems to be appropriate. If the date, time and place of a regular meeting are not determined by standing resolution, three (3) days' prior notice is required to any Director who did not attend the meeting at which the date, time, and place of meeting was determined.

**Section 2. Special Meeting.** Special Board meetings must be held on not less than three (3) days prior notice to each Director when called by (i) the President; or (ii) by any of three (3) Directors.

**Section 3. Assessments.** An assessment may not be levied at a Board meeting unless a written notice of the meeting is provided to all members at least 14 days before the meeting, which notice shall include a statement that assessments will be considered at the meeting and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which rules that regulate the use of parcels in the community may be adopted, amended or revoked must be mailed,

delivered, or electronically transmitted to the members and parcel owners and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting. A written notice concerning changes to the rules that regulate the use of parcels in the community must include a statement that changes to the rules regarding the use of parcels will be considered at the meeting.

Section 4. Petition by Members. If thirty percent (30%) of the total voting interests petition the Board to address an item of business, the Board shall at its next regular Board meeting or at a special meeting of the Board, but not later than sixty (60) days after the receipt of the petition, take the petitioned item up on agenda. The Board shall give all members notice of the meeting at which the petitioned item shall be addressed at least 14 days before the meeting, which notice shall include the subject matter of the petitioned item. Written notice must be mailed, delivered or electronically transmitted to the members and parcel owners and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting. Each member shall have the right to speak for at least 3 minutes on each matter placed on the agenda by petition, provided that the member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting. Other than addressing the petitioned item at the meeting, the Board is not obligated to take any other action requested by the petition.

Section 5. Open to Members. Members have the right to attend all meetings of the Board and to speak on any matter placed on the agenda by petition of the voting interests for at least 3 minutes. The Association may adopt written reasonable rules expanding the right of members to speak and governing the frequency, duration, and other manner of member statements, which rules must be consistent with this paragraph and may include a sign-up sheet for members wishing to speak. Notwithstanding any other law, the requirement that Board meetings be open to the members is inapplicable to meetings between the Board or a committee and the Association's attorney, with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege or with respect to meetings of the Board held for the purpose of discussing personnel matters.

Section 6. Notice. Notice of all Board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency.

Section 7. Quorum. Except where the provisions of the Declaration require action by a greater percentage, a majority of the Directors shall constitute a quorum for all purposes; and every act and decision done or made by a majority of the Directors present at a meeting duly called at which a quorum is present constitutes the act of the Board. Where any provision of the Declaration required approval by two-thirds (2/3) of the Directors, the *full* Board constitutes a quorum for such action. Once established, a quorum is effective for all purposes, notwithstanding the subsequent withdrawal of one or more Directors.

Section 8. Voting. Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers.

Section 9. Minutes. Minutes of all meetings of the Board must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each Director present at a board meeting must be recorded in the minutes.

Section 10. Conflict of Interest. No contract or other transaction between this Association and one or more of its Directors, or any entity in which one or more of this Association's Directors are directors, officers, or financially interested, is void or voidable because of such relationship or interest if:

- (a) Board Disclosure. Such relationship or interest is disclosed or known to the Board of Directors that authorizes, approves, or ratified the contract or transaction by a vote or consent sufficient for such purpose without counting the votes or consents of the interested Directors; or



(b) Members. Such relationship or interest is disclosed or known to the Members entitled to vote and they authorize, approve, or ratify such contract or transaction by the requisite vote or written consent; or

(c) Fairness. Such contract or transaction is fair and reasonable to the Association at the time it is authorized by the Board, or the Members. Common or interested Directors may be present at the meeting of the Board or Membership that authorizes, approves, or ratifies such contract or transaction and may be counted in determining the presence of a quorum at any such meeting without rendering the contract or transaction void or voidable.

Section 11. Adjournment. A majority of the Directors present at any meeting duly called, regardless of whether a quorum exists, may adjourn such meeting to another time and place, but notice of such adjourned meeting must be given to the Directors not present at the time of adjournment.

Section 12. Presence. Any Director present at a Board Meeting at which action on any matter is taken is presumed to have assented to such action unless such Director (i) votes against such action; or (ii) abstains from voting because of an asserted conflict of interest. A Director's presence at any meeting constitutes a waiver of notice of such meeting and any and all objections to the place or time of such meeting, or the manner in which it has been called or convened, unless such Director at the beginning of such meeting objects to the transaction of business because the meeting is improperly called or convened.

Section 13. Information Action. Any Board action that is required or permitted to be taken at a meeting may be taken without a meeting if a written consent to such action is signed by all Members of the board and filed in the minutes of the Board's proceedings. Directors are deemed present at any meeting for all purposes if a conference telephone or similar communication equipment is used by means of which all persons participating in the meeting can hear each other.

## ARTICLE VII Powers of Board of Directors

Section 1. General. The board has the power to exercise for and on behalf of this Association all powers, duties, and privileges vested in or delegated to this Association and not reserved to its Membership by any provision of these By-Laws, the Articles, or the Declaration. Without limitation, the Board may employ all managers, independent contractors, professional advisors, and employees and agents as the Board deems advisable and prescribe their duties and fix their compensation, if any.

Section 2. Rules and Regulations. The board has the power from time to time to adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing the use of all or any portion of the Common Area, the Property and the Association's activities, or either, so long as such rules and regulations are consistent with the rights and duties established by the Articles and the Declaration.

Section 3. Enforcement. For violation of any of its rules and regulations, the Board may (i) suspend any Member's right to services or privileges provided by this Association; or (ii) require any Member to make restitution to this Association for any loss resulting from any violation; or (iii) take any action described in Article II of the Declaration.

Section 4. Suspension of Members' Rights. The Board is authorized, without prior notice, to suspend any Member's right to services or privileges provided by this Association during any period in which such Member is more than thirty (30) days in default in payment of any assessment levied by this Association.

Section 5. Special Assessments. The Board has the power to determine what, if any, assessments are to be levied pursuant to Article V of the Declaration.

Section 6. Fines. The Board has the power (i) suspend any Owner's right to use the Common Property (other than private streets) and any such recreational or other facilities for a period not to exceed

sixty (60) days for any infraction of the Association's rules and regulations; and (ii) to levy fines against an Owner, tenant, guest or invitee of an Owner, not to exceed \$100 per violation of the Declaration, the Articles, these Bylaws or any duly adopted rule of the Association. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine shall not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the nonprevailing party as determined by the court.

(a) A fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

(b) The requirements of this subsection do not apply to the imposition of suspensions or fines upon any member because of the failure of the member to pay assessments or other charges when due if such action is authorized by the governing documents.

(c) Suspension of common-area-use rights shall not impair the right of an Owner or Tenant of a parcel to have vehicular and pedestrian ingress to and egress from the parcel, including, but not limited to, the right to park.

**Section 6. Indemnification.** The Board has the power to provide indemnification for this Association's officers, directors, employees (including volunteer employees), agents, and Members to the extent and in the manner from time to time permitted by the laws of the State of Florida, except that the Board cannot provide such indemnification for criminal intention, or willful misconduct. Except to the extent such determination from time to time is reserved to the Members by the laws of the State of Florida, the Board's determination to provide or refuse indemnification is conclusive.

**Section 7. Vacancies.** The board has the power to declare the office of any Director vacant if such director is absent from three (3) consecutive Board meetings without justification or excuse.

## ARTICLE VIII Duties of Board of Directors

**Section 1. General.** The Board shall supervise all of the Association's officers, agents, employees (including volunteer employees), committees and contractors and see that their respective duties are properly performed. The Board shall otherwise manage the affairs of this Association as provided in these By-Laws, the Articles, and the Declaration.

**Section 2. Assessments.** The board shall enforce collection of all assessments owed this Association that remain unpaid for a period of thirty (30) days by foreclosure, suit, or such other lawful procedures as the board deems advisable, in addition to imposing the sanctions provided by Article VII, Section 4, of these bylaws.

**Section 3. Estoppel Certificates.** Upon request by any interested person, the Board shall cause an appropriate Association officer to issue a certificate as to the status of assessments with respect to any Unit. Such certificates shall bind this Association as of the date of issuance when properly executed by an appropriate officer. The Board may make a reasonable, uniform charge for issuing such certificates.

**Section 4. Budget.** With the assistance of this Association's Treasurer, the Board shall prepare an annual budget and financial statements. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, Developer or another person. The Board shall provide each member with a copy of the annual budget or a written notice

that a copy of the budget is available upon request at no charge to the member. The copy must be provided within 10 business days after receipt of a written request.

Section 5. Financial Reporting. With the assistance of this Association's Treasurer, the Board shall prepare an annual financial report within 60 days after the close of the fiscal year. The Board shall, within 10 business days of completing the financial report, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report shall be prepared in accordance with the requirements of Section 720.303 (7) of the Florida Statutes.

Section 6. Insurance. The Board shall procure and maintain in force and effect at all times, insurance in compliance with the requirements of the Declaration. The Board also must cause all persons or entities employed, authorized, or contracted with to collect, disburse, and manage this Association's funds, including this Association's officers directors, and uncompensated volunteers, to be bonded or insured with standard fidelity and errors omissions coverage for the benefit of this Association. The premiums for the foregoing shall be paid from Association funds.

Section 7. Management. The Board may contract with the Developer or any other person to manage the Association's affairs, in whole or in part; but no such management contract may be for a term longer than one year and must be terminable by the Association for cause upon not more than thirty (30) days prior written notice.

## ARTICLE IX Books and Records

Section 1. Records Numerated. The Association must keep correct and complete (i) books and records of account; (ii) minutes of the proceedings of its Members and the Board; and (iii) a Membership Record.

Section 2. Formality. No particular formality is required for the minutes of the proceedings of this Association, as long, as the nature, of the action: taken or. Defeated reasonably can be determined from such record: Failure to maintain proper minutes of any proceedings does not affect its validity if all requirements for any action taken in fact were met.

Section 3. Member Record. This Association's Member Record must show (i) the name of each Owner and Co-Owner, if any, (ii) a proper legal description of such Owner's Unit, (iii) whether such Owner's Member is in good standing, and (iv) the address to which notice is to be given such Owner pursuant to these By-Laws.

Section 4. Book of Resolutions. All resolutions of the Member or Board, having more than temporary effect shall be compiled from time to time into a Book of Resolutions and topically indexed for the future guidance of this Association's directors, officers, and Members.

Section 5. Inspection. All books, records, and papers of this Association are open at all times during reasonable business hours for inspection and copying by any Owner, member, or by the Developer within 10 business days after receipt of a written request for access. Such right of inspection may be exercised personally or by one or more representatives. Upon request, the Association also will furnish to any Owner, Member or the Developer copies (certified, if requested) of any and all of its books, records and other papers. This subsection may be complied with by having a copy of the official records available for inspection or copying in the community. If the Association has a photocopy machine available where the records are maintained, it must provide Owners with copies on request during the inspection if the entire request is limited to no more than 25 pages. The Association may make a reasonable, uniform charge for such copies and certification. The Association may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not impose a requirement that an Owner demonstrate a proper purpose for the inspection, state any reason for the inspection, or limit an Owner's right to inspect records to less than one 8-hour business day per month. The

Association may impose fees to cover the costs of providing copies of the official records, including without limitation, the costs of copying. The Association may charge up to 50 cents per page for copies made on the Association's photocopier. If the Association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the Association may have copies made by an outside vendor and may charge the actual cost of copying. The Association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members. Notwithstanding anything contained herein, the following records shall not be accessible to members or Owners:

- (a) Any record protected by the lawyer-client privilege as described in Section 90.502 of the Florida Statutes and any record protected by the work-product privilege, including, but not limited to, any record prepared by the Association's attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association and was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings;
- (b) Information obtained by the Association in connection with the approval of the lease, sale or other transfer of a parcel;
- (c) Disciplinary, health, insurance and personnel records of the Association's employees; and
- (d) Medical records of Owners or residents.

Section 6. The official Association records shall include:

- (a) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the Association is obligated to maintain, repair or replace.
- (b) A copy of the By-Laws of the Association and of each Amendment to the By-Laws.
- (c) A certified copy of the Articles of Incorporation of the Association and of each amendment thereto.
- (4) A copy of the Declaration of Covenants and a copy of each Amendment thereto.
- (e) The copy of the current rules of the Association.
- (f) The minutes of all meetings of the Board of Directors and of the Membership, which minutes must be retained for at least seven (7) years.
- (g) A current roster of all members and their mailing addresses and parcel identification. The Association shall also maintain the electronic mailing addresses and the numbers designated by members for receiving notice sent by electronic transmission of those members consenting to receive notice by electronic transmission. The electronic mailing addresses and numbers provided by Owners to receive notice by electronic transmission shall be removed from association records when consent to receive notice by electronic transmission is revoked. However, the Association is not liable for an erroneous disclosure of the electronic mail address or the number for receiving electronic transmission of notices.
- (h) All of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.

(i) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of one (1) year.

(j) The financial and accounting records of the Association; kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:

(1) Accurate, itemized, and detailed records of all receipts and expenditures.

(2) A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay assessments, the due date and amount of each assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.

(3) All tax returns, financial statements, and financial reports of the Association.

(4) Any other records that identify, measure, record or communicate financial information.

(k) A copy of the disclosure summary provided to prospective purchasers and as described in Section 720.401(1) of the Florida Statutes.

(l) All other written records of the Association not specifically included in the foregoing which are related to the operation of the Association.

## **ARTICLE X**

### **Officers**

Section 1. Enumeration. This Association's regular Officers are a President and Secretary/Treasurer, who are elected, at the first Board meeting following each annual meeting, for a term of one year, and until their respective successors are qualified, unless any such officer sooner dies, resigns, is removed, or is disqualified or otherwise unable to serve. Officers must be Members of the Board of Directors.

Section 2. Special Officers. The board may appoint such other officers as it deems advisable, each of whom will hold such offices for such period, have such authority, and perform such duties as the board from time to time determines.

Section 3. Resignation and Removal. Any officer may be removed by the Board with or without cause. A resignation of any officer need not be accepted to be effective. Vacancies are filled by Board appointment.

Section 4. Multiple Offices: The offices of Secretary and Treasurer may be held by the same person. No person simultaneously may hold more than one other regular office, but any regular officer also may hold one or more special offices.

Section 5. Duties. The duties of the regular officers are as follows:

(a) **President.** The President is entitled to (i) to preside at all meetings of the Board and the Members; (ii) sees that orders and resolution of the Board are carried out; and (iii) signs all leases, mortgages, deeds, and other written instruments, and co-signs all checks and promissory notes.

(b) **Vice President.** The Vice President shall act in place of the President if the President is absent, unable or refuses to act.

(c) Secretary. The Secretary (i) records the votes and keeps the minutes of all meetings and proceedings of the Board and the Members ; (ii) keeps the corporate seal of this Association and affixes it on all instruments requiring it; (iii) gives notice of all meetings of the Board and Members; and (iv) keeps the Members' Record as provided in Article IX, Section 3, of these By-Laws.

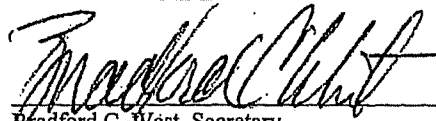
(d) Treasurer. The Treasurer (i) causes the receipt and deposit into appropriate bank accounts of all Association monies and disburses such funds as directed by the Board; (ii) signs all checks and promissory notes of this Association; (iii) keeps proper books of account; (iv) with the assistance of the Board, prepares an annual budget and a statement of income and expense for presentation to the Membership at its annual meeting; and (v) reports to the Association on a quarterly basis as to the financial status of the Association. Any officer additionally may exercise such other powers, and discharge such other duties, as the Board from time to time may require or permit.

#### ARTICLE XI Procedure

Roberts Rules of Order (latest edition) shall govern the proceedings of meetings of the Association, the Board of Directors and its Committees.

#### ATTESTATION

IN WITNESS WHEREOF, the undersigned Secretary has signed this document for the purpose of authenticating it as the By-Laws of ROUND LAKE CHALETS HOMEOWNERS' ASSOCIATION, INC., a corporation not for profit, as adopted by its Board of Directors this 12<sup>th</sup> day of October, 2005.

  
Bradford C. West, Secretary

#### RIDER

CONSTRUCTION INDUSTRIES RECOVERY FUND: Payment may be available from the Construction Industries Recovery Fund if you lose money on a project performed under contract where the loss results from specified violations of Florida law by a state licensed contractor. For information about the recovery fund and filing a claim, contact the CONSTRUCTION INDUSTRY LICENSING BOARD, 7960 ARLINGTON, EXPRESSWAY, SUITE 300, JACKSONVILLE, FLORIDA 32211-6310, (904) 727-6530.