

THIS INSTRUMENT PREPARED BY  
AND RETURN TO:  
CHAD M. MCCLATHEN, ESQ.  
BECKER & POLIAKOFF, P.A.  
630 S. ORANGE AVENUE  
SARASOTA, FL 34236

IMAGED GK

BARBARA T. SCOTT, CLERK  
CHARLOTTE COUNTY  
OR BOOK 1662 PAGE 0324  
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CERTIFICATE OF AMENDMENT  
TO  
BYLAWS  
OF  
HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

The undersigned officers of Hideaway Bay Beach Club Condominium Association, Inc., a Florida not-for-profit corporation organized and existing to operate and maintain Hideaway Bay Beach Club, a Condominium, according to the Declaration of Condominium thereof as recorded in O.R. Book 972, page 725, et seq., Public Records of Charlotte County, Florida, hereby certify that the following amendment to the Bylaws was approved by not less than two-thirds of the membership of the Board of Directors and by not less than fifty-one (51%) percent of the voting interests of the membership of the Association. The undersigned further certify that the amendment was duly proposed and adopted as provided in the condominium documentation and applicable law.

(Additions indicated by underlining, deletions by ~~....~~, and omitted, unaffected language by ...)

3. A. BOARD OF DIRECTORS. Election of Directors shall be conducted in the following manner:

3.1 Number, Tenure and Qualifications. The affairs of the Association shall be governed by a Board not less than three nor more than seven directors, and shall be fixed at five until changed by adoption of a membership resolution. Commencing at the annual membership meeting in 1999, the terms of the Board of Directors shall be staggered. The three persons elected who receive the most votes shall serve two (2) years and two other elected directors shall serve one (1) year terms. Thereafter, all directors shall serve two year terms, provided however, that either the Board of Directors or the membership shall have the authority to temporarily assign a one year term to one or more director positions if necessary to reimplement a scheme of staggering the Board, to promote continuity of leadership, so that approximately one-half of the Board members are elected each year.

3.2(4) The Election of Directors shall be held at the annual membership meeting in the following manner which shall apply in lieu of the Director election procedures under Chapter 718, Florida Statutes.

(2a) A nominating committee of five (5) members shall be appointed by the Board of Directors not less than ~~thirty (30)~~ seventy-five (75) days prior to the annual members' meeting. The committee shall nominate at least one person for each Director then serving. ~~Nominations for additional Directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.~~

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

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

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

(e) The election shall be by plurality vote (the nominees receiving the highest number of votes are elected). Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as the flipping of a coin by a neutral party.

(f) No election shall be necessary if the number of candidates is less than or equal to the number of vacancies. The candidates shall automatically be elected and their names announced at the annual meeting.

(3) ~~The election shall be by secret, written ballot (unless dispensed by~~

unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(4) Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

(5) Any Director may be removed with or without cause by a majority of all the voting interests at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting. The special meeting of the Unit Owners to recall a member or members of the Board of Administration shall be conducted in accordance with Section 718.112(2)(k), Florida Statutes (1986), as amended. However, notwithstanding the above, prior to turnover of the Condominium, any Director appointed by the Developer may be removed and replaced by the Developer only.

a. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective immediately, and the recalled member or members of the board of administration shall turn over to the board any and all records of the Association in their possession, within 72 hours after the meeting.

b. If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing shall be served on the Association by certified mail. The Board of Administration shall call a meeting of the Board within 72 hours after receipt of the agreement in writing and shall either certify the written agreement to recall a member or members of the board, in which case such member or members shall be recalled immediately and shall turn over to the Board within 72 hours, any and all records of the Association in their possession, or proceed as described in paragraph 3.

c. If the Board determines not to certify the written agreement to recall a member or members of the Board, or if the recall by a vote at a meeting is disputed, the board shall, within 72 hours, file with the Division of Florida Land Sales and Condominiums a petition for binding arbitration pursuant to the procedures of Section 718.1255, Florida Statutes (1986), as amended. For purposes of this section, the Unit Owners who voted at the meeting or executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall shall be effective upon service of the final order of arbitration upon the Association. If the Association fails to comply with the order of the arbitrator, the Division of Florida Land Sales and Condominiums may take action pursuant to Section 718.501, Florida Statutes (1986), as amended. Any member or members so recalled shall deliver to the Board any and all records of the Association in their possession within 72 hours of the effective date of the recall.

(6) Notwithstanding the foregoing paragraphs concerning election of Directors as provided in these Bylaws and as further outlined in the Articles of Incorporation, the Developer and the Unit Owners other than the Developer shall be governed by the provisions of Section 718.301, Florida Statutes (1986), as amended, which provides in part as follows: The Directors named in the Articles of Incorporation shall serve until the Unit Owners are entitled to elect a member as hereinafter provided. Any vacancies of the Board of Director members occurring before the first election shall be filled by the remaining Directors. When Unit Owners other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, i.e., the 112 Units contemplated, the Unit Owners other than the Developer shall be entitled to elect one third (1/3) of the members of the Board of Directors of the Association. Unit Owners other than the Developer are entitled to elect a majority of the members of the Board of Directors of the Association three (3) years after conveyance by the Developer to the purchasers of fifty (50) percent of the Units that will be operated ultimately by the Association, or three (3) months after conveyance to the purchaser by the Developer of ninety (90%) percent of the Units that will be operated ultimately by the Association, or when all of the Units that will be operated ultimately by the Association have been completed and some of them have been conveyed to the purchasers and none of the other are being offered for sale by the Developer in the ordinary course of business or 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, whichever shall first occur. The Developer is entitled to elect not less than (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units in the Condominium operated by the Association.

### 3.3 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, even 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 of Florida Land Sales, Condominiums and Mobile Homes, governing the method of selecting successors, and providing procedures for the operation of the Association during the period after the recall but prior to the designation of successor directors sufficient to constitute a quorum.

For purposes of the foregoing provisions, in order to establish a quorum at the Board of Director's meeting held to elect a replacement member to the Board, it shall be necessary only for a majority of the remaining directors to attend the meeting, either in person or by telephone conference participation. No other business may be transacted at the meeting until a quorum of the entire Board of Directors is present.

3.4 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. 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.

(All other Bylaws provisions shall remain unchanged and shall be renumbered and relettered in consecutive order.)

Dated this 20<sup>th</sup> day of November 1998.

HIDEAWAY BAY BEACH CLUB  
CONDOMINIUM ASSOCIATION, INC.

Brenda D. Himmelhauser  
Witness Signature

BY: Matt Fox  
MATT FOX, PRESIDENT

BRENDA D. HIMMELHAUSER  
Printed Name

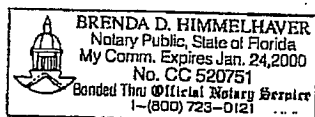
Willard L. Bachman  
Witness Signature

BY: Boyd A. Kellett  
BOYD A. KELLETT, SECRETARY

Mario M. Bachman  
Printed Name

STATE OF FLORIDA  
COUNTY OF Charlotte

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of November, 1998 by MATT FOX, as President, and Boyd A. Kellett, as Secretary of HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation, on behalf of the corporation. They are personally known to me or have produced \_\_\_\_\_ as identification. If no type of identification is indicated, the above-named persons are personally known to me.



Brenda D. Himmelhauser  
Notary Public  
Printed Name BRENDA D. HIMMELHAUSER  
State of Florida  
My Commission Expires 1/24/00

**BYLAWS  
OF  
HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**

1. Identity. These are the Bylaws of HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC., hereafter called the "Association", a corporation, not-for-profit under the laws of the State of Florida, the Articles of Incorporation of which are filed in the office of the Secretary of State.

The Association has been organized for the purpose of administering a Condominium pursuant to §718, Florida Statutes (1936), as amended, called the Condominium Act in these Bylaws, which Condominium is identified by the name HIDEAWAY BAY BEACH CLUB, A CONDOMINIUM, and is located upon the lands in Charlotte County, Florida described in Article III of the Declaration of Condominium of HIDEAWAY BAY BEACH CLUB, A CONDOMINIUM.

1. A. The office of the Association shall be at P.O. Box 910, Sarasota, Florida 33578.

1. B. The fiscal year of the Association shall be the calendar year.

1. C. The seal of the Association will bear the name of the Association, the word "Florida", the words "Corporation Not-For-Profit," and the year of incorporation.

2. Members' Meetings. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners, or their authorized representatives at any reasonable time. The Association shall maintain official records as provided in §718.111(12), Florida Statutes (1986), as amended.

2. A. The annual members' meeting shall be held at the office of the Association at the Caretaker's Office, on the 2nd Tuesday in March of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday. It is estimated that the first annual meeting will be held on March 8, 1988.

2. B. Special members' meetings shall be held whenever called by the president or vice-president or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from not less than fifty (50%) percent of the voting interests of the Association.

2. C. Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the president, vice-president or secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days nor more than thirty (30) days prior to the date of the meeting. Notice on the annual meeting shall also be posted in a conspicuous place on the Condominium Property at least fourteen (14) days prior to the annual meeting. Notice of meetings may be waived before meetings, but unless a Unit Owner waives in writing the right to receive notice of the annual meetings by mail, the notice of the annual meetings shall be sent by mail to each Unit Owner. An officer of the Association shall provide an affidavit to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with §718.112(2)(d)2., Florida Statutes (1986), as amended, to each Unit Owner at the address last furnished to the Association. However, notwithstanding the above, notice of any meeting where assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

2. D. A quorum of members' meetings shall consist of persons entitled to cast a majority of the voting interests of the entire membership. The acts approved by a majority of the voting interests

present at a meeting at which the quorum is present shall constitute the acts of the members, except when approval of a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

2. E. Owners of each Unit shall collectively be entitled to one (1) voting interest, and the person entitled to such voting interest shall be determined as follows:

A statement must be filed with the secretary of the Association, in writing, signed under oath by members with a present interest in an Unit and shall state:

(1) The respective percentage interest of every person (as recorded in the Public Records of Charlotte County, Florida) owning a vested present interest in the fee title of the Unit in which the affiant owns an interest.

(2) Which one of the Owners of the Unit in which the affiant owns an voting interest is to represent all of the Owners of that Unit at membership meetings and cast the vote to which they are entitled. The person so designated by the persons owning the majority interest in a Unit shall be known as having the voting interest and shall be the only member owning an interest in that Unit eligible to cast the voting interest for said Unit at membership meetings. The person designated as having the voting interest may continue to cast the binding vote for all members owning an interest in the Unit in which he owns an interest until such time as another person is properly designated as having the voting interest by those members owning the majority present interest by a similar written statement filed with the secretary.

(3) There shall not be more than one (1) voting interest at any one time and each may cast one (1) vote. A corporation, or any individual with an interest in more than one Unit may be designated as having the voting interest for each Unit in which he or it owns an interest. Failure by members of an Unit to file such statement under oath with the secretary prior to a members' meeting will result in depriving the members with an interest in such Unit of a vote at such meeting.

2. F. Votes may be cast in person or by proxy. A proxy may be given by any person entitled to have a voting interest and shall be valid only for the particular meeting designated in the proxy and any lawfully adjourned meetings thereof and must be filed with the secretary before the appointed time of the meeting or any adjournment of the meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Unit Owner executing it. A proxy, to be valid, must contain at least all of the following information: (1) the name of the Member voting by proxy; (2) the name of the person authorized to vote the proxy; (3) the date the proxy was given; (4) the date, time and place of the meeting for which the proxy is given; (5) if a limited proxy, those items which the holder of the proxy may vote, in the manner in which the vote is cast; and (6) whether the proxy expressly provides for appointment of a substitute.

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

2. H. The Membership may, at the discretion of the Board or as otherwise permitted by any Florida rule or statute which specifically provides for Membership action, act by written agreement in lieu of meeting provided that written notice of the matter or matters to be determined by such Members is given to the Membership at the addresses and within the time period set forth in Paragraph 2 C hereof or is duly waived in accordance with such Paragraph. Any determination as to the matter or matters to be determined pursuant to such notice by the number of persons that would be able to determine the subject matter at a meeting shall be binding on the Membership. Any such notice shall set forth a time period during which time a response may be made thereto.

2. 1. The order of business at annual members' meetings and as far as practical at other members' meetings, shall be:

- (1) Calling of the roll and certifying proxies.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Election of inspectors of election.
- (7) Election of Directors.
- (8) Unfinished business.
- (9) New business (including consideration of the budget).
- (10) Adjournment.

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The President of the Board of Directors shall preside at all meetings. In his absence, the Board shall designate the person to preside.

2. J. Disputes. Pursuant to Section 718.112(2)(1) and 718.1255 of the Florida Condominium Act, Florida Statutes, Chapter 718 (the "Condominium Act"), there shall be voluntary binding arbitration of internal disputes which arise from the operation of the Association among Developer, any of the members, the Association and/or their agents or assigns, provided that the parties to the dispute agree upon resolving the dispute by such means. The arbitration shall be performed in accordance with rules and procedures promulgated by the Association and the Division of Florida Mobile Homes, Land Sales and Condominiums, and set forth in the Condominium Act, from time to time, and the result of such arbitration shall be binding upon all parties thereto.

3. A. Election of Directors shall be conducted in the following manner:

(1) Election of Directors shall be held at the annual members' meeting.

(2) A nominating committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one person for each Director then serving. Nominations for additional Directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

(3) The election shall be by secret, written ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(4) Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

(5) Any Director may be removed with or without cause by a majority of all the voting interests at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting. The special meeting of the Unit Owners to recall a member or members of the Board of Administration shall be conducted in accordance with §718.112(2)(k), Florida Statutes (1986), as amended. However, notwithstanding the above, prior to turnover of the Condominium, any Director appointed by the Developer may be removed and replaced by the Developer only.

a. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective immediately, and the recalled member or members of the board of administration shall turn over to the board any and all records of the Association in their possession, within 72 hours after the meeting.

b. If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing shall be served on the Association by certified mail. The Board of Administration shall

call a meeting of the Board within 72 hours after receipt of the agreement in writing and shall either certify the written agreement to recall a member or members of the board, in which case such member or members shall be recalled immediately and shall turn over to the Board within 72 hours, any and all records of the Association in their possession, or proceed as described in paragraph 3.

c. If the Board determines not to certify the written agreement to recall a member or members of the Board, or if the recall by a vote at a meeting is disputed, the board shall, within 72 hours, file with the Division of Florida Land Sales and Condominiums a petition for binding arbitration pursuant to the procedures of §718.1255, Florida Statutes (1986), as amended. For purposes of this section, the Unit Owners who voted at the meeting or executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall shall be effective upon service of the final order of arbitration upon the Association. If the Association fails to comply with the order of the arbitrator, the Division of Florida Land Sales and Condominiums may take action pursuant to §718.501, Florida Statutes (1986), as amended. Any member or members so recalled shall deliver to the Board any and all records of the Association in their possession within 72 hours of the effective date of the recall.

(6) Notwithstanding the foregoing paragraphs concerning election of Directors as provided in these Bylaws and as further outlined in the Articles of Incorporation, the Developer and the Unit Owners other than the Developer shall be governed by the provisions of §718.301, Florida Statutes (1986), as amended, which provides in part as follows: The Directors named in the Articles of Incorporation shall serve until the Unit Owners are entitled to elect a member as hereinafter provided. Any vacancies of the Board of Director members occurring before the first election shall be filled by the remaining Directors. When Unit Owners other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, i.e., the 112 Units contemplated, the Unit Owners other than the Developer shall be entitled to elect one-third (1/3) of the members of the Board of Directors of the Association. Unit Owners other than the Developer are entitled to elect a majority of the members of the Board of Directors of the Association three (3) years after conveyance by the Developer to the purchasers of fifty (50) percent of the Units that will be operated ultimately by the Association, or three (3) months after conveyance to the purchaser by the Developer of ninety (90%) percent of the Units that will be operated ultimately by the Association, or when all of the Units that will be operated ultimately by the Association have been completed and some of them have been conveyed to the purchasers and none of the other are being offered for sale by the Developer in the ordinary course of business or 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, whichever shall first occur. The Developer is entitled to elect not less than (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units in the Condominium operated by the Association.

3. B. The term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3. C. The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. Such notice of meeting shall be posted conspicuously on Condominium property at least 48 hours prior to the meeting, except in an emergency.

3. D. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting. All meetings of the Board shall be open to all Unit Owners, and adequate notice of all

meetings, regular and special, shall be posted conspicuously on the Condominium Property at least 48 hours in advance, except in an emergency. A director may participate in a meeting through the use of telephone conference calls. When a telephone conference call is used, a telephone speaker phone shall be utilized so that directors and any members present in an open meeting may hear any discussion. Directors utilizing telephone conference calls may be counted toward obtaining a quorum and may vote over the telephone.

The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

(1) A Director of the Association who is present at a meeting of its board at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

3. E. Special meetings of the Directors may be called by the president and must be called by the secretary at the written request of one-third (1/3) of the Directors. Except in an emergency, not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

3. F. Any Director may waive notice of a meeting before the meeting and such waiver shall be deemed equivalent to the giving of notice.

3. G. A quorum at Director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

3. H. If at any meeting of the Board of Directors there be less than a quorum present, the majority of these present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3. I. The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected; and if not, the president shall preside. In the absence of the presiding officer the Directors present shall designate one of their number to preside.

3. J. The order of business at Directors' meeting shall be

- (1) Calling of roll.
- (2) Proof of due notice of meeting.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers and committees.
- (5) Election of officers.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

3. K. The Directors of the Association may select an Advisory Board consisting of three (3) members of the Association. The Advisory Board shall have no power or authority but shall offer the Directors suggestions and advice regarding the management of the affairs of the Association. The Advisory Board shall serve at the pleasure of the Directors of the Association.

3. L. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors, the agents, contractors, or employees of the Board of Directors, subject only to approval by Unit Owners when such is specifically required.



4. Officers. The executive officers of the Association shall be a president who shall be a Director; a vice-president, who shall be a Director; a secretary and treasurer. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

The officers of the Association shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors unless they shall be removed by a majority of the Board of Directors at any regular or special meeting of the Board duly called.

Any officer may resign as officer at any time. Such resignation shall be made in writing, submitted to the secretary and shall take effect as is specified in the instrument. Acceptance of resignation shall not be required to make it effective.

Any vacancy resulting from the removal or resignation of an officer as herein provided may be filled by the Board of Directors at the same meeting.

4. A. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of the president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he, in his discretion, may determine appropriate, to assist in the conduct of the affairs of the Association.

4. B. The vice-president in the absence or disability of the president shall exercise the powers and perform the duties of the president. He also shall assist the president generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

4. C. The secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notice to the members and Directors and other notices required by law. He shall have custody of the seal of the Association, and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the president.

4. D. The treasurer shall have custody of all property of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office of the treasurer.

5. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

5. A. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classification as shall be appropriate, all of which expenditures shall be common expenses:

(1) Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

(2) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

(4) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal

property that will be part of the common elements, the amount for which shall not exceed \$1,000.00; provided, however, that in the expenditure of this fund no sum in excess of \$250.00 shall be expended for a single item or purpose without approval of a majority of the members of the Association.

(5) Operations, the amount of which may be to provide a working fund or to meet losses.

5. B. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of common expenses to the Unit Owners not less than fourteen (14) days nor more than thirty (30) days prior to the meeting at which the budget will be considered. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to those expenses listed in §718.504(20), Florida Statutes (1986), as amended. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement costs of each reserve item. Reserves may be waived in whole or in part if at a duly called meeting of the Association a majority of the voting interest of the Association is present, in person or by proxy may so vote. Any such waiver shall be effective for only one annual budget, and the vote must be taken annually to continue to waive the statutory requirements. Also, the Board of Directors shall have the authority to increase the general operating budget up to 115% at any time during the year in accordance with §718.112(2) (e).

5. C. The membership shall adopt a budget at the annual meeting.

(1) If a meeting of the Unit Owners has been called and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget proposed by the Board of Directors shall go into effect as scheduled.

(2) If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect.

5. D. The budget assessments for the Unit Owners for their shares of the items of the budget shall be made for the calendar year annually in advance at the scheduled annual Association meeting, preceding the year for which the assessments are made. If the budget is not adopted as required, last years budget shall continue with assessments made in the amount of the prior budget assessment and monthly installments on such assessment shall be due upon each installment payment date until such change by an amended budget. The budget assessment will be collected quarterly installments. In the event the annual budget assessment proves to be insufficient, the budget assessments may be amended at any time by the Board of Directors in the manner elsewhere provided.

5. E. The record Owners of each Unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, made by the Association and for all costs for collecting delinquent assessments. All assessments and installments not paid when due shall be charged interest at the maximum interest rate that is allowed by law. In the event assessments against a Unit are not paid within sixty (60) days after their due date, the Association shall have the right to file a lien as provided in Article XIV of this Declaration. The Board of Directors shall have the authority to assess a late charge for all assessments that are unpaid for over thirty (30) days after due. The late charge or fine will not become a lien against the Unit nor will it exceed \$50.00 per infraction nor may any fine be levied except after giving a reasonable notice and opportunity for a hearing to the Unit Owner, and if applicable, it's licensee or invitee. This provision for late charges does not apply to unoccupied Units. The procedure to be followed in obtaining the fine shall be as follows: a) The party against whom the fine is sought to be levied shall be afforded an opportunity for

hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

1. A statement of the date, time and place of hearing;
2. A statement of the provisions of the declaration, association bylaws, or association rules which have allegedly been violated; and
3. A short and plain statement of the matters asserted by the association.

b) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the association. The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorney's fees incurred by the Association which are incident to the collection of the assessment or enforcement of the lien. The lien is effective from and after the recording of a claim of lien in the Public Records in Charlotte County which states the description of the Condominium parcel, the name of the record Owner, the amount due, and the due dates. No such lien shall continue for a longer period than 1 year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure. That any collection or enforcement of lien shall be governed by §718.116, Florida Statutes (1986), as amended.

5. F. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the Unit Owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the voting interests of the Unit Owners concerned, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors of the Association may require in the notice of assessment. The specific purpose or purposes of any special assessment approved in accordance with the Condominium documents shall be set forth in a written notice of such assessments sent or delivered to each Unit Owner. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners. However, upon completion of such specific purpose or purposes, any excess funds shall be considered common surplus.

5. G. The Depository of the Association shall be such bank, banks or federally insured savings and loan associations as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

5. H. A review of the accounts of the Association shall be made annually by an accountant selected by the Board, and a copy of the review report shall be furnished to each member not later than sixty (60) days subsequent to the end of the Association's fiscal year.

5. I. Fidelity Bonds shall be required for all persons who control or disburse funds of the Association. The amount of such bonds shall be determined by the Directors, but the principal sum shall not be less than \$10,000.00 for each such person. The Association shall bear the cost of such bonding.

6. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.

7. Sale, Rental, Lease or Transfer of Unit. Prior to the lease, sale or transfer of any interest in a Unit and common property to any persons other than the transferor's spouse, a Board of Directors of the Association shall approve or disapprove of the proposed leases, sale or

transfer, in writing, and shall notify the Owners of its decision. The fee charged by the Board of Directors for this service shall not be in excess of the expenditures reasonably required for the lease, transfer or sale and this expense shall not exceed \$50.00. However, if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made.

8. Amendments. Except as elsewhere provided otherwise, these Bylaws may be amended in the following manner:

8. A. Notice in writing of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered. The proposal to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Bylaws. See Bylaw.....for present text." Nonmaterial errors or omissions in the Bylaw process shall not invalidate an otherwise properly promulgated amendment.

8. B. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by not less than fifty-one (51%) percent of the voting interest of the Association. Directors and members in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is deliverable to the secretary at or prior to the meeting. Such approvals must be either by:

(1) Not less than two thirds (2/3) of the membership of the Board of Directors and by not less than fifty-one (51%) percent of the voting interests of the membership of the Association; or

(2) Not less than two thirds (2/3) of the voting interests of the membership of the Association; or

(3) Until turnover of Association control by Developer the Board of Directors shall have the sole right to amend the Bylaws by two-third (2/3) vote provided the amendment does not increase the number of Units not alter the boundaries of the common elements.

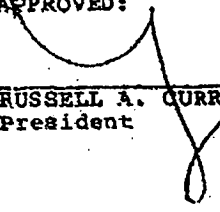
8. C. Provided, however, that no amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units, unless the Unit Owners so affected shall consent; and no amendment shall change any Unit or decrease the share in the common elements appurtenant to it, unless the record Owner of the Unit concerned and all record owners of the mortgages on such Unit shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "insurance" nor the section entitled "reconstruction or repair after casualty" unless the record owners of all mortgages upon the Condominium shall join the execution of this amendment. An amendment shall not affect the Developer prior to turnover of Association control without Developer's written consent.

8. D. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the president or vice-president of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Charlotte County, Florida, with identification on the first page thereof of the book and page of the public records where the Declaration of each Condominium operated by the Association is recorded.

The foregoing were adopted as the Bylaws of HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC., a Corporation Not-For-Profit under the laws of the State of Florida, at the first meeting of the Board of Directors of HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC., on this 31<sup>st</sup> day of December, 1987.

  
H.R. FOXWORTHY, Secretary

APPROVED:

  
RUSSELL A. CURRIN, JR.  
President

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