

ORIGINAL SIGNATURE ON FILE

SUBSTANTIAL REWORDING OF BY-LAWS

(See By-Laws dated 3/4/97 for present text)

OF

**SUGARMILL WOODS OAK VILLAGE, ASSOCIATION, INC.**

(A Florida Corporation Not-for-Profit)

1. Identity. These are the By-Laws of SUGARMILL WOODS OAK VILLAGE ASSOCIATION INC, hereafter sometimes called the "Association", a Florida Corporation Not-For-Profit, under the laws of the State of Florida, the Article of Incorporation which are filed in the office of the Secretary of State.

1A. The Association has been organized for the purpose of administering Sugarmill Woods Subdivision, Oak Village, according to the plat thereof recorded in Plat Book 10, pages 10 through 56, inclusive, of the Public Records of Citrus County, Florida. This common area is located upon land in Citrus County, Florida, as described in the above referenced Plat and Paragraph 22 of the Amended Declaration of Restrictions recorded in O.R. Book 655, page 1768, Public Records of Citrus County, Florida, and paragraph 22, Declaration of Restrictions recorded in O.R. Book 655, page 1776, of the Public Records of Citrus County, Florida, except the common area shall not include (a) any platted lot unless the Association is the owner thereof, and (b) any property which has been dedicated to and accepted by any public authority or body which has assumed the obligation to maintain same. The terms common area, common element, and common property are synonymous as used herein. In addition, the Association, as defined in its Articles of Incorporation, shall carry out all the duties and responsibilities imposed upon it by the aforementioned Declaration of Restrictions for Sugarmill Woods Oak Village, including, but not limited to, maintaining the common area of Oak Village, providing for the mowing of road shoulders and for security services, promoting the general well being and harmony among the property owners of Oak Village and performing such other and further duties as may be imposed upon it by its membership.

1B. The office of the corporation shall be at such place so determined by the Board of Directors from time to time.

1C. The fiscal year of the Association shall be from October 1<sup>st</sup> to September 30<sup>th</sup>.

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

2. Members Meetings. The minutes of all meetings of members shall be kept in a book available for inspection by members or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

2A. Annual members meeting shall be held at the office of the Corporation, or such place as may be designated by the Board of Directors, in September of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the members.

2B. 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 ten percent (10%) of the voting members of the Association.

2C. Notice of all members meetings stating the time and place and the purpose 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 the member's address appearing on the books of the Association and shall be mailed no less than thirty (30) days, nor more than sixty (60) days prior to the date of the meeting. The address of all members shall be deemed to be the address of the member as it appears on the recorded deed to the Lot as it appears in the Official Records of Citrus County, Florida, unless otherwise designated in writing by said member. Notice of the annual meeting shall also be posted in a conspicuous place on the common property at least fourteen (14) days prior to the annual meeting. Proof of such mailing and proof of notice shall be given by the Affidavit of the person giving the notice. Notice of any meeting where assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

2D. A quorum of members meetings shall consist of those members present, in person, by proxy, or absentee ballot. The acts approved by a majority of the votes 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 Restrictions, the Articles of Incorporation or these By-Laws.

2E. Where there is more than one owner of a lot or more than one owner of a unit, those owners shall collectively be entitled to one membership and one vote, and shall participate in the Association in the following manner.

- (1) A statement must be filed with the Secretary of the Corporation, in writing, signed by all of the persons owning an interest in the lot or unit in the presence of a witness, which shall state:
  - (a) The respective percentage interest of every person (as recorded by Warranty Deed in the Public Records of Citrus County, Florida) owning a vested present interest in the fee title of the lot or unit; and
  - (b) Which one of the owners of the lot or owners of a unit is to represent all of the owners of such lot or unit at a membership meetings and cast the single vote to which they are entitled.

- (2) The owner so designated by all of the owners of a lot or a unit shall be known as the voting member and shall be the only person owning an interest in the lot or unit eligible to cast the vote for the lot or unit at membership meetings.
- (3) The person designated as the voting member may continue to cast the binding vote for all persons owning an interest in the lot or unit or until such time as another person is properly designated as the voting member by those persons owning the majority interest by a similar written statement filed with the Secretary. Failure of the owners of a lot or unit to file such statement signed in the presence of a witness with the Secretary prior to a members meeting will result in depriving the owners with an interest in such lot or unit of a vote at such meeting.
- (4) Ownership by non-natural person with interest in more than one lot or unit must provide to the Association each year, a certificate of good standing from the Florida Secretary of State or relevant jurisdiction. Both corporate and individual owners must be current in the payment of all assessments due.
- (5) A Corporation, or an individual with an interest in more than one lot or unit, may be designated the voting member for each lot or unit in which they own an interest.

2F. Votes may be cast by mail, in person or by proxy. A proxy may be given by any person entitled to vote 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. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it.

2G. 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 directors.
- (7) Unfinished business.
- (8) New business (including consideration of the budget).
- (9) Report of election results, vote on budget and any other matters.
- (10)Adjournment

The President shall preside at all meetings. In the President's absence or inability to conduct the meeting, the Vice President shall assume that duty.

3. Directors. The affairs of the association shall be managed by a Board of seven (7) directors. The number of members of the Board of Directors may change at any time by amending the By-Laws as provided herein. Each Director shall be a member of the

Association in good standing. All of the powers and duties of the Association existing under the laws of the State of Florida, the Declaration of Restrictions, the Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors. Such Board of Directors shall only act in the name of the association when and only when duly convened by its President, after due notice to all the Directors of such meeting.

3A. Each Director elected at each annual meeting of the members, shall serve as term of two (2) years. A Director may not serve more than six (6) consecutive years and must remain a member in good standing throughout the term. A Director who has been elected or appointed to serve three (3) consecutive terms is not eligible for election as a Director for at least one (1) year from the date of their last service as a Director. There shall be three (3) directors elected in odd numbered years and four (4) directors elected in even numbered years. If adopted, the two (2) year term will apply to this year's election. One or more of the members elected in the 2010 election may have their term adjusted for this purpose.

- (1) Any Director may be removed with or without cause by a majority of the entire membership 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 Association members to recall a member or members of the Board of Directors may be called by ten percent (10%) of the Association members giving notice of the meeting as required for a meeting of the members and the notice shall state the purpose of the meeting.
- (2) Any Director who fails to attend two (2) consecutive Board Meetings or fails to attend a total of four (4) Board Meetings during the fiscal year without an expressed reason or reasons considered to be adequate by the Board, will obligate the Board to take action, including the possible removal of the Director from the Board by two-thirds (2/3) vote of the members of the Board present at a Board meeting, if a voluntary resignation is not forthcoming.

3B. Election of Directors shall be held at the annual members meeting. Each Director shall be a member of the Association in good standing.

- (1) A Nominating Committee of not less than three (3) or not more than five (5) members shall be appointed by the Board of Directors not less than 150 days prior to the Annual Members meeting. The committee shall nominate as a minimum the number of candidates needed to fill any vacancies that may exist at the time of the annual meeting. The nominating committee shall submit a written report to the Board of Directors not later than (90) days prior to the annual meeting.
- (2) Whenever any vacancy on the Board of Directors shall occur for any reason other than the removal of a Director as provided in Section 3.A. (1) a majority of the remaining Directors then in office, even if that majority is less than a majority of the entire Board of Directors, may fill the vacancy or vacancies so created for the unexpired term.

- (3) The election shall be by secret written ballot (unless dispensed with by unanimous consent of the members present). A plurality of the votes cast shall be required for election. Each person voting shall be entitled to cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

3C. The organizational meeting of 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 Board of Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

- (1) The Board of Directors may make such rules and regulations covering its meeting as it may deem necessary
- (2) Each Director shall have one vote and such voting may not be done by proxy.
- (3) 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 Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, fax or e-mail at least three (3) days prior to the day named for such meeting. All meetings of the Board of Directors shall be open to all lot and unit owners and adequate notice of all meetings, regular and special, shall be posted conspicuously on common property at least forty-eight (48) hours in advance, except in an emergency. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by lot and 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.
- (4) Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of two (2) or more 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 fax or e-mail which notice shall state the time, place and purpose of the meeting.
- (5) Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. The attendance of any Director at a meeting of the Board of Directors shall be deemed a waiver of notice unless the director appears and plainly states for the record that they are appearing at the meeting only to protest the defect in notice.
- (6) A quorum at Directors 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 numbers of

Directors is required by the Declaration of Restrictions, the Articles of Incorporation or these By-Laws.

- (7) If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at any meeting as originally called may be transacted without further notice.
- (8) The presiding officer of Directors meetings shall be the President. In the absence or inability of the President to preside, the Vice President shall preside.
- (9) The order of business at Directors meeting shall be:
  - (a) Calling of roll.
  - (b) Proof of due notice of meeting.
  - (c) Reading and disposal of any unapproved minutes.
  - (d) Reports of officers and committees.
  - (e) Unfinished business.
  - (f) New business.
  - (g) Adjournment.
- (10) The Board of Directors may, by resolution adopted by a majority of the Board, designate such committees, consisting of one or more directors as well as members of the Association, as it may seem advisable. Each such committee shall have such authority as shall be specified in the resolution designating such committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. To the extent not inconsistent with these By-Laws, the Board of Directors shall have the power at any time to remove any member of any such committee or committees with or without cause, and to fill vacancies in and to dissolve such committee or committees. Each committee designated by the Board of Directors shall keep regular minutes of its meetings and shall report the same to the Board when required. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.
- (11) Any action which is required to be or may be taken at a meeting of the Directors may be taken without a meeting if consents in writing, setting forth the action to be so taken, are signed by all the Directors. The consents shall have the same force and effect as a unanimous vote of the Directors at a meeting duly held. Any signed consent or copy thereof shall be placed in the meeting books of the association.
- (12) Directors may participate in and hold a meeting of the Board of Directors or a committee thereof by means of conference telephone or similar equipment pursuant to which all persons participating in the

meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

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, and a Secretary and a Treasurer. The Board of Directors, from time to time, shall elect such others and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

4A. The officers of the Corporation shall be elected by the Board of Directors at the organizational meeting defined in the preceding Section 3.C. following the annual meeting of the members of the Association.

4B. Any officer may resign as an officer of the Association 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. The Secretary may resign by submitting such resignation in writing to the President of the Association.

4C. 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.

4D. The powers, duties and responsibilities of the officers of the Association shall be:

- (1) The President shall be the chief executive officer of the Association and shall have all of the powers and duties usually vested in the office of the President of an Association, including the power to appoint committees from among the members as needed or may be determined appropriate to assist conducting affairs of the Association.
- (2) The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. The Vice President shall also assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- (3) The Secretary shall keep the minutes of all proceedings of the Directors and the members and shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and shall keep the records of the Association and shall perform all other duties incident to the office as Secretary of an Association as may be required by the Directors or President.
- (4) The Treasurer shall have knowledge of all monies belonging to the Association, shall be solely responsible for such monies in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer.

- (5) The Community Association Manager who shall act for the Association under written agreement with the Board of Directors shall also serve as the Assistant Treasurer. This person shall be licensed as a Community Association Manager under the laws of the State of Florida.

4E. The Board of Directors and Officers shall service without compensation. However, subject to approval by the Board, they may be reimbursed for expenses incurred in the course of their duties as related to the Association.

4F. The immediate past President may serve as an ex-officio member of the Board of Directors. This person shall not have voting power. The purpose of this position is to provide continuity from one Board to another.

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

- (1) Current income and expenses 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 operation.

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

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

- (4) Funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common area. No sum equal to, or in excess of \$5,000.00 shall be expended from this fund for a single item or purpose without approval of a majority of the Board of Directors. The authority to make fund expenditure decisions for less than \$5,000.00 rests with the President and requires monthly reports to the Board of Directors detailing such expenditures. Any action taken by the President to obligate the Association, e.g. signing a contract for expenditures must have the approval of at least one other Director.

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

5A. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of common expenses to the lot and unit owners not less than thirty (30) days, no more than sixty (60) 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 expenses classifications, including, if applicable, the accounts classification listed above. In addition to annual operating

expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. This provision shall not apply to budgets in which members of the Association have determined by a two-thirds (2/3) vote at a duly called meeting of the Association for a fiscal year to provide no reserves, or reserves less adequate than are required by this and other provisions of these By-Laws.

5B. The Association's membership shall adopt a budget at the annual meeting.

5C. Assessments against the lot and unit owners of Oak Village for their shares of the items of the budget shall be made for the fiscal year annually on or before October 30<sup>th</sup> of the fiscal year for which the assessments are made. Such assessments shall be due in one annual installment not later than sixty (60) days after the beginning of the fiscal year for which assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior statement and payment of such assessments shall be due as though such assessment had been duly made on or before October 30<sup>th</sup>. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the affirmative vote of a majority of the Board of Directors and after proper notice to members, payment of the additional assessment shall be due not later than sixty (60) days after the amended assessment is made.

5D. If a lot or unit owner shall be in default in the payment of an assessment or any installment upon an assessment, the Board of Directors may accelerate the remaining installments of the Assessment upon notice to the lot or unit owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after deliver of the notice to the lot or unit owner, not less than twenty (20) days after the mailing of such notice by registered or certified mail, whichever shall first occur.

5E. If the assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with a \$25.00 late fee and also including interest thereon, become a continuing lien on the lot or unit which shall run with the land. The personal obligation of the then lot or unit owner to pay such assessment shall not be affected by any conveyance or transfer of title to said lot or unit.

5F. If the assessment remains unpaid thirty (30) days after its due date, the assessment shall bear interest from the date due at the maximum percentage rate permitted by law, but not in excess of eighteen percent (18%). In addition, a late fee may be levied for the purpose of recouping costs associated with the mailing of delinquent account statements. The Association may bring an action at law against the lot or unit owner personally obligated to pay the same and/or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of collecting the same of foreclosing the lien thereof, including reasonable counsel fee.

5G. The assessments, together with such interest thereon and costs of collection thereof as is hereinafter provided, shall be a charge and continuing lien upon the lot or unit owner against which such assessment is made. Each assessment, together with such interest thereon and cost of the collection thereof as is hereinafter provided, shall also be the personal obligation of the persons owning such lot or unit at the date when the assessment becomes payable.

5H. The following property shall be exempt from the assessments, charge and lien created herein:

- (1) All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- (2) All common areas
- (3) All properties exempted from the taxation by the laws of the State of Florida upon and to the extent of such legal exemption as such exemption may exist from time to time, and
- (4) All properties owned by the Association

5I. Special assessments for emergency expenses that cannot be paid from the annual assessments shall be made only after notice of the need for such is given to the lot or unit owners concerned. After such notice and upon approval in writing by members entitled to cast more than one-half (1/2) of the votes 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 the assessment.

5J. 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 Board of 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 Board of Directors.

5K. A review of the accounts of the Association shall be made annually by an accountant selected by the Board, and a copy of the most current review shall be available upon request. An audit of the accounts by the Association, prepared by a Certified Public Accountant in accordance with generally accepted auditing principals, beginning the fiscal year October 1, 2007 which ends September 30, 2008 and one (1) every year thereafter.

5L. Fidelity Bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall not be less than one-half (1/2) of the amount of the total assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

5M. The compensation of all employees of the association shall be fixed by the Board of Directors.

6. Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Restrictions, Article of Incorporation or these By-Laws.
7. The Association shall have authority to acquire title to real property.

8. Amendments. Except as elsewhere otherwise provided, these By-Laws may be amended by including notice in writing of the subject matter of a proposed amendment with the notice of any meeting at which a proposed amendment is considered. The proposal to amend existing By-Laws shall contain the full text of the By-Laws to be amended. New words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed changes are so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underling and hyphens as indicators of words added or deleted, but, instead, a notion must be inserted preceding the proposed amendment in substantially the following language: “substantial rewording of By-Laws. See By-Law.. for present text”. Non-material errors or omissions in the By-Laws process shall not invalidate an otherwise properly promulgated amendment.

8A. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association of by not less than ten percent (10%) of the voting members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.

8B. Adoption of amendments to the By-Laws must be by both:

- (1) The affirmative vote of a majority of the Board of Directors at a regularly scheduled meeting of the Board, and
- (2) The affirmative vote of more than fifty percent (50%) of the voting interest represented at an annual members meeting.

8C. Provided, however, that no amendment shall discriminate against any lot or unit owner nor against any lot or class or group of lots or units, unless the owners so affected shall consent, and no amendment shall change any lot or unit or decrease the share in the common elements appurtenant to it, unless the record owner of the lot or unit concerned and all record owners of the mortgages on such lot or unit shall join in the execution of the amendment.

8D. A copy of each amendment shall be duly 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 and the amendment shall be effective when such certificate and copy of the amendment are placed in the minutes book of the Association.

8E. Any proposed changes in the By-Laws must be presented to the Board of Directors in writing 60 days before the annual meeting.

9. Arbitration. There shall be voluntary binding arbitration of internal disputes arising from the operation of the Association and/or its property, among developers, unit or lot owners, the Association and their agents and assigns.