

**BY-LAWS
OF
PALMER RESERVE HOMEOWNERS ASSOCIATION, INC.
(A Corporation Not for Profit)**

**ARTICLE I
Name and Location**

The name of the corporation is PALMER RESERVE HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"), and its initial office for the transaction of its affairs shall be 9426 Camden Field Parkway, Riverview, Florida 33578. Meetings of Members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors (hereinafter referred to as the "Board").

**ARTICLE II
Definitions**

Unless the context expressly requires otherwise, the terms used herein shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Palmer Reserve ("Declaration").

**ARTICLE III
Meeting of Members**

Section 1. **Annual Meetings.** All annual and special meetings of the Association shall be held in Sarasota County, Florida, or at such other place as may be permitted by law and from time to time as fixed by the Board and designated in the notices of meetings.

Section 2. **Notice of Annual Meetings.** Annual meetings of the Members of the Association shall be held in the fourth quarter of each fiscal year. Notice of the meeting, which shall include an agenda, shall be mailed, delivered, or sent by electronic transmission to each Member listed in the membership book of the Association at the street, post office, or electronic mail address (as applicable) shown therein ("Member of Record") not less than fourteen (14) days prior to the meeting. Evidence of compliance with this 14-day notice requirement shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the Association. In addition to mailing, delivering, or electronically transmitting the notice of any meeting, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

Section 3. **Special Meetings.** Special meetings of the Members, for any purpose or purposes, whether or not specifically required by these By-Laws, the Articles of Incorporation, or the Declaration may be called by the president, secretary, a majority of the Board, or by the Members having 1/10 of the votes of the Class A membership.

Section 4. **Notice of Special Meetings.** No business shall be transacted at any special meeting except as stated in the notice thereof. Notice of all special meetings shall be given by the secretary to Members of Record, or if the secretary shall fail to do so, by the president or Board, not less than thirty (30) nor more than sixty (60) days prior to the date thereof, stating the date, time, and place of the meeting and the purpose or purposes thereof. Notices shall be mailed, delivered, or sent by electronic transmission to each Member listed in the membership book of the Association at the street, post office, or electronic mail address (as applicable) shown therein within the prescribed time or, in lieu of mailing, delivered by hand to the Members shall suffice. The Secretary shall execute an affidavit that the notice was delivered or mailed in compliance with this section and, once executed the affidavit shall be filed among the official records of the Association.

Section 5. **Quorum.** Members present in person or represented by proxy, entitled to cast at least 10% of the total voting interests in the Association, shall constitute a quorum.

Section 6. **Action Taken at Meeting.** When a quorum is present at any meeting, a majority of the votes duly cast by the Members present at the meeting or represented by written proxy shall decide any question brought before the meeting, unless the question is one upon which by express provision of law, the Declaration, the Articles of Incorporation or these By-Laws, a different vote is required, in which case the express provision shall govern and control. If any meeting of Members cannot be organized because a quorum is not present, the meeting may be adjourned by a majority of the Members present in person, until a quorum is present

Section 7. **Order of Business.** The order of business at all meetings shall be as prescribed in the agenda prepared by the Board and submitted to the Members of Record with the notice of each meeting.

Section 8. **Action Without Meeting.** Any action which may be taken by the membership pursuant to a duly called meeting, may be taken without a meeting provided that: a proposal of action to be taken by the Members is mailed to every Member of the Association together with a request for approval or disapproval; and, the Members responding to the proposal ("**Responding Members**") hold at least 1/3 of the votes of all Members of the Association. A proposed action may be approved by a majority of the votes attributable to the Responding Members unless the proposed action is one which by express provision of law, the Declaration, the Articles of Incorporation or these By-Laws requires a different vote, in which case the express provision as it pertains to voting percentages shall govern and control.

Section 9. **Voting.** The Association shall have two (2) classes of voting membership: Class A, and Class B. So long as there is Class B membership, Class A Members are all Lot Owners except Declarant. The Class B Member shall be Declarant. Upon termination of Class B membership, as provided below, the Class A Members are all Lot Owners including Declarant so long as such Declarant is a Lot Owner. All Class A Members are entitled to cast one (1) vote for each Lot owned. Prior to termination of Class B Membership and the Transfer of Control described in Section 5.4 of the Declaration, the Class B Member shall be entitled to three (3) votes for each Lot owned. As provided in the Articles of Incorporation, the Class B Member is entitled to appoint the Association's directors until termination of Class B membership.

If more than one person owns an interest in any Lot, all such persons are Members, but there may be only one vote cast with respect to such Lot. Such vote may be exercised as the co-owners determine among themselves, but no split vote is permitted. Prior to any meeting at which a vote is to be taken, each co-owner must file the name of the voting co-owner with the secretary of the Association to be entitled to vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded. Notwithstanding the foregoing, if title to any Lot is held in a tenancy by the entirety, either tenant is entitled to cast the vote for such Lot unless and until the Association is notified otherwise in writing.

Section 10. **Presiding Officers.** At each meeting of the Members, the president, or in his absence the vice president, shall preside and the secretary, or in his absence the assistant secretary, shall be the secretary for the meeting.

Section 11. **Right to Speak.** Members and Lot Owners 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 (subject to any permissible limitations as provided herein or pursuant to the Act). Notwithstanding any provision to the contrary in the Association's governing documents or any rules adopted by the Board or by the membership, a Member or a Lot Owner have the right to speak for at least three (3) minutes on any item, provided that the Lot Owner submits a written request to speak prior to the meeting (such request shall be delivered to the Association's record office and verified by the Association secretary prior to commencement of the meeting). The Association may adopt written reasonable rules governing the frequency, duration, and other manner of Lot Owner statements, which rules must be consistent with the provisions of this Section.

ARTICLE IV **Directors**

Section 1. **Board of Directors.** Until transfer of control of the Association from the Declarant to the non-Declarant owners, the affairs of the Association shall be managed by a Board of three (3) directors. A director must be a Member except that the directors elected by the Class B Members need not be Members and may be the officers and/or employees of Declarant. There shall be at all times a minimum of three (3) directors.

Section 2. **Election of Directors.**

- (a) Election of directors shall be held at the annual Members' meeting.
- (b) The election of directors to be elected by the Class A Members shall be by ballot (unless dispensed by the unanimous vote consent of those Members eligible to vote in person or proxy) and shall be determined by a plurality of the Class A votes cast. There shall be no cumulative voting.
- (c) Except as to vacancies provided by removal of directors by Members, all vacancies in the Board occurring between annual meetings of Members, including vacancies created by increasing the size of the Board, shall be filled by the vote of a majority of the remaining directors.

(d) Any directors elected by Class A Members may be removed in accordance with the provisions of the Act. If a vacancy occurs on the Board as a result of the removal of less than a majority of the directors, the vacancy shall be filled by the affirmative vote of a majority of the remaining directors. If vacancies occur on the Board as a result of the removal of a majority or more of the directors, the vacancies shall be filled in accordance with the provisions of the Act.

(e) Notwithstanding the foregoing, the Board shall be elected solely by Class B Members as long as there are Class B Members, with the exception that one director may be elected by the Class A Members after 50% of the Lots have been conveyed to Class A Members.

(f) Any disputes involving the election of directors shall be resolved through the applicable provisions of the Act.

Section 3. **Term of Office.** Unless otherwise provided herein, the term of each director's service shall be one year and until his successor is duly elected and qualified or until he is removed in the manner provided elsewhere herein.

Section 4. **Composition of the Board of Directors.** In accordance with the Articles of Incorporation, the Board appointed and named in said Articles of Incorporation (and their successors appointed by the Declarant) shall serve at least until Class A Members are entitled to elect one or more of the directors.

At the meeting of the Members at which transfer of control of the Association to the non-Declarant Members occurs, three (3) directors shall be elected. The director receiving the highest number of votes shall be elected to a three (3) year term, the director receiving the next highest number of votes shall be elected to a two (2) year term, and the third director shall be elected to a one (1) year term. A term of office shall be deemed to be concluded at the annual meeting of the Members of the Association following or in connection with expiration of the specific term of years. Following the initial election of non-Declarant Members as provided above, subsequent elections to the Board shall be for a two (2) year term of office, unless otherwise provided herein. All officers of a corporation owning a Lot shall be deemed to be Members of the Association so as to qualify each to become a director hereof.

Section 5. **Notice of Board Meetings to Members.** Notices of all Board meetings must be posted in a conspicuous place in the Community at least forty-eight (48) hours in advance of a meeting, except in an emergency. In the alternative, notice of the Board meeting, which shall include an agenda, shall be mailed, delivered, or sent by electronic transmission to each Member of Record listed in the membership book of the Association at the street, post office, or electronic mail address (as applicable) shown therein not less than seven (7) days prior to the meeting, except in an emergency. Evidence of compliance with this 7-day notice requirement shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the Association. A Member must consent in writing to receiving notice via electronic transmission.

Section 6. **Right of Members to Speak at Board Meetings.** Notwithstanding any provision to the contrary in the Association's governing documents or any rules adopted by the

Board or by the membership, a Member has the right to attend all Board meetings and to speak on any matter placed on the agenda by petition of the voting interests for at least three (3) minutes. The Association may adopt written reasonable rules governing the frequency, duration, and other manner of Member statements, which rules must be consistent with the provisions of the Act, and may include a sign-up sheet for Members wishing to speak. Notwithstanding any other law, the requirement that Board meetings and committee meetings be open to the Members is inapplicable to meetings between the Board or a committee and the Association's attorney (a) held for the purpose of discussing personnel matters, or (b) as otherwise specifically prescribed under the Act.

Section 7. **Annual Organizational Meeting.** The annual organizational meeting of the Board may be held at such time and place as shall be determined by the directors, except that such annual organizational meeting shall be held as soon as practicable following the annual Members' meeting. If held at any time other than immediately following the annual Members' meeting, there shall be three (3) days notice given by the President personally or by mail, telephone or telegraph, which notice shall state the time and place of such meeting.

Section 8. **Meeting to Determine Assessments.** An assessment may not be levied at a Board meeting unless a written notice of the meeting is provided to all Members of Record at least fourteen (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 must be mailed, delivered, or electronically transmitted to the Lot Owners and posted conspicuously on the Common Property or broadcast on closed-circuit cable television not less than fourteen (14) days before the meeting.

Section 9. **Meeting to Determine Rules and Regulations.** Written notice of any meeting at which rules that regulate the use of Homes in the Community may be adopted, amended, or revoked must be mailed, delivered, or electronically transmitted to the Lot Owners, and posted conspicuously on the Common Property or broadcast on closed-circuit cable television, not less than fourteen (14) days before the meeting. A written notice concerning changes to the rules that regulate the use of Homes in the Community must include a statement that changes to the rules regarding the use of Homes will be considered at the meeting.

Section 10. **Special Meetings.** Special meetings of the directors may be called by the president and must be called by the secretary at the written request of 2/3 of the directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone, telegraph or electronically transmitted, which notice shall state the time, place and purpose of the meeting.

Section 11. **Petition by Members to Board to Address an Item of Business.** If ten percent (10%) of the total voting interests in the Association petition the Board to address an item of business, the Board shall, at its next regular Board meeting or at a special meeting, but not later than sixty (60) days after the receipt of the petition, consider the petitioned item. Written notice of the meeting shall be provided to all Members of Record at least fourteen (14) days before the meeting. Such notice shall include an agenda of items to be considered. Other than addressing the petitioned item at the meeting, the Board is not obligated to take any other action requested by the petition.

Section 12. **Waiver of Notice.** Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance at a meeting shall constitute a waiver of notice.

Section 13. **Quorum and Voting.** A quorum at directors' meetings shall consist of a majority of the entire Board. The acts approved by a majority of directors shall constitute the acts of the Board except when approval by a greater number of directors is required by the Declaration, the Articles of Incorporation, these By-Laws, or the laws of the State of Florida.

Section 14. **Adjourned Meetings.** If at any meeting of the Board there shall 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 the meeting as originally called may be transacted without further notice.

Section 15. **Joinder in Meeting by Approval of Minutes.** The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.

Section 16. **Presiding Officer and Secretary for Meetings.** The presiding officer of the directors' meetings shall be the chairman of the Board if such an officer has been elected; and if none, the president shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside. The secretary of the Association shall be the secretary for meetings of the directors, unless absent, in which case the directors shall designate one of their members to act as secretary for the meeting.

Section 17. **Compensation.** No director shall receive compensation for any service he may render to the Association as director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties, and this provision shall not preclude a person who is also a director to receive compensation in exchange for other services rendered to or on behalf of the Association in a capacity other than director.

Section 18. **Committees.** The Board may from time to time appoint such committees and delegate such duties and powers thereto as it may deem advisable.

Section 19. **Attendance by Telephone.** Any member or members of the Board shall be deemed present and voting at a meeting of such Board if said member or members participate in the meeting by means of a conference telephone or similar communications equipment or device enabling all persons participating in the meeting to hear each other.

Section 20. **Action Without Meeting.** Any action required or permitted to be taken at any meeting may be taken without a meeting if written consent to the action signed by all the members of the Board is filed with the minutes of the proceedings of the Board.

Section 21. **Powers.** The Board shall have the powers set forth in the Declaration and the Florida Not-For-Profit Corporation Act, including but not limited to the power to:

(a) adopt and promulgate Rules and Regulations governing the Community or contemplated by the Declaration, and to establish penalties for the infraction

thereof (a rule shall be deemed promulgated when a copy thereof is furnished to each Member in person or mailed to each such Member at the address on the records of the Association);

(b) The Board of Directors may suspend, for a reasonable period of time, the right of a Member, or a Member's tenant, guest, or invitee, to use the Common Properties and/or facilities for the failure of the Lot Owner or its occupant, licensee or invitee to comply with any provision of the Declaration, the Bylaws, or the Rules and Regulations of the Association, provided that the Association must provide notice and an opportunity for a hearing. If Lot Owner is delinquent for more than ninety (90) days in paying a monetary obligation due to the Association, the Association may suspend, until such monetary obligation is paid in full, the rights of any Lot Owner, tenant, guest or invitee to use any Common Properties and/or facilities. The notice and hearing requirements do not apply to a suspension of use rights due to a monetary delinquency. Notwithstanding any other provision to the contrary, but only as to this subsection, if Chapter 720, Florida Statutes, is ever amended to provide that the Association shall have the right to exercise the suspension rights (for either use of Common Properties/facilities and/or voting rights) enumerated in this subsection for a monetary delinquency of less than ninety (90) days, or in the event that Chapter 720, Florida Statutes, is ever amended to provide that the Association shall have the right to exercise the suspension rights (for either use of Common Properties/facilities and/or voting rights) enumerated in this subsection for other types of violations, then such rights shall automatically be bestowed upon the Association without need for amending this Declaration or providing any notice;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration, including the establishment of the assessments provided for in the Declaration; and

(d) employ a manager, or such other independent contractors or employees as they deem necessary, and to prescribe their duties.

Section 22. **Duties.** It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the Assessments against each Lot;

(2) exercise the duties of the Board as set forth in the Declaration and enforce the restrictions and covenants contained therein; and

(3) take appropriate and timely action against Members whose assessments are in default;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) cause all officers or employees having fiscal responsibilities to be bonded, if such bonding may be deemed appropriate; and

(f) perform such other acts as may be required of a board of directors under the Florida Not-For-Profit Corporation Act.

ARTICLE V

Officers

Section 1. **First Officers.** In accordance with the Articles of Incorporation, the first officers of the Association named and appointed in such Articles of Incorporation shall serve until their qualified successors are elected by the Board.

Section 2. **Executive 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 treasurer-secretary and other officers as shall be elected by the Board. Except as provided in Section 1 of this Article, such officers shall be elected annually by the Board. Officers need not be Lot Owners and the officers and employees of the Declarant may be officers of the Association. The Board from time to time may elect such assistant or other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. Each officer shall serve until a qualified successor is elected by the Board. The Board, by an affirmative vote, from time to time may remove an officer with or without cause and fill such vacancy so created.

Section 3. **President.** The president shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of 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.

Section 4. **Vice-President.** 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.

Section 5. **Secretary.** The secretary shall keep the minutes of all proceedings of the directors and Members. He shall attend to the giving and serving of all notices to the Members and directors and others that are required by law. He shall have custody of the seal of the Association and affix it to any instruments requiring a seal when duly signed. He shall keep the records of the Association including the membership book, except those of the treasurer unless the secretary is also the treasurer of the Association. The secretary shall perform all other duties incident to the office of secretary of a corporation and as may be required by the Board of Directors or the President. Any assistant secretary elected shall perform the duties of the secretary when the secretary is absent.

Section 6. **Treasurer.** The treasurer shall have custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices, and he shall perform all other duties usually incident to the office of treasurer.

Section 7. **Compensation.** No officer shall receive any compensation by reason of his office; provided, however, that nothing herein shall preclude the Board from employing an officer as an employee of the Association or preclude the contracting with an officer for management services.

ARTICLE VI **Fiscal Management**

Section 1. **Depositories.** All funds of the Association shall be deposited in the name of the Corporation in such bank, banks or other financial institutions as the Board may from time to time designate, and shall be drawn out on checks, drafts or other orders signed on behalf of the Association by such person or persons as the Board may from time to time designate.

Section 2. **Contracts, Etc.** Except as otherwise specifically provided by these By-Laws, all contracts, agreements, deeds, bonds, mortgages and other obligations and the instruments shall be signed on behalf of the Association by the president or by such other officer, officers, agent or agents as the Board may from time to time by resolution provide, and shall be entered into in accordance with the Act.

Section 3. **Budget.** The Board shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the Association expenses and to provide and maintain funds for the appropriate accounts according to good accounting practices. Such budget shall be adopted prior to, and a copy shall be distributed at, the annual Members' meeting next preceding the fiscal year for which the budget shall apply.

Section 4. **Assessments.** As more fully provided in the Declaration, each Member is obligated to pay to the Association certain Assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the Assessment shall bear interest from the date of delinquency at the rate of 15% per annum, or such other rate as may be, from time to time, established by the Board; provided, however, that such rate shall not exceed the maximum rate allowed by the law not constituting usury. The Association may bring an action at law against the Lot Owner personally obligated to pay the same or foreclose the lien against the property, and interest, late fees, costs and reasonable attorneys' fees of any such action shall be added to the amount of such Assessment. No Lot Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 5. **Setting of Initial General Assessments.**

(a) **General Lot Assessment.** The Board shall adopt the General Lot Assessment as provided for in the Declaration. The initial level of the General Lot Assessment until changed by action of the Board shall be no more than \$1,050.00 per Lot per year (payable in equal quarterly installments of no more than \$262.50 each for a Lot).

Section 6. **Special Lot Assessments.** As contemplated by the Declaration, Special Lot Assessments may be adopted by the Association to meet expenses which exceed the budget adopted by the Board of Directors. Such Special Lot Assessments shall be adopted and levied upon approval of a majority of the votes cast by the Members present at a special meeting called for that purpose.

Section 7. **Specific Lot Assessments.** As contemplated by the Declaration, Specific Lot Assessments may be levied by the Association.

Section 8. **Financial Report.** The Treasurer of the Association shall report the financial status of the Association to the Members sixty (60) days following the end of the fiscal year in accordance with the financial reporting requirements of the Act.

Section 9. **Fines.** The Association shall have the power to suspend, for a reasonable period of time, the rights of a Member and/or such Member's tenants, guests or invitees to use the Common Property, and to levy reasonable fines against same not to exceed the greater of \$100.00 per violation or the maximum amount allowed under the Act for activities which violate the provisions of the Declaration, these By-Laws or any Rules and Regulations. No fine or suspension may be imposed except upon fourteen (14) days prior written notice to the person sought to be suspended or fined, and such person having an opportunity for a hearing before a committee of at least three (3) Members of the Association. Such committee shall be appointed by the Board and shall not be composed of any officers, directors or employees of the Association, nor any spouse, parent, child, brother or sister of any officer, director or employee. A written decision of the committee shall be submitted to the Owner not later than twenty-one (21) days after the meeting. The committee must approve, by a majority vote, the proposed fine, prior to it being imposed. No fine or suspension may be imposed except upon majority approval of the Members of such committee. Suspension of rights to use the Common Property shall not include any right to restrict vehicles and pedestrians' ingress and egress to and from such offending person's Lot. The voting rights of a Member may be suspended by the Association as provided in the By-Laws or the Declaration.

ARTICLE VII **Books and Records**

The books, records and papers of the Association shall be available for inspection and copying by Members of their authorized agents during reasonable business hours within ten (10) business days after receipt of a written request for access. These records shall be available at the Association's principal office, where copies may be purchased for a reasonable cost.

ARTICLE VIII **Amendments**

These By-Laws may be altered, amended, or rescinded by (i) the affirmative vote of a majority of a majority of the total Class A voting interests and Class B voting interests entitled to vote, and (ii) the affirmative vote of 100% of the Class B Members, if any. Notwithstanding the foregoing, (a) no amendment to the By-Laws shall be valid which affects any of the rights and privileges provided to the Declarant without the written consent of the Declarant as long as Declarant shall own any Lots in the Community, and (b) no amendment which will affect any

aspect of the surface water management system located on the Property shall be effective without the prior written approval of the Southwest Florida Water Management District.

ARTICLE IX
Miscellaneous

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

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 3. All issues or disputes which are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for dispute resolution shall be submitted to such dispute resolution procedures contained in the Act prior to institution of civil litigation.