

## **Preface to the 2008 Resort Bylaws**

(The following paragraph is not part of the bylaws, but is given here to help the reader be aware that the State and County regulations listed have greater authority than our bylaws and apply to our Resort whether or not they are shown in our bylaws.)

The State of Florida regulates corporations such as NCL Resort in chapter 617 of the statutes. The State regulates cooperatives in chapter 719 of the statutes, in chapters 61-B 75-78 of the Florida Administrative Code and in other chapters of the Code that relate to such facilities as the swimming pool (64E-9.008) and accounting (61H-20). Citrus County regulates NCLR in the County Land Development Code chapters 4662-4664.

## **BYLAWS OF NATURE COAST LANDINGS RESORT ASSOCIATION, INC. [AS AMENDED FEBRUARY 16, 2008]**

These are the Bylaws of NATURE COAST LANDINGS RESORT ASSOCIATION, INC., a corporation not-for-profit organized under the laws of the State of Florida for the purpose of governing the corporation.

### **ARTICLE 1 – OFFICE**

The principal office of the corporation in the State of Florida shall be located in the County of Citrus at 10173 North Suncoast Boulevard, Crystal River, Florida 34428 or at such other location in Citrus County, Florida established by the Board of Directors from time to time.

### **ARTICLE II - MEMBERSHIP OF UNIT OWNERS**

**Section 1. Membership.** Membership in NATURE COAST LANDINGS RESORT ASSOCIATION, INC. (the “Association”) is restricted to owners of Cooperative Units located in NATURE COAST LANDINGS RESORT (the “Park”). who have purchased Cooperative Units (“Units”). The membership is issued by the Association in NATURE COAST LANDINGS RESORT ASSOCIATION, INC., A COOPERATIVE (the “Cooperative”). There shall be one (1) membership for each Unit in the Cooperative. It is hereby declared to be the policy of the Association, and the ultimate goal of the Cooperative, that each Cooperative Unit owner own the exclusive right of possession to the Unit. *[Amended February 16, 2008]*

**Section 2. Recreational Campground.** The Park is intended as a cooperative community owned by certificate holders of the Association who shall have the exclusive

use of a Unit. All activities in the Park and the use of the Cooperative unit shall be governed by the Codes of Citrus County, Florida pertaining to Recreational Campground uses and in particular Section 4662 and 4663. The use of a Unit by a Recreational Vehicle is specifically designed to allow living accommodations for temporary occupancy for recreational or travel use. Occupancy by the same person or persons shall not exceed one hundred eighty (180) days, consecutively. All use of the Unit and all of its facilities shall be consistent with a temporary recreational or travel use. Likewise should the Unit Owner place a Recreational Vehicle on the Unit, the use of such Unit is restricted to temporary occupancy for recreational or travel use. Occupancy of the Unit by the same person or persons shall not exceed one hundred eighty (180) days, consecutively. *[Amended February 16, 2008]*

**Section 3. Non-member tenants.** Non-member tenants shall be those who sublease from members in accordance with subleases made in accordance with the notice requirements to the Board. Such occupants are sublessees of a Cooperative Unit Owner, in which case the obligations of the occupant shall run to the Cooperative Unit Owner. *[Renumbered following the adoption of the amendments of February 16, 2008.]*

**Section 4. Annual Meeting.** The annual meeting of the Unit Owners shall be held in March of each year, at a date, time and place to be determined by the Board of Directors as allowed in Section 5. Business transacted at the annual meeting shall include the election of Directors of the Association. However, failure to timely hold an annual meeting shall not affect the terms of Officers or Directors, or the validity of actions taken by them on behalf of the Association. *[Amended February 16, 2008]*

**Section 5. Place.** Meetings of Unit Owners shall be held in the Park unless otherwise specified by the Board of Directors, in which case the meeting shall be held in a location in Citrus County convenient to the Unit Owners.

**Section 6. Notice of Unit Owner Meetings.** Written notice of Annual Meetings stating the place, day and hour of the meeting, incorporating an identification of agenda items and the purposes for which the meeting is called, shall be delivered not less than 60 days prior to the meeting for the first notice and not less than fourteen (14) days for the second notice and by mail or by personal hand delivery or by electronic transmission [(719.106(1)(c)and (d) and (2)(c)], by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting to each Unit Owner of record entitled to vote at such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail or personally hand delivered or sent by electronic transmission and addressed to the Unit Owner at his or her address as it appears on the membership books of the Association, with postage thereon prepaid, except that notices sent to Unit Owners known to be part-time residents of the Park shall be sent to their other official address as shown in the records of the Association. Part-time residents shall keep their other official residence address or their electronic address on file with the Secretary and when they are not at their Park address, their notices shall be sent to their other official address. A Unit Owner may waive in writing his or her right to receive mail delivery of notices of meetings. Written waivers shall be kept on file by the Secretary of the

Association. Notice of all Unit Owner meetings must be posted in a conspicuous place on the Park property at least fourteen continuous (14) days before all such meetings. An Officer of the Association shall provide an affidavit affirming that the notices were mailed or hand delivered or sent by electronic transmission according to the provisions of this Article to each member at the address last furnished to the Association. *[Amended February 16, 2008]*

**Section 7. Closing of Membership Books and Fixing Record Date.** To determine the Unit Owners entitled to notice of or to vote at any meeting of Unit Owners or any adjournment thereof, or in order to make a determination of Unit Owners for any other purpose, the Board of Directors shall provide that the membership books shall be closed for a stated period but not to exceed, in any case, sixty (60) days. If the membership books shall be closed to determine the Unit Owners entitled to notice of or to vote at a meeting of Unit Owners, such books shall be closed for at least fifteen (15) days immediately preceding such meeting. When a determination of Unit Owners entitled to vote at any meeting of Unit Owners has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

**Section 8. Voting Record.** The Officers or agent having charge of the membership books for the Association shall make, at least ten (10) days before each meeting of the Unit Owners, a complete list of the Unit Owners entitled to vote at such meetings or any adjournment thereof, with the address and unit number of each. The list shall be kept on file for ten (10) days prior to such meeting at the registered office of the Association and any Unit Owner shall be entitled to inspect the list at any time during usual business hours. The list also shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Unit Owner at any time during the meeting. If the requirements of this section have not been substantially complied with, the meeting, on demand of any Unit Owner in person or by proxy, shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting. *[Amended February 16, 2008]*

**Section 9. Order of Business.** The order of business at the annual meeting of Unit Owners and, insofar as possible, at all other meetings of Unit Owners, shall be as follows:

- (a) Call to order
- (b) Proof of notice of meeting
- (c) Call for ballots not yet cast
- (d) Election of directors
- (e) Installation of new directors
- (f) Reading and approval of any unapproved minutes of previous meetings
- (g) Reports of officers, directors, and committees
- (h) Disposition of unfinished business (old business)
- (i) Consideration of new business

(j) Adjournment

Unit Owners shall have the right to participate in meetings of Unit Owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner participation. Any Unit Owner may tape record or videotape meetings of the Unit Owners provided they are not disruptive.

**Section 10. Unit Owners Quorum and Voting.** A majority of the Units entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Unit Owners. If a quorum is present, the affirmative vote of the majority of the Units represented at the meeting and entitled to vote shall be the act of the Unit Owners unless otherwise provided by law. After a quorum has been established at a Unit Owners' meeting, the subsequent withdrawal of Unit Owners, so as to reduce the number of Unit Owners entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof

**Section 11. Voting of Units.** Each Unit Owner entitled to vote in accordance with the terms and provisions of the Articles of Incorporation and these Bylaws, shall be entitled to one (1) vote for each Unit owned by such Unit Owner.

**Section 12. Proxies.** Except as specifically otherwise provided herein, Unit Owners may not vote by general proxy but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Florida Division of Land Sales, Condominiums and Mobile Homes (the "Division"). Limited and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves, for votes taken to amend the Articles of Incorporation or Bylaws, and for any other matter for which the law requires or permits a vote of the Unit Owners. No proxy, limited or general may be used in the election of the Board of Directors. General proxies may be used for other matters for which limited proxies are not required, and also may be used in voting for non substantive changes to items for which a limited proxy is required and given. Every general proxy must be signed by the Unit Owner or his or her attorney-in-fact. Every proxy shall be effective only for the specific meeting for which it has been given and any lawfully adjourned meetings thereof, except that in no event shall a proxy be valid for more than ninety (90) days from the date it was executed. Additionally, every proxy shall be revocable at the pleasure of the Unit Owner executing it. The authority of the holder of a general proxy to act shall not be revoked by the incompetence or death of the Unit Owner who executed the proxy unless, before the authority is exercised, written notice of an adjudication of such incompetence or of such death is received by the Association Officer responsible for maintaining the list of Unit Owners.

**Section 13. Notice of Adjourned Meetings.** When a meeting is adjourned to another place or time, it shall not be necessary to give any notice of the adjourned meeting if the place and time to which the meeting is adjourned are announced at the meeting at

which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given as provided in this section to each Unit Owner of record on the new record date entitled to vote at such meeting.

**Section 14. Special Meetings.** Special meetings of the Unit Owners shall be held when directed by the President, the Board of Directors, or when requested in writing by the holders of not less than ten (10) percent of all the Units entitled to vote. A meeting requested by Unit Owners shall be called for a date not less than fourteen (14) nor more than sixty (60) days after the request is made, unless the Unit Owners requesting the meeting designate a later date. The call for the meeting shall be issued by the Secretary, unless the President, Board of Directors, or Unit Owners requesting the meeting shall designate another person to do so.

**Section 15. Action by Unit Owners Without a Meeting.** Any action required by law, these Bylaws or the Articles of Incorporation of this Association to be taken at any annual or special meeting of Unit Owners of the Association, or any action that may be taken at any annual or special meeting of such Unit Owners, may be taken without a meeting, without prior notice and without a vote, if consent in writing, setting forth the action so taken, shall be signed by the holders of Units having not less than the minimum number of votes that would be necessary to authorize, or take such action.

### ARTICLE III - DIRECTORS

**Section 1. Function.** All corporate powers shall be exercised by or under the authority of, and the business and affairs of this Association shall be managed under the direction of the Board of Directors.

**Section 2. Qualifications.** All members of the Board of Directors shall be Unit Owners. If a Unit is owned by more than one person, including a husband and wife, only one of the joint owners shall be entitled to hold office as a Director or Officer of this Association at any one time.

**Section 3. Compensation.** The Unit Owners, by majority vote, shall determine the rate of compensation, if any, for the Directors and Officers. However, the members of the Board of Directors shall be entitled to reimbursement for any reasonable expenses incurred in the performance of their duties.

**Section 4. Duties of Directors.** The Directors shall have a fiduciary relationship to the Association. A Director shall perform his duties as a Director, including his duties as a member of any committee of the Board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of the Association, made with such care as an ordinarily prudent person in a like position would use under similar

circumstances. In performing his duties, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) one or more officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented,

(b) counsel, public accountants or other persons as to matters that the Director reasonably believes to be within such person's professional or expert competence, or

(c) a committee of the Board upon which he does not serve, duly designated in accordance with a provision of the Articles of Incorporation or the Bylaws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

**Section 5. Duty of Good Faith.** A Director shall not be considered to be acting in good faith if he has knowledge about the matter in question that would cause such reliance described above to be unwarranted. A person who does his duty in compliance with this section shall have no liability by reason of being or having been a Director of the Association. The Association shall indemnify and hold harmless any Directors from liability for corporate action.

**Section 6. Presumption of Assent.** A Director of the Association who is present at a meeting of its Directors at which action on any Association 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.

**Section 7. Number.** This Association shall be managed by a Board of seven (7) Directors. The number of Directors may be increased or decreased from time to time by amendment to these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director. There shall never be less than seven (7) Directors. *[Amended February 16, 2008]*

**Section 8. Term.** Directors shall be elected on staggered three (3) year terms. This staggering of Directors' terms is intended to provide continuity to the management of the Association. The Unit Owners also may elect additional Directors to fill the terms of any Directors resigning during their term or who otherwise leave office. At the first election of Directors the term of office shall be determined by drawing numbers. Thereafter, all elections shall be conducted in a manner to perpetuate the term of office schedule. *[Amended February 16, 2008]*

**Section 9. Election.** The Board of Directors shall be elected by written ballot or voting machine. Proxies shall not be used in the election of members of the Board of Directors in a general election, resignations or elections to fill vacancies. Limited proxies may be used in the case of election or replacement of a Board member caused by recall. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum

requirement for the election of Directors, however, at least twenty (20) percent of the Eligible voters must cast a ballot in order to have a valid election of Directors. No Unit Owner shall permit any other person to vote his or her ballot, and any such ballots improperly cast shall be deemed invalid. Any Unit Owner needing assistance in casting the ballot may obtain assistance in casting the ballot. Any Unit Owner violating this provision maybe fined by the Association in accordance with the provisions of §719.303, Florida Statutes. The regular election shall occur on the day of the annual meeting of Unit Owners. Notwithstanding these provisions, an election and balloting are not required unless more candidates file a notice of intent to run or are nominated than vacancies exist on the Board of Directors.

**Section 10. Notice of Election of Directors.** At least sixty (60) days before a scheduled election, the Association shall mail or deliver personally or electronically, whether by separate association mailing or included in another association mailing or delivery including regularly published newsletters, to each affected Unit Owner entitled to vote, a first notice of the date of the election. Not less than fourteen (14) days before the election, the Association shall mail a second notice of election to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates, an agenda, and any candidate information sheets. *[Amended February 16, 2008]*

**Section 11. Candidacy.** Any Unit Owner or other eligible person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than forty (40) days before a scheduled election. Upon the request of a candidate, the Association shall include an information sheet, no larger than 8½ inches by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days prior to the election, to be included with the mailing of the ballot, with the costs of mailing and copying to be paid by the Association. The Association disclaims and shall have no liability for the contents of the information sheets provided by the candidates. *[Amended February 16, 2008]*

**Section 12. Vacancies.** Any vacancy occurring in the Board, including any vacancy created by reason of an increase in the number of Directors, shall be filled by the remaining Directors, who shall appoint such replacement Director or Directors as are necessary to fill any Vacancies. A Director so elected will serve until the next annual meeting when a replacement Director shall be elected in the manner provided by these Bylaws who shall serve the remainder of the unexpired term.

**Section 13. Recall and Removal of Directors.** Any Director or the entire Board of Directors may be removed, with or without cause, by a vote or agreement in writing of a majority of all Unit Owners then entitled to vote at an election of Directors. A special meeting of the Unit Owners to recall a member or members of the Board may be called by ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of the Unit Owners and stating the purpose of the meeting. *[Amended February 16, 2008]*

(a) If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective as provided herein. The Board of Directors shall duly notice and hold a Board meeting within five (5) full business days of the adjournment of the Unit Owner meeting to recall one or more Board members. At the meeting, the Board shall either certify the recall, in which case such member or members shall be recalled immediately and shall turn over to the Board within five (5) full business days any and all records of the association in their possession, or shall proceed as set forth in paragraph (c) below.

(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, or by personal service in the manner authorized by Chapter 48, Florida Statutes. The Board of Directors shall duly notice and hold meeting of the Board within five (5) full business days after receipt of the agreement in writing. At the meeting, the Board shall either certify the written agreement to recall members of the Board, in which case such members shall turn over to the Board, within five (5) full business days, any and all records of the Association in their possession, or proceed as set forth in paragraph (c) below.

(c) If the Board determines not to certify the written agreement to recall members of the Board, or if the recall by a vote at a meeting is disputed, the Board shall, within five (5) full business days after the Board meeting, file a petition for arbitration in accordance with Chapter 682, Florida Statutes the Florida Arbitration Code ("Code") such shall be a petition for mandatory binding arbitration pursuant to the Code. The arbitration shall take place in Citrus County, Florida. The Unit Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall on any member of the Board, the recall shall be effective upon service of the final order of arbitration upon the Association. Any member so recalled shall deliver to the Board any and all records and property of the Association in his or her possession within five (5) full business days of the effective date of the recall.

**Section 14. Quorum and Voting.** A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

**Section 15. Executive and Other Committees.** The Directors, by resolution adopted by a majority of the full Board, may designate from among its members, an executive committee and other committees, and each such committee shall serve at the pleasure of the Board with the authority contained in the Florida Statutes. The Board, by resolution, may designate one or more Directors as alternative members of any such committee, who may act in the place and stead of any absent member or members at any meeting of such committee.

**Section 16. Meetings.** Meetings of the Directors shall be held at a time and place at the discretion of the Board. Meetings may be called by the President or by any two (2) Directors. Members of the Board may participate in a meeting of such Board by a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. All Board of Directors meetings shall be open to all Unit Owners and notice shall be posted in a conspicuous place on the Park property at least forty-eight (48) continuous hours before each meeting. Any Unit Owner may tape record or videotape meetings of the Board of Directors. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items, and to audiotape or video-tape such meetings. The Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. *[Amended February 16, 2008]*

**Section 17. Notice.** Except in case of emergency, written notice of the time and place of meetings of Directors shall be given to each Director either by personal delivery or by mail, telegram or cablegram or electronic transmission and by notice posted in a conspicuous place in the Park at least forty-eight (48) continuous hours before the meeting. The business to be transacted at or the purpose of any special meeting of the Directors shall be specified in the notice. *[Amended February 16, 2008]*

(a) Notice of any meeting at which assessments against Unit Owners are to be discussed for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

(b) The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of expenses to the Unit Owners at their last known address, not less than thirty (30) days before the meeting at which the budget will be considered. A copy of the budget shall be posted in a conspicuous place in the Park and written notice of the time and place of the budget meeting shall be delivered to each Unit Owner 30 days before such meeting.

(c) Any item not included on the notice may be taken up on an emergency basis by an affirmative vote of at least a majority of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. *[Amended February 16, 2008]*

**Section 18. Bids: Expenditure Limitation.** All contracts for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes, and all contracts for services, except employee contracts, and all contracts not to be fully performed within one (1) year of making, shall be in writing. Any such contract which requires payment by the Association in an amount, which in aggregate exceeds five percent (5%) of the Association's budget, including reserves, shall be submitted to competitive bids for such materials, equipment or services. However, the

Association shall not be required to accept the lowest bid. *[Amended February 16, 2008]*

### **Section 19. Committees**

- (a) Committees that work on the preparation of the budget or are empowered to take final action on an agenda item by the Board of Directors shall post a notice of the committee meeting forty-eight (48) continuous hours in advance, giving the date, time and place of the meeting and an agenda of the items for committee consideration. The notice shall be posted in the customary place for meeting notices. *[Amended February 16, 2008]*
- (b) Committee members appointed by the Board of Directors or selected by the Chairperson of a committee created by the Board shall be entitled to an individual personal notice of the call for a meeting if the committee member is known to be residing in the Resort at the time of posting the meeting notice. *[Amended February 16, 2008]*

## **ARTICLE IV - OFFICERS**

**Section 1. Officers.** The Officers of this Association shall consist of a President, Vice President, Secretary and Treasurer, each of whom shall be elected by a majority vote of the Board of Directors. The Board of Directors, from time to time, may elect or appoint such other officers, assistant officers and agents as they may be deemed necessary for the proper and convenient conduct of Association business. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified or until his resignation, or until he shall have been removed in the manner provided herein. The failure to elect a president, secretary, treasurer, or any other officer, shall not affect the existence of this corporation.

**Section 2. Duties of Officers.** The Officers of this Association shall have the following duties:

THE PRESIDENT shall be the chief executive officer of the Association, shall have general and active management of the business and affairs of the Association subject to the directions of the Board of Directors, and shall preside at all meetings of the Unit Owners and Board of Directors. The President shall be an ex-officio member of all committees.

THE VICE PRESIDENT shall preside in the absence of the President and perform the duties of the President in the event of his absence or disability. In the event more than one Vice President is elected, the Vice Presidents shall serve in the capacity of the President in the order designated at the time of their election. Any Vice President may sign share certificates with the Secretary and shall perform such other duties as may be

assigned from time to time by the President or Board of Directors. *[Amended February 16, 2008]*

THE SECRETARY shall:

- (a) have custody of, and maintain, all of the Association records except the financial records;
- (b) record and keep the minutes of all meetings of the Unit Owners, Board of Directors, and any committees, in one or more books provided for that purpose;
- (c) keep and maintain the membership books of the Association, including a register of the mailing address, of each Unit Owner;
- (d) see that all notices are duly given in accordance with these bylaws or as required by law;
- (e) keep and maintain the seal of the Association and see that the seal affixed to all documents is duly authorized for execution under seal on behalf of the Association.
- (f) sign with the President, or a Vice President, membership certificates, the issuance of which have been authorized by the Board of Directors;
- (g) perform all duties incidental to the office of Secretary and such other duties as may be assigned to the Secretary from time to time by the Board of Directors.

All official correspondence of the corporation shall be referred to the Secretary who shall maintain a file of such correspondence at the corporation office.

THE TREASURER shall:

- (h) have custody of and be responsible for all of the funds and financial records of the Association;
- (i) receive and give receipts for money due and paid to the corporation from any source whatsoever;
- (j) deposit all such monies paid to the corporation in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with these bylaws;
- (k) keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of members and whenever else required by the Board of Directors or the President;
- (l) give bond for the faithful discharge of his duties;

(m) perform all of the duties incidental to the office of treasurer, and such other duties as may be assigned to the treasurer from time to time by the Board of Directors.

**Section 3. Removal.** Any officer or agent elected or appointed by the Directors may be removed whenever in their judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**Section 4. Fiduciary Relationship.** The Officers and the Directors of the Association have a fiduciary relationship to the Association and its Unit Owners. *[Amended February 16, 2008]*

**Section 5. Bonding.** The Association shall obtain and maintain adequate provision for the fidelity bonding of all persons who control or disburse funds of the Association. "Persons who control or disburse funds" means "those individuals authorized to sign checks, and the President, Secretary, and Treasurer of the Association."

## **ARTICLE V - MEMBERSHIP CERTIFICATES**

**Section 1. Issuance.** Every Unit Owner shall be entitled to have a certificate, representing the membership to which he or she is entitled.

**Section 2. Form.** Certificates representing membership in the Association shall be signed by the President and Secretary or by such other Officers authorized by the Directors under the laws of the State of Florida and may be sealed with the seal of the Association or a facsimile thereof. All certificates shall be numbered according to the Unit they represent and shall state upon the face thereof the name of the Association, that the Association is organized under the laws of the State, and the name of the person or persons to whom issued.

**Section 3. Lost, Stolen or Destroyed Certificates.** The Association shall issue a new certificate, in place of any certificate previously issued if the holder of record of the certificate (a) makes proof in affidavit form that it has been lost, destroyed or wrongfully taken; (b) requests the issue of a new certificate before the Association has notice that the certificate has been acquired by a purchaser for value in good faith and without notice of any adverse claim; (c) gives bond in such form as the Association may direct, to indemnify the Association, the transfer agent, and registrar against any claim that may be made on account of the alleged loss, destruction, or theft of a certificate; and (d) satisfies any other reasonable requirements imposed by the Association.

**Section 4. Transfer of Membership Certificates.** Upon surrender to the Association of a certificate for membership duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Association to issue a new certificate to the person entitled thereto, and cancel the old certificate;

every such transfer shall be entered on the membership books of the Association which shall be kept at the principal office. All such transfers are subject to the condition that only owners of Cooperative Units in the Park are eligible to be members in the Association. A notice of the existence of restrictions on ownership must appear on the face of all certificates.

**Section 5. Holder of Record.** The Association shall be entitled to treat the holder of record of any membership certificate as the holder in fact thereof, and accordingly, will not be bound to recognize any equitable or other claim to or interest in such membership by any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of this State.

## **ARTICLE VI - BOOKS AND RECORDS**

**Section 1. Maintenance and Inspection.** The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of Unit Owners, Directors and committees upon the terms and conditions provided by law, and shall maintain them available for inspection by Directors, Unit Owners, or their authorized representatives, at reasonable times and upon reasonable notice. The Association shall retain minutes and records for a period of not less than seven (7) years.

**Section 2. Fiduciary Bond.** All persons who control or disburse funds of the Association shall be bonded in an amount that covers the maximum funds that will be in the custody of the association or its management agent at any one time. For purposes of this section, the term "persons who control or disburse funds of the association", shall include, but is not limited to, those individuals authorized to sign checks, and the President, Secretary, and Treasurer of the Association. The Association shall bear the cost of bonding, unless otherwise provided by contract between the Association and an independent management company.

## **ARTICLE VII - FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January in each year.

## **ARTICLE VIII - CORPORATE SEAL**

The Directors shall provide a corporate seal that shall be circular in form and shall have inscribed thereon the name of the Association, state of incorporation, year of incorporation and the words "corporate seal."

## ARTICLE IX - RULES AND REGULATIONS

Rules and Regulations, as established by the Board of Directors, and as they may be amended by them from time to time, are hereby declared to be a part of these Bylaws, and shall bind all Unit Owners and tenants. Rules and Regulations also may be adopted or amended by the vote of a majority of those entitled to vote at any duly noticed Unit Owner meeting at which there is a quorum. Rules and regulations adopted or amended by a vote of the majority of Unit Owners entitled to vote at a meeting at which there is a quorum shall not thereafter be amended by the Board of Directors without the vote of the Unit Owners unless such amendments are made solely for the purpose of complying with the requirements of law. All Rules and Regulations established herein must comply with all state and federal statutes, specifically chapter 719.106(2)(b) of Florida Statutes which requires all Rules and Regulations not be an "unreasonable interference" with the use of units and common elements. *[Amended February 16, 2008]*

## ARTICLE X - AMENDMENT

These Bylaws may be repealed or amended, and new bylaws adopted by a majority vote of the Unit Owners at an annual meeting or a special meeting called for that purpose. Text of the proposed change shall be posted in a conspicuous place in the Park at least four weeks before the called meeting. No bylaw shall be revised or amended by reference to the title or the number alone. Proposals 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 the above procedure would hinder understanding of the proposal, it is not necessary to use the above procedure. Instead, the following notation must appear immediately preceding the proposed:

"Substantial rewording of bylaw. See bylaw (insert appropriate article and section number for present text.)"

## ARTICLE XI - BUDGET

**Section 1. Preparation and Notice.** A proposed annual budget of common expenses shall be prepared by the Board of Directors and copies sent to the Unit Owners at least 30 days before the meeting at which the budget will be considered. The meeting shall be open to all Unit Owners.

**Section 2. Classification: Reserves.** The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications. In addition to annual operating expenses, the budget may

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 regardless of the amount of deferred maintenance expense or replacement cost, and for any other items for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula that is based upon estimated remaining useful life, and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any extension of the remaining useful life of a reserve item caused by deferred maintenance. The foregoing shall not apply to any budget in which the members of the Association have, by vote of the majority voting in person or by limited proxy at a duly called meeting of the association, determined for a fiscal year to provide no reserves or reserves less adequate than required by the foregoing section. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less than 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. Reserve funds and any interest accruing thereon shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of a majority of the total interests in person or by limited proxy at a duly called meeting of the Association.

**Section 3. Adoption.** The budget shall be adopted at a meeting of the Directors of the Association. The Board of Directors may, in any event, propose a budget to the Unit Owners at a meeting thereof or by writing, and if the budget or proposed budget is approved by the Unit Owners at the meeting or by a majority of all Unit Owners in writing, the budget shall be adopted. 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 adopted by the Board of Directors shall go into effect as scheduled.

**Section 4. Unit Owner Approval.** If the budget adopted by the Board requires assessment against the Unit Owners in any fiscal or calendar year exceeding 115 percent (115%) of such assessments for the preceding year, a special meeting of the Unit Owners shall be held upon written application of 10% of the Unit Owners. Not less than 10 days' written notice shall be given to each Unit Owner, but the meeting shall be held within 30 days of delivery of such application to the Board. The Notice of the Special Meeting of the Unit Owners must state that the purpose of the meeting is to consider the proposed assessment and for a possible recall and removal of some or all of the members of the Board of Directors. At the special meeting, Unit Owners may consider and enact a revision of the budget or recall any or all members of the Board and elect their successors. In determining whether assessments exceed 115 percent of similar assessments for prior years, any authorized provisions for reasonable reserves for repair or replacement of Cooperative property, anticipated expenses by the Association that are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the Cooperative property shall be excluded from computation.

**Section 5. Financial Report.** Within 60 days following the end of the fiscal year or calendar year, or annually on such date as is otherwise provided in the Bylaws of the Association, the Board of Directors of the Association shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous 12 months or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles (GAAP). The report shall show the amount of receipts by accounts and receipt classifications and shall show the amount of expenses by accounts and expense classifications including, but not limited to: costs of security, professional and management fees and expenses, taxes, costs for recreational facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administrative and salary expenses, and reserves for capital expenditures, deferred maintenance, and any other category for which the Association maintains a reserve account or accounts. *[Amended February 16, 2008]*

## **ARTICLE XII - COSTS AND ASSESSMENTS**

**Section 1. Assessments.** All assessments shall be made monthly in amounts sufficient to provide funds in advance for payment of all anticipated current operating expense and for all unpaid operating expense previously incurred and collected monthly and shall specify what portion is to cover debt retirement and what portion is to cover maintenance and other costs.

**Section 2. Late Fees.** The Board may establish and enforce the payment of late fees for assessments not paid within five (5) calendar days from their due date.

**Section 3. Enforcement.** If any assessment is not paid within thirty (30) days after the delinquency date, which shall be set by the Board of Directors, the assessment shall bear interest from the date due at the highest rate allowed by law. The Board of Directors may enforce the payment of assessments, fees properly imposed by the Board, and interest that has accrued on such unpaid assessments and fees by any method provided by law, including but not limited to the filing of a claim of lien, foreclosure of the Unit Owner's interest in the Association, a suit on the personal obligation against the Unit Owner, and a civil suit for damages. The choice of any remedy by the Directors does not constitute an election or the waiver of any remedy. Any lien established by the Association shall also secure costs and attorney's fees incurred by the Association incident to the collection of the rents and assessments for enforcement of such lien. In any foreclosure, the Unit Owner shall pay a reasonable rent for the Cooperative Parcel.

**Section 4. Subordination to lien of mortgages.** The lien of the assessments for which provision is herein made, as well as in any other article of these Bylaws, shall be subordinated to the lien of any first mortgage to a federal or state chartered bank, mortgage company, life insurance company, federal or state savings and loan

association or real estate investment trust which is perfected by law before the enforcement of a claim of lien for any such unpaid assessments by the Association. Such subordination shall apply only to the assessments that have become due and payable before a sale or transfer of such Unit by deed in lieu of foreclosure of such unit or pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure of such mortgage, provided however, any such Unit shall be liable, following such sale, for a pro-rata share of any unpaid assessments against such unit accruing prior to such sale, in common with all other Unit Owners. No sale or transfer shall relieve any Unit Owner from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The written opinion of the Association that the lien is subordinated to a mortgage shall be dispositive of any question of subordination.

### **ARTICLE XIII - ARBITRATION**

Internal disputes arising from the operation of the Cooperative shall be subject to mandatory non binding arbitration in accordance with Chapter 719.1255, Florida Statutes, as it may be amended from time to time.

### **ARTICLE XIV - USE OF PRONOUNS**

Wherever used in this document, the singular shall include the plural, and the masculine gender shall include the feminine, and vice-versa, regardless of the terminology stated herein.

### **ARTICLE XV - CAPTIONS AND SECTIONS NUMBERS**

The captions, section numbers and index appearing in these Bylaws are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of these Bylaws, nor in any way affect their terms.

### **ARTICLE XVI - MERGER CHANGE OF FORM OF OWNERSHIP**

**Section 1.** The Association does hereby reserve the right together with a vote of fifty-one (51%) percent of all of the Unit Owners, to terminate the Master Proprietary Lease in favor of another form of ownership. That is to say in the event it is determined by the Association to create a commercial condominium, or some other form of ownership and if there is approval of not less than fifty-one (51%) percent of the Unit Owners entitled to vote, then upon the vote of the Unit Owners at a meeting duly called by the Association, where notice of such intention is given in writing not less than thirty (30) days prior to the meeting, the Master Proprietary Lease may be terminated in favor of another form of ownership. The result of such change shall not cause any loss of rights or interests of a Unit Owner, nor shall it change the obligation for payment of fees under the Schedule of

Maintenance and Common Expense Assessments. Such termination shall then be accomplished upon the signature of the Association President alone without the signatures of each of the separate Unit Owners.

**Section 2.** The Association does hereby reserve the right to merge with any other association or ownership entity upon the vote of seventy-five (75%) percent of all of the members of the Board of Directors. Notice, in writing, of such Board meeting shall be given to the Board members and Unit Owners describing the merger not less than thirty (30) days prior to the meeting.

WITH AMENDMENTS ADOPTED BY THE UNIT OWNERS ON FEBRUARY 16, 2008.

NATURE COAST LANDINGS RESORT  
ASSOCIATION, INC.

By: \_\_\_\_\_  
Fred Cross, President