

N95000003567

(Requestor's Name)

Hankin, Persson, Davis, McClenathen & Darnell  
Attorneys and Counselors At Law  
1820 Ringling Boulevard  
Sarasota, FL 34236

(City/State/Zip/Phone #)

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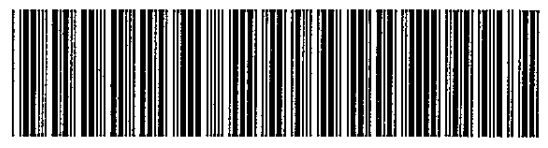
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Articles of Merger

merging

PINESTONE AT PALMER RANCH NO. 26 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000002209  
PINESTONE AT PALMER RANCH NO. 25 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N95000003564  
PINESTONE AT PALMER RANCH NO. 24 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N97000001371  
PINESTONE AT PALMER RANCH NO. 23 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N97000003542  
PINESTONE AT PALMER RANCH NO. 22 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N97000006622  
PINESTONE AT PALMER RANCH NO. 21 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N98000001785  
PINESTONE AT PALMER RANCH NO. 20 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N98000006440  
PINESTONE AT PALMER RANCH NO. 19 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000006281  
PINESTONE AT PALMER RANCH NO. 18 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000003888  
PINESTONE AT PALMER RANCH NO. 17 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N98000005413

**PINESTONE AT PALMER RANCH NO. 1 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003562**

**PINESTONE AT PALMER RANCH NO. 2 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N01000006739**

**PINESTONE AT PALMER RANCH NO. 3 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003563**

**PINESTONE AT PALMER RANCH NO. 4 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003558**

**PINESTONE AT PALMER RANCH NO. 5 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003566**

**PINESTONE AT PALMER RANCH NO. 6 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003560**

**PINESTONE AT PALMER RANCH NO. 7 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N95000003557**

**PINESTONE AT PALMER RANCH NO. 8 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N97000002155**

**PINESTONE AT PALMER RANCH NO. 9 CONDOMINIUM ASSOCIATION,  
INC., a Florida corporation N98000000729**

PINESTONE AT PALMER RANCH NO. 16 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N97000006086

PINESTONE AT PALMER RANCH NO. 15 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N97000004134

PINESTONE AT PALMER RANCH NO. 14 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000005910

PINESTONE AT PALMER RANCH NO. 13 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000003295

PINESTONE AT PALMER RANCH NO. 12 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000006282

PINESTONE AT PALMER RANCH NO. 11 CONDOMINIUM ASSOCIATION, INC., a Florida corporation  
N99000006283

PINESTONE AT PALMER RANCH NO. 10 CONDOMINIUM ASSOCIATION, INC., a Florida corporation

merging into

PINESTONE AT PALMER RANCH NEIGHBORHOOD ASSOCIATION, INC..

which changed its name to

**PINESTONE AT PALMER RANCH ASSOCIATION, INC.**, a Florida entity,  
N95000003567

File date: March 10, 2003

Corporate Specialist: Annette Ramsey

# Hankin, Persson, Davis, McClenathen & Darnell

Attorneys and Counselors At Law  
A Partnership of Professional Associations  
1820 Ringling Boulevard  
Sarasota, Florida 34236  
Telephone (941) 365-4950  
Facsimile (941) 365-3259

Writer's Direct Line: (941) 926-7762  
Writer's Direct Fax: (941) 926-8291  
cmcclenathen@sarasotalawfirm.com

Lawrence M. Hankin  
David P. Persson  
David D. Davis  
Chad M. McClenathen\*  
Robert W. Darnell\*\*  
Andrew H. Cohen

\* Board Certified Real Estate  
\*\*Board Certified Wills, Trusts & Estates

March 6, 2003

Florida Division of Corporations  
Attn: Amendment Section  
PO Box 6327  
Tallahassee, FL 32314

**Re: Filing Articles of Merger for Pinestone at Palmer Ranch Association, Inc.**

Dear Division folks:

Enclosed for filing are the following items:

1. Original executed Articles of Merger, with attached Plan of Merger, including numbered Exhibits 1, 2, and 3. Please note that Amended and Restated Articles of Incorporation were adopted as part of the Plan or Merger. The Amended and Restated Articles of Incorporation are attached as Exhibit 2 to the Plan of Merger, and have been executed in case necessary. I have also included an original executed Acceptance of Duties by the new Registered Agent.
2. Check for \$962.50 payable to the Florida Department of State.

The check includes payment for the following items:

1. The merger fee of \$35 for each of the 27 corporations. (\$945.00).
2. \$8.75 for a Certificate of Status for the surviving corporation.
3. \$8.75 for a certified copy of the Amended and Restated Articles of Incorporation.

Susan Payne informed me by email on February 13, 2003 that no additional fee was necessary to file the Amended and Restated Articles of Incorporation if filed as an exhibit to the Plan of Merger.

For your information, the amendments attached as Exhibit 1 to the Plan of Merger have been recorded with Sarasota County. Therefore, under paragraph 9 of the Plan of Merger, the effective date of the merger will be date that the enclosed documents are filed with your department.

Please contact me if you have questions or need additional information.

Very truly yours,



Chad M. McClenathen

cc: Pinestone at Palmer Ranch Association, Inc., without enclosures.

ARTICLES OF MERGER

FILED

03 MAR 12 12:47  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

1. The undersigned corporations, being validly and legally formed under the laws of the state of Florida, have adopted a Plan of Merger. The Plan of Merger is attached as Exhibit "A" to these Articles of Merger.

2. Under the Plan of Merger, the name of the surviving corporation is **Pinestone at Palmer Ranch Neighborhood Association, Inc., n/k/a Pinestone At Palmer Ranch Association, Inc.**, a Florida corporation not for profit.

3. The Plan of Merger of the undersigned corporations was adopted under F.S. 617.1103.

4. The Plan of Merger shall become effective as provided in Paragraph 9 thereof.

5. The Articles of Incorporation of the surviving corporation are being amended and restated as permitted in F.S. 617.1007 and 617.1101(2)(c). The Amended and Restated Articles of Incorporation were attached as Exhibit 2 to the Plan of Merger.

6. The Plan of Merger, and the exhibits thereto, were approved by not less than two-thirds of the entire memberships of the Merging Corporations and the Surviving Corporation at membership meetings of the corporations held on January 30, 2003, as adjourned and reconvened on February 3, 2003; by not less than two-thirds of entire membership of the Board of Directors of the Surviving Corporation at a Board meeting held on January 7, 2003; and by not less than a majority of the entire memberships of the Board of Directors of each Merging Corporation at board meetings held on January 7, 2003. The number of affirmative votes cast in favor of the merger, and the adoption of the Amended and Restated Articles of Incorporation, were sufficient for approval under the terms of the Articles of Incorporation of the corporations, and applicable law.

The statements set forth in these Articles of Merger are true and correct and are certified as such on this 3rd day of ~~February~~ March, 2003.

Pinestone at Palmer Ranch Neighborhood Association, Inc.,  
n/k/a Pinestone At Palmer Ranch Association, Inc.

Edward Schonegg  
By: Edward Schonegg, President

Pinestone at Palmer Ranch No. 1 Condominium Association, Inc.

Orlando S. Pride III  
By: Orlando S. Pride III, President

Pinestone at Palmer Ranch No. 2 Condominium Association, Inc.

George R. Smith  
By: George R. Smith, President

Pinestone at Palmer Ranch No. 3 Condominium Association, Inc.

William A. McDonald  
By: William A. McDonald, President

Pinestone at Palmer Ranch No. 4 Condominium Association, Inc.

Carol E. DeMare  
By: Carol E. DeMare, President

Pinestone at Palmer Ranch No. 5 Condominium Association, Inc. .

Andrew B. Walker  
By: Andrew B. Walker, President

Pinestone at Palmer Ranch No. 6 Condominium Association, Inc. .

Forrest F. Harms  
By: Forrest F. Harms, President

Pinestone at Palmer Ranch No. 7 Condominium Association, Inc. .

Vivian Elmergreen  
By: Vivian Elmergreen, President

Pinestone at Palmer Ranch No. 8 Condominium Association, Inc. .

Robert C. Meter, Jr.  
By: Robert C. Meter, Jr., President

Pinestone at Palmer Ranch No. 9 Condominium Association, Inc. .

Marcia L. Johnson  
By: Marcia L. Johnson, President

Pinestone at Palmer Ranch No. 10 Condominium Association, Inc. .

A. J. Winchester  
By: A. J. Winchester, President

Pinestone at Palmer Ranch No. 11 Condominium Association, Inc. .

Bernard M. Amatrudo  
By: Bernard M. Amatrudo, President

Pinestone at Palmer Ranch No. 12 Condominium Association, Inc. .

Robert Collister  
By: Robert Collister, President

Pinestone at Palmer Ranch No. 13 Condominium Association, Inc. .

Suzanne Kelly  
By: Suzanne Kelly, President

Pinestone at Palmer Ranch No. 14 Condominium Association, Inc. .

Earl W. Ferguson  
By: Earl W. Ferguson, President

Pinestone at Palmer Ranch No. 15 Condominium Association, Inc. .

Mary K. Holynski  
By: Mary K. Holynski, President

Pinestone at Palmer Ranch No. 16 Condominium Association, Inc.

Amelia Golfinos  
By: Amelia Golfinos, President

Pinestone at Palmer Ranch No. 17 Condominium Association, Inc.

Leo J. Coughlin  
By: Leo J. Coughlin, President

Pinestone at Palmer Ranch No. 18 Condominium Association, Inc.

Charlie Rodi  
By: Charlie Rodi, President

Pinestone at Palmer Ranch No. 19 Condominium Association, Inc.

Carol D. Meixner  
By: Carol D. Meixner, President

Pinestone at Palmer Ranch No. 20 Condominium Association, Inc.

Donald G. Corbett  
By: Donald G. Corbett, President

Pinestone at Palmer Ranch No. 21 Condominium Association, Inc.

Laurel E. Stanfield  
By: Laurel E. Stanfield, President

Pinestone at Palmer Ranch No. 22 Condominium Association, Inc.

Robert Wouk  
By: Robert Wouk, President

Pinestone at Palmer Ranch No. 23 Condominium Association, Inc.

Dorothy C. Goerke  
By: Dorothy C. Goerke, President

Pinestone at Palmer Ranch No. 24 Condominium Association, Inc.

Janice McHargue  
By: Janice McHargue, President

Pinestone at Palmer Ranch No. 25 Condominium Association, Inc.

Lois D. Pendola  
By: Lois D. Pendola, President

Pinestone at Palmer Ranch No. 26 Condominium Association, Inc.

Marie E. Drew  
By: Marie E. Drew, President

**PINESTONE  
PLAN OF MERGER**

This Plan of Merger is by and between **Pinestone at Palmer Ranch Neighborhood Association, Inc.**, a Florida corporation not for profit (the "Surviving Corporation") and the following corporations (the "Merging Corporations"):

- **Pinestone at Palmer Ranch No. 1 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 2 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 3 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 4 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 5 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 6 Condominium Association, Inc.**, a Florida corporation not for profit.
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- **Pinestone at Palmer Ranch No. 9 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 10 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 11 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 12 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 13 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 14 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 15 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 16 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 17 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 18 Condominium Association, Inc.**, a Florida corporation not for profit.
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- **Pinestone at Palmer Ranch No. 21 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 22 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 23 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 24 Condominium Association, Inc.**, a Florida corporation not for profit.



- **Pinestone at Palmer Ranch No. 25 Condominium Association, Inc.**, a Florida corporation not for profit.
- **Pinestone at Palmer Ranch No. 26 Condominium Association, Inc.**, a Florida corporation not for profit.

The Surviving Corporation and the Merging Corporation are sometimes referred to collectively herein as the "Constituent Corporations."

1. Constituent Corporations. The Constituent Corporations are Florida corporations not-for-profit, organized on a nonstock basis, and are in good standing with the Division of Corporations.

2. Condominium Property. The Constituent Corporations are in charge of the operation and control of the Pinestone community located in Sarasota County, Florida, as more particularly described below:

A. The Surviving Corporation acts as a master association for the entire Pinestone community, and owns and operates common property, in accordance with the Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch as recorded in Official Records Book 2786, Page 1257, et seq., Public Records of Sarasota County, Florida, as amended (Neighborhood Declaration).

B. Each Merging Corporation is in charge of the operation and control of a residential condominium pursuant to a duly recorded Declaration of Condominium (hereinafter collectively referred to as the Condominium Declarations). The name of each condominium association corresponds to the name of the condominium that it operates. For example, Pinestone at Palmer Ranch No. 1 Condominium Association, Inc., is in charge of Pinestone at Palmer Ranch No. 1, A Condominium. There are a total of 310 residential condominium units located in 26 separate condominiums.

The twenty-six condominiums are not being merged. Amendments to each of Condominium Declarations, and the Neighborhood Declaration, shall be adopted as part of this Plan of Merger as set forth in the proposed amendments attached hereto as Composite Exhibit 1.

3. Surviving Corporation. The Surviving Corporation shall continue to serve as a neighborhood association for the entire Pinestone community, and shall become the condominium association that operates the twenty-six condominiums described in the Condominium Declarations.

4. Principal Office. The principal office of Surviving Corporation shall be 4255 Players Place, Sarasota, Florida 34238.

5. Articles of Incorporation. The Articles of Incorporation of the Surviving Corporation shall be the Amended and Restated Articles of Incorporation attached hereto as Exhibit 2, which shall be adopted as part of this Plan of Merger.

6. Bylaws. The Bylaws of the Surviving Corporation shall be the Amended and Restated Bylaws attached hereto as Exhibit 3, which shall be adopted as part of this Plan of Merger.

7. Directors and Officers. The initial directors of the Surviving Corporation shall consist of seven (7) members: the three (3) directors elected at the annual meeting in 2001 who are currently serving the second year of their two-year terms; the two (2) directors elected at the annual meeting in 2002 who are currently serving the first year of their two-year terms; and two (2) additional directors who shall be elected for two-year terms by plurality vote of the unit owners who are present in person or by proxy at a duly noticed and convened membership meeting of the Surviving Corporation, which shall be held within 90 days of the effective date of the merger. The eligibility to serve as a director, and nomination and election procedures, shall be as set forth in Section 5 of the Amended and Restated Bylaws attached as Exhibit 3 hereto.

8. Approval by Members. This Plan of Merger is subject to approval by not less than two-thirds of Board of Directors of the Surviving Corporation, by not less than a majority of the Board of Directors of each Merging Corporation, and by not less than two-thirds of the unit owners in each Condominium, and by not less than two-thirds of the membership of the Surviving Corporation. Upon approval, the officers of the Surviving Corporation are authorized and directed to file Articles of Merger, with a copy of this Plan of Merger, with the Division of Corporations and to file all appropriate amendments to the Neighborhood Declaration, and the Articles of Incorporation and Bylaws of the Surviving Corporation, in the Public Records of Sarasota County, Florida. The officers of the Merging Corporations are authorized and directed to file the amendments to the Condominium Declarations. The officers of the Surviving Corporation shall join in the amendments to the Condominium Declarations to accept responsibility to act as the condominium association for those condominiums as set forth in this Plan of Merger. All the aforesaid amendments shall be filed on the same day and at the same time with the Clerk of Court for Sarasota County.

9. Effective Date of Merger. This merger shall become effective on the last to occur of the following dates:

- a. The date the Articles of Merger are filed in the offices of the Florida Secretary of State, or
- b. The date the amendments attached to the Plan of Merger are recorded in the Public Records of Sarasota County, Florida, or
- c. February 1, 2003.

10. Effect of Merger. When the merger becomes effective, the separate existence of the Merging Corporations shall cease, except as may be required for carrying out the purposes of this Plan of Merger or as continued by statute. All of the rights, privileges, powers, franchises, assets, causes of action, and interests of any kind whatsoever of the Merging Corporations, including all real property owned by the Merging Corporations as reflected by instruments filed in the Public Records of Sarasota County, Florida, shall become the property of the Surviving Corporation and shall not revert or be in any way impaired by reason of the merger. All rights of creditors and all liens on the property of the Merging Corporations shall be preserved unimpaired, and all debts, liabilities, and duties of the Merging Corporations shall henceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if those debts, liabilities, and duties initially had been incurred or contracted by the Surviving Corporation.

**PROPOSED AMENDMENTS  
TO THE  
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR PINESTONE AT PALMER RANCH**

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

**ARTICLE I  
DEFINITIONS**

.....

Section 1.8 "Condominium" means any portions of Pinestone at Palmer Ranch declared to be a Condominium. There are twenty-six Condominiums known as Pinestone at Palmer Ranch No. 1 through 26, inclusive herein or by appropriate Supplemental Declaration (including, without limitation, a condominium), and may consist of one or more Units. ~~The initial Condominiums hereunder consists of those properties legally described in Exhibits "C-1" and "C-2" attached hereto and made a part hereof ("Pinestone at Palmer Ranch No. 1" and "Pinestone at Palmer Ranch No. 6, respectively). Each Condominium is set aside for the exclusive use and enjoyment of the Owners (as defined herein) and occupants of said Condominium, to the exclusion of others by this Declaration or by appropriate Supplemental Declaration and includes the Common Elements of a Condominium (as defined by the Condominium Act, Chapter 718, Florida Statutes), if any, located within said Condominium.~~

Section 1.9 "Condominium Association" means Pinestone at Palmer Ranch Association, Inc., its successors and assigns, any condominium association, or other such entity, their successor and assigns for any particular Condominium, now or hereinafter existing.

Section 1.10 ~~"Declarant" means Pinestone Ltd., a Florida limited partnership, and its successor(s) or assign(s) of any or all of its rights under this Declaration who takes title to any portion of the Properties described in Exhibit "A" for the purpose of development and/or resale in the ordinary course of business and who is designated as a Declarant in a recorded instrument executed by the immediately preceding Declarant.~~

(The remaining sections shall be renumbered to be in sequential order).

.....

Section 1.13 "Neighborhood Association" means Pinestone at Palmer Ranch Neighborhood Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

**ARTICLE III  
MEMBERSHIP AND VOTING RIGHTS**

Section 3.1 Membership.

(a) Every Owner, ~~including the Declarant,~~ shall be a Member of the Neighborhood Association. Membership is mandatory and automatic with ownership of a Unit and shall be appurtenant to and may not be separated from ownership of a Unit which is subject to assessment by the Neighborhood Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Neighborhood Association.

(b) Members, rights, powers, duties, and privileges shall be as set forth in this Declaration and the Articles of Incorporation and Bylaws of the Neighborhood Association. A copy of the Amended and Restated Articles of Incorporation of the Neighborhood Association is attached hereto as

Exhibit "D" and incorporated herein by reference, and a copy of the Amended and Restated Bylaws is attached hereto as Exhibit "E" and incorporated herein by reference.

Section 3.2 Voting Rights. Each Unit shall have one vote which may be cast as provided in the Bylaws. ~~The Neighborhood Association shall have two classes of membership, Class "All and Class "B", and the votes of the Members of the various classes of membership of the Neighborhood Association shall be cast by each Member.~~

(a) ~~Class "A". Class "All Members shall be all owners except the Class "B" Member. Class "All Members shall have one (1) equal vote for each Unit on which they hold the interest required for membership under Section 3.1. The vote for each Unit owned by a Class "All Member shall be exercised by the Owner of the Unit. Each Class "All Member shall have and cast one vote in all Neighborhood Association matters.~~

(b) ~~Class "B". The Class "B" Member shall be the Declarant, or a representative thereof designated by it in a written notice to the Neighborhood Association, who shall have and cast 400 votes in all Neighborhood Association matters. Class "B" Membership shall cease and terminate at such time as the Declarant elects, but in no event later than sixty (60) days after the date upon which ninety percent (90%) of all Units ultimately to be located within Pinestone at Palmer Ranch have been sold and conveyed by Declarant.~~

Section 3.3 Condominium. ~~In the discretion of the Owner(s) and developer(s) of each Condominium, the Units within a particular Condominium may be subject to additional covenants and/or the owners may all be members of a Condominium Association, in addition to being members of the Neighborhood Association. Any Condominium may request that the Neighborhood Association provide a higher level of service or special services for the benefit of Units in such Condominium and upon the affirmative vote, written consent, or a combination thereof, of the Owner(s) of a majority of the Units within the Condominium, the Neighborhood Association may provide the requested services, upon Board approval of the request. The cost of such services shall be assessed to the Units within such Condominium and as a Condominium Assessment pursuant to Article VII. Exhibit "A" to this Declaration and each Supplemental Declaration filed to subject additional property to this Declaration, shall initially assign the property described therein to a specific Condominium by name, which Condominium may be then existing or newly created.~~

Section 3.4 Directors. The election of Directors, and the composition, eligibility, and terms of Directors, shall be as set forth in the Bylaws, ~~size of the Board of Directors shall proceed in the following stages (or on earlier dates, in the Declarant's sole discretion):~~

(a) ~~Until the Declarant transfers control of the Neighborhood Association pursuant to Section 3.5 hereof, the Declarant shall have the sole and absolute right to designate the Directors of the Neighborhood Association by written notice to the Neighborhood Association. During such period there shall be at least three (3) Directors but no more than nine (9) Directors, all as determined by the Declarant in its sole discretion.~~

(b) ~~When the Declarant has transferred control of the Neighborhood Association, but still owns one or more Units for development or for sale in the ordinary course of business, the Members shall, among themselves, elect and fill two-thirds (2/3) of the Director positions, and any replacements thereof. So long as the Declarant owns one or more Units for the development or sale in the ordinary course of business, the Declarant shall select one-third (1/3) of Directors and any replacement(s) thereof. Upon transfer of control of the Neighborhood Association, the Declarant shall remove all except one-third (1/3) of its Directors.~~

(c) ~~When the Declarant no longer owns any Unit for development or sale in the ordinary course of business, the Declarant shall cause its remaining Director (s) to resign and be removed. The Members shall, among themselves, be entitled to elect and fill all the Directors and any replacements thereof.~~

~~Section 3.5 Transfer of Control of the Neighborhood Association.~~

~~(a) Transfer of control of the Neighborhood Association shall occur upon the earlier of the following events: (i) when the Declarant gives written notice to the Neighborhood Association of its intent to relinquish and transfer control; (ii) sixty (60) days after the date upon which ninety percent (90%) of all Units ultimately to be located within Pinestone at Palmer Ranch have been sold and conveyed by the Declarant; or (iii) such other percentage of the Units has been conveyed to the Members in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of the Units. The Declarant intends, but is not in any way obligated, to ultimately construct 310 Units in Pinestone at Palmer Ranch. When the Declarant transfers control of the Neighborhood Association, the Class B Membership shall cease and be converted to Class A Membership. Upon Transfer of Control of the Neighborhood Association, the Owners of Units other than Declarant shall accept control. For purposes hereof, the term "Transfer of Control of the Neighborhood Association" means that the Owners of Units other than the Declarant are entitled to elect a majority of Directors of the Board of the Neighborhood Association.~~

~~(b) Declarant's relinquishment of control shall not require Declarant to relinquish control or allow the Neighborhood Association to assume control over any power or right which is reserved to Declarant hereunder for a period longer than Declarant's holding of voting control.~~

~~(c) So long as the Declarant owns any Unit located in The Properties for development or for sale in the ordinary course of business, the Neighborhood Association may not take any action that would be detrimental to the sales of Units by the Declarant as determined in the reasonable judgment of Declarant. However, an increase in Assessments (as defined in Article VII) for Common Expenses without discrimination against the Declarant shall not be deemed to be detrimental to the sales of Units.~~

~~Section 3.6 Multiple Owners of a Unit. If a Unit is owned by more than one (1) Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in this Article III and in the Bylaws. All such co-Owners shall be jointly and severally obligated to perform the responsibilities of owners. There shall be only one (1) membership per Unit. If a Unit is owned by one person, his or her right to vote shall be established by the roster of Members. If a Unit is owned by a corporation, partnership or trust, the Person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer, general partner, or trustee, as applicable and filed with the Secretary of the Neighborhood Association. Such person need not be an Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Neighborhood Association shall be reduced accordingly until such certificate is filed. If a Unit is owned by more than one person, they may, without being required to do so, designate a voting member in the manner provided above. In the event multiple owners of a Unit do not designate a voting member, the following provisions shall apply:~~

- ~~(i) If more than one of the joint owners are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Neighborhood Association shall be reduced accordingly for such subject only).~~
- ~~(ii) If only one of the joint owners is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote~~

~~just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.~~

- (iii) ~~If all of the joint owners are present at a meeting and concur, any one of them may cast the Unit vote.~~

~~Section 3.7 Voting Control. Inasmuch as the total number of outstanding votes at any one time is determined by the total number of Units within The Properties at that time, it is important for all Owners to understand that the subjecting of additional lands to the jurisdiction of the Neighborhood Association will make the owners of real property within such additional lands Members of the Neighborhood Association and which will increase the total number of votes. It should be noted that Declarant has the right to subject additional lands to the jurisdiction of the Neighborhood Association which will increase the number of Units.~~

#### ~~ARTICLE IV DECLARANT'S RIGHTS AND POWERS~~

##### ~~Section 4.1 Additions to The Properties.~~

(a) ~~Provided that Declarant has the prior written consent of the mortgagee(s) who has a mortgage on land the Declarant desires to add to the Properties, Declarant shall have the right and the power, but neither the duty nor the obligation, in its sole discretion, to add any lands to The Properties by recording an instrument subjecting such additional lands to this Declaration. THE EFFECT OF SUCH AN ADDITION WOULD BE TO ALLOW FOR AN INCREASE IN THE NUMBER OF UNITS, THE NUMBER OF POTENTIAL MEMBERS OF THE NEIGHBORHOOD ASSOCIATION AND THE TOTAL NUMBER OF VOTES WHICH COULD BE CAST BY MEMBERS OF THE NEIGHBORHOOD ASSOCIATION.~~

~~At the time any additional lands are made subject to this Declaration, and provided Declarant has received the prior written consent as required above, Declarant may also record an instrument which:~~

- (1) ~~modifies any of the provisions of this Declaration insofar as they may apply to such additional lands only; or~~
- (2) ~~creates new provisions applicable only to such additional lands; or~~
- (3) ~~omits the applicability of any of the provisions of this Declaration as to any such additional lands; or~~
- (4) ~~does any, all, or none of the above.~~

(b) ~~The execution and recordation of this Declaration shall not be construed to require Declarant to subject any additional lands to the covenants, conditions and restrictions or other provisions of this Declaration or any other recorded instrument.~~

~~Section 4.2 Withdrawal of Property and Allotment. The Declarant reserves the right to amend this Declaration so long as Declarant owns land in The Properties for development or for sale in the ordinary course of business, without prior notice and without the consent of any Person, for the purpose of removing property then owned by the Declarant, its affiliates, or the Neighborhood Association, from coverage of this Declaration, to the extent originally included in error or as a result of any changes in the Declarant's plan for The Properties; provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for The Properties. In order to remove property from the coverage of this Declaration, the Declarant shall record in the Public Records of Sarasota County, Florida, a Supplemental Declaration describing the property to be removed from the coverage of this Declaration.~~

##### ~~Section 4.3 Common Areas.~~

(a) So long as the Declarant owns land in The Properties for development or for sale in the ordinary course of business:

- (1) ~~Declarant may in its sole discretion, set aside, convey, lease, grant an easement, license or other use right to real property within or without The Properties to the Neighborhood Association or any persons for such purposes as may be expressed in the instrument of conveyance, lease or grant of easement, license or other use right. The Neighborhood Association must accept from Declarant any such conveyance, dedication, lease, grant of easement or license, or grant of other use right. No such real property shall be considered to be Common Areas until actually so conveyed, dedicated by platting, leased or a grant of easement, license or other use right is created by a written instrument. The written instrument shall also provide when the area(s) of land are dedicated, conveyed, leased, licensed or a use right is granted to the Neighborhood Association.~~
- (2) ~~The Neighborhood Association shall not accept from any person other than Declarant a conveyance, dedication, lease, grant of license, or grant of use right except upon the prior written consent of the Declarant or the Board of Directors after the Declarant is no longer selling Units in the ordinary course of business of developing said Units.~~
- (3) ~~Declarant shall have the right, and the power, to regulate and control the external design and appearance of the Common Areas in such a manner as Declarant deems appropriate as to promote a quality environment which will preserve the value of the Units and to foster the attractiveness and functional utility of The Properties as a place to live.~~
- (4) ~~Any type use of the Common Areas shall be subject to the prior written approval of Declarant, or the Board of Directors after the Declarant is no longer selling Units in the ordinary course of business or developing said Units.~~
- (5) ~~Declarant shall have the right in its sole discretion to grant easements, licenses, or use rights for the Common Areas to persons that are not Members. The Board of Directors shall have the right to grant easements, licenses and use rights for the Common Areas to persons that are not Members after the Declarant is no longer selling Units in the ordinary course of business or developing said Units.~~

(b) ~~Prior to any conveyance, dedication, lease or grant, of easement, license or other use right by Declarant to the Neighborhood Association of any property, Declarant shall have the right to charge reasonable fees for the use of such property; thereafter, the right to use such property may be subject to reasonable rents, fees and other charges in favor of the Neighborhood Association; in any event, rents, fees and other charges required to be paid to Declarant under the leases, grants, license or contracts creating the use right shall continue to be paid.~~

(c) ~~Any real property conveyed, leased or the use of which has been granted by Declarant or any third party to the Neighborhood Association as Common Areas is not and shall not be deemed dedicated for use by the general public but is, and shall be, deemed restricted for the common use and enjoyment of Members, their guests and tenants unless otherwise provided by the Declarant.~~

(d) ~~No nuisance or obnoxious or offensive activity shall be conducted or permitted on any Common Areas. So long as Declarant owns any Unit located in The Properties for development or for~~

~~sale in the ordinary course of business, the Declarant shall have the right and the power in the exercise of its reasonable discretion to determine what activities or uses constitute nuisances or obnoxious or offensive activity and thereafter the Board of Directors of the Neighborhood Association shall make such determination. Nothing shall be done within the Common Areas which may be or become a nuisance to Owners or Members.~~

~~(e) Neither the execution and recordation of this Declaration, nor the creation of the Neighborhood Association or other entity, nor the recordation of any other instrument subjecting any land in The Properties to protective covenants, and restrictions shall obligate or require Declarant or any other Person to grant any right, power, duty or privilege of any nature or kind to the Neighborhood Association or other entity; or obligate or require Declarant to perform any act permitted under this Declaration or to enforce any covenants, condition, restriction or other provision thereof.~~

~~(f) The Declarant and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of Pinestone at Palmer Ranch for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion, and/or alteration of any improvements or facilities on the Common Areas or elsewhere in Pinestone at Palmer Ranch as the Declarant and its affiliates, employees and agents, as appropriate, elect to effect. Further, the Declarant and its affiliates, guests and invitees shall have right to use the Common Areas for sales, customer parking, displays and signs during the period of construction and sale of any of the land owned by the Declarant and its affiliates within Pinestone at Palmer Ranch, including the operation of a sales office. All of the foregoing shall apply notwithstanding the fact that the Neighborhood Association holds title to the applicable Common Areas as of any relevant time.~~

#### Section 4.4 Condominiums.

~~So long as the Declarant owns land in The Properties for development, or for sale in the ordinary course of business, Declarant shall have the right and the power, but neither the duty nor the obligation, to amend the specific provisions of this Declaration insofar as they apply to one or more Condominiums without amending those provisions with respect to all Condominiums and to supplement this Declaration by recording separate covenants, conditions, restrictions, and other provisions applying to any specific Condominium. Such amendments or separate instruments may or may not create property condominium associations or entities other than the Neighborhood Association.~~

#### Section 4.5 Enforcement and Inaction.

~~(a) So long as the Declarant owns land in The Properties for development or for sale in the ordinary course of business, Declarant shall have the right and power, but not the obligation, to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration by any proceeding at law or in equity against any Person violating or attempting to violate such provision, to restrain any violation or attempted violation of such provisions, to require performance of such provisions, to recover damages for violations of such provisions, to levy against the land to enforce any lien created by this Declaration, and to delegate or assign either exclusively or non-exclusively any or all of its rights, powers, duties or privileges hereunder to the Neighborhood Association, or to any Condominium Association, or to an Owner, or to any other Person. In the event Declarant expends any sum of money to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration, the Neighborhood Association shall immediately reimburse the Declarant for such expenditure. Failure by Declarant, or by the Neighborhood Association or by a Condominium Association or any other Owner or any other Person to enforce any of such provisions shall in no event be deemed a waiver of their right to do so thereafter. After Declarant no longer owns any land in The Properties for development or sale in the ordinary course of business, the Neighborhood Association shall have the right and power to enforce the covenants, conditions, restrictions, and other provisions imposed by this Declaration.~~

~~(b) The costs and reasonable attorneys' fees, including those resulting from any appellate proceedings, incurred by Declarant or the Neighborhood Association in any action against an Owner to enforce any provisions of this Declaration shall be a personal obligation of such Owner which~~



shall be paid by such Owner and any amount which remains due and unpaid shall be a continuing lien upon the Owner's Unit collectible in the manner provided in Article VII.

(The remaining Articles shall be renumbered to be in sequential order).

## ARTICLE V NEIGHBORHOOD ASSOCIATION'S RIGHTS AND POWERS

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### Section 5.3 Management of Neighborhood Association Property and Common Areas.

The Neighborhood Association's authority to manage Neighborhood Association Property and Common Areas, shall include:

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(l) The protection, maintenance, repair, insurance, and replacement of the Association Property is the responsibility of the Association and the cost is a common expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to the Association Property, including the Common Areas costing more than fifteen (15%) percent of the annual overall operating budget of the Association, including reserves, in the aggregate in any calendar year without prior approval of at least a majority of the voting interests of the Association. Alterations or additions costing less than this amount may be made with Board approval. If work reasonably necessary to protect, maintain, repair, or replace the Association Property also constitutes a material alteration or substantial addition, no prior membership approval is required.

.....

### ~~Section 5.5~~ Maintenance of Condominiums.

~~Each Condominium Association shall be responsible for maintaining or repairing said Condominium Association's Condominium in good condition and repair. In the event that the Condominium Association fails to maintain and repair said Condominium in good condition and repair, then the Neighborhood Association shall have the right, but not the obligation to maintain and repair the Condominium, and impose on each Unit owner within the Condominium a Specific Assessment (as described in Article 7) for all costs and expenses incurred in maintaining or repairing said Condominium.~~

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### ~~6.7~~ Conveyances to Neighborhood Association.

~~Declarant may in its sole discretion, from time to time, convey, lease or grant a license, easement or other use right to lands within or without The Properties to the Neighborhood Association, and the Neighborhood Association must accept the same for the purpose of maintenance, landscaping, drainage, recreation, security or other purposes that will be for the use and benefit of its Members.~~

(Section 5.6 shall be renumbered as 5.5).

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## ARTICLE VII ASSESSMENTS

### Section 7.1 Creation of the Lien and Personal Obligation.

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(b) Base Assessments, Special Assessments, and Specific Assessments shall collectively be referred to as "Assessments". Each Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Neighborhood Association the Assessments attributable to that Unit.

.....

- (6) ~~In the event that a Unit has been submitted to a plan of condominium ownership or to a property owners association, or to another such entity, then the Condominium Association thereof shall have the duty and responsibility for collecting and timely remitting to the Neighborhood Association any and all Assessments owed to the Neighborhood Association and other charges; provided, however, that the Neighborhood Association may, in its sole discretion, elect to collect due and unpaid Assessments owed to the Neighborhood Association and other charges directly from any Owner personally and may impose a lien against such Owner's Unit for the payment of such Assessments and charges which are due and unpaid.~~

(Subsection 7 shall be renumbered as 6).

.....

~~Section 7.2 Declarant's Duties and Obligations With Respect to Assessments. Declarant's duties and obligations with respect to paying Assessments shall be as follows:~~

~~(a) For any Assessment year, Declarant may elect, in lieu of paying the Assessments described in 7.1 above, to pay the portion of the actual Common Expenses, less any portion for reserves, that do not exceed the budgeted amounts for the Common Expenses excluding the Reserves, and which were properly incurred by the Neighborhood Association during that year which is greater than the sums receivable by the Neighborhood Association from the payment of Assessments for that year by Owners other than Declarant. Declarant shall make said election each year at such time and in such manner as shall be provided in the Neighborhood Association Bylaws.~~

~~(b) Except as specifically provided in Section 7.2 (a) and the next following sentence, the Assessment and lien provisions of this Article VII shall not apply to any Unit owned by Declarant. The Assessment and lien provisions of this Article VII shall apply to a Unit of which Declarant is the Owner only after the occurrence of any one of the following events:~~

- ~~(1) Declarant has conveyed a Unit to another Owner; or~~
- ~~(2) Declarant executes and records a written instrument subjecting a Unit to the Assessment and lien provisions of this Article VII.~~

~~(The remaining sections shall be renumbered to be in sequential order).~~

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Section 7.5 Computation of Base Assessment. At least ninety (90) days before the beginning of each fiscal year, the Board shall prepare a budget covering its estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund. Except as provided herein, the Base Assessment shall be levied equally against all Units and shall be set at a level which is reasonably expected to produce total income for the Neighborhood Association equal to the total budgeted Common Expenses, including reserves. The Board shall send a copy of the budget and notice of the amount of the Base Assessment for the following year to each Owner at least sixty (60) days prior

to the beginning of the fiscal year for which it is to be effective. Such budget and Base Assessment shall become effective unless disapproved at a meeting by Voting Members representing at least seventy-five percent (75%) of the total Class "A" votes in the Neighborhood Association and the Class "B" Member Votes, if such exists. If the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year.

Section 7.6 Special Assessments. In addition to other authorized assessments, the Neighborhood Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Such Special Assessments may be levied against the entire membership, if such Special Assessment is for Common Expenses, or against the Units within any Condominium if such Special Assessment is for Condominium expenses. Except as otherwise specifically provided in this Declaration, any Special Assessment shall require the affirmative vote or written consent of the Members representing at least fifty-one percent (51%) of the total votes allocated to Units which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B" Member. A Special Assessment shall be payable in such manner and at such time as is determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

Section 7.7 Specific-Assessment. The Board shall have the power to levy Specific Assessments against a particular Unit or Units constituting less than all Units within the Properties or within a Condominium, as follows:

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~~The Neighborhood Association may also levy a Specific Assessment against any Condominium to reimburse the Neighborhood Association for costs incurred in bringing the Condominium into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles, the Bylaws, the Rules, and Resolutions, provided the Board gives the Condominium Association prior written notice and an opportunity to be heard before levying any such assessment.~~

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#### ARTICLE VIII ARCHITECTURAL STANDARDS

The Board shall have the authority and standing on the behalf of the Neighborhood Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Committee (the "Committee") , as established by this Article. ~~This Article may not be amended without the Declarant's written consent so long as the Declarant owns any lands subject to this Declaration.~~

Section 8.1 The Architectural Review Committee. The Board shall appoint the Committee which shall consist of a maximum of three (3) persons, ~~however, the Declarant retains the right to appoint all members of the Committee until one hundred percent (100%) of the Units have been developed and conveyed to purchasers in the normal course of development and sale.~~ The Committee shall have exclusive jurisdiction over all exterior painting, modifications, additions, landscaping, or alterations made on or to existing Units pursuant to the Architectural Standards. Moreover, the Committee shall have the right to revise, amend and update the Architectural Standards by a majority vote of the Committee, in order to respond to future changes. Upon revising, amending or updating the Architectural Standards, the Committee shall provide notice of the changes to the Board and the Neighborhood Association, and the Committee will make the corresponding changes in the Architectural Standards.

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Section 8.5 Limitation of Liability . Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Committee shall not bear any responsibility for insuring the structural integrity or soundness of the approved construction or modifications, nor for insuring compliance with building codes and any other governmental requirements. Neither the Declarant, the Neighborhood Association, the Board, the Committee, or any member of the foregoing shall be liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.

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#### ARTICLE IX RESTRICTIONS

Except as otherwise provided herein, the following use restrictions apply to all Units in The Properties.

(a) ~~Commercial Activity. So long as Declarant owns any Unit in The Properties for development or for sale in the ordinary course of business Declarant may permit one or more Units to be used or maintained as a sales and/or leasing office and/or construction office or for model homes. The Declarant may operate a commercial real estate sales business or construction business out of said office. No other commercial activity or professional business shall be permitted on any Unit without the prior consent of Declarant, which the Declarant is entitled to give, so long as Declarant owns any Unit in The Properties for development or for sale in the ordinary course of business and thereafter without the prior consent of the Neighborhood Association. Once the Declarant has granted its consent to any request to permit a Unit to be used for commercial activity, the Neighborhood Association may not subsequently revoke or terminate the Declarant's consent. It is expressly understood and agreed that Declarant, in its sole discretion, may permit one or more of the Units to be used for commercial activity or as a professional business. All units shall be used for residential purposes only; however, owners, tenants and occupants may conduct limited professional or business activities incidental to the primary use of the lot as a residence, but only if the activity is acceptable under the Zoning Regulations of Sarasota County; cannot be seen, heard or smelled by other residents; does not cause an increase in pedestrian, equestrian, or vehicular traffic; does not increase the insurance risk of other homeowners, or the Association; or constitute a dangerous activity jeopardizing the health, safety or welfare of other residents. No other business, commercial, or nonresidential uses shall be permitted.~~

.....

(g) ~~Signs. No signs, freestanding or otherwise installed, shall be erected or displayed in the Common Areas, or on any Unit or structure, including but not limited to "For Sale", "Open House" or "For Rent" signs, except certain "For Sale" signs are permitted for limited periods of time in accordance with the rules and regulations adopted by the Board of Directors of the Association. Notwithstanding the foregoing, the Declarant may display any sign advertising sales of the Units occurring in the ordinary course of its business. All signs must also conform with governmental codes and regulations and with any master design plans for signs established by Declarant and The Neighborhood Association shall have the right to remove any unapproved sign.~~

.....

(j) ~~Nuisances. Nothing shall be done which may be or may become an annoyance or nuisance to any reasonable person. No obnoxious, unpleasant or offensive activity shall be carried on, nor shall anything be done, which can be reasonably construed to constitute a nuisance, public or private in nature. Any question with regard to the interpretation of this Section shall be decided by the Declarant as long as it owns any Unit in The Properties for development or for sale in the ordinary course of business and thereafter the Board of Directors of the Neighborhood Association whose decision shall be final.~~

(k) ~~Declarant's and the Neighborhood Association's Exculpation.~~ The Neighborhood Association and Declarant may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to Owner or any other person for any reason whatsoever, and any permission or approval granted shall be binding upon all persons.

(1) Owner and Member Compliance.

.....

(2) Failure of an Owner to notify any person of the existence of the covenants, conditions, restrictions, and other provisions of this Declaration shall not in any way act to limit or divest the right of ~~Declarant, the Neighborhood Association, the Committee or any Condominium Association unit owner~~ to enforce the provisions of this Declaration. The Owner shall be responsible for any and all violations of these provisions by his tenants, licensees, invitees or guests, and by guests, licensees and invitees of his tenants.

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#### ARTICLE X EASEMENTS

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Section 10.6 ~~Restriction on Owner Easements. No Owner, except for the Declarant so long as it owns any Unit in The Properties for development or for sale in the ordinary course of business, shall grant any easement upon any portion of The Properties to any Person or entity, without the prior written consent of the Declarant. Once Declarant no longer owns any Unit in the Properties for development or for sale in the ordinary course of business, The prior written consent of the Neighborhood Association shall be required in order for an Owner to grant an easement upon any portions of the Properties.~~

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#### ARTICLE XIII GENERAL PROVISIONS

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~~Section 13.2 Nonliability of Declarant. The Declarant shall not in any way or manner be held liable or responsible for any violation of these covenants, conditions, restrictions or other provision by any Person other than itself or for failure to enforce these covenants, conditions, and restrictions, in whole or in part.~~

(The remaining sections shall be renumbered to be in sequential order).

.....

Section 13.3 ~~Amendment. In addition to any other right of amendment or modification provided for in this Declaration, in which case these provisions shall apply, until Declarant transfers control of the Neighborhood Association, Declarant may, in its sole discretion, by an instrument filed of record, modify, enlarge, amend, waive or add to the covenants, conditions, restrictions and other provisions of this Declaration. Notwithstanding any provision to the contrary, the prior consent of any mortgagee who has only a mortgage on any Unit (s) sold to a third party is not required in order to amend or modify this Declaration. In addition to any other rights of amendment or modification provided for in this Declaration,~~

in which case those provisions shall apply, this Declaration may be amended by an affirmative vote of sixty-seven percent (67%) of the Members at a meeting duly called for such purpose pursuant to the Bylaws of the Neighborhood Association; provided, however, that no amendment shall be made which shall in any manner impair the security of any mortgagee having a mortgage or other lien against any one or more of the Units, or any other record owners of liens thereon; except if such amendment is for the purpose to correct any error or omission in this Declaration or in other documentations required by law. ~~Notwithstanding the foregoing, no amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant without the written consent of such Declarant to any such amendment.~~

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Section 13.9 Dissolution. In the event of dissolution of the Neighborhood Association, in accordance with the terms of its Articles of Incorporation, each Unit shall continue to be subject to the Base Assessment specified in Article VII and each Owner shall continue to be personally obligated to Declarant or the successor or assigns of the Neighborhood Association ~~as the case may be~~, for Assessments to the extent that such assessments are required to enable Declarant or any such successor or assign acquiring any real property previously owned by the Neighborhood Association to properly maintain, operate and preserve it. The provisions of this Section shall only apply with regard to the maintenance, operation and preservation of property which has been Common Areas and continues to be so used, as otherwise provided for in Article V for the common use, enjoyment and benefit of the Owners.

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Section 13.11 Notices.

4. ~~To Declarant. Notice to Declarant as may be required herein shall be in writing and delivered or mailed to Declarant at its principal place of business as shown by the records of the Secretary of State of Florida, or at any other location designated by Declarant.~~

(The remaining sections shall be renumbered to be in sequential order).

.....

**A new Article XIV is created to read as follows:**

Section 14.1. Multi-Condominium Operations. Effective upon the date of the amendment creating this provision, and corresponding amendments to the affected condominiums, Pinestone at Palmer Ranch is multi-condominium development comprised of twenty-six condominiums, all of which are operated by the Association.

(a) Specific Condominium Expenses. The Association shall prepare and adopt a budget for each Condominium. Each condominium budget shall provide for expenses specific only to that Condominium, such as maintenance of the building comprising the condominium, and shall be apportioned among the unit owners in that Condominium equally among all units.

(b) Association Expenses. Expenses not specific to a condominium, such as maintenance of commons areas serving more than one condominium, and management and administrative expenses, shall be provided for in the overall Association budget, and shall be apportioned among all the members of the Association equally (1/310<sup>th</sup> share). An appropriate share of the general Association budget, based on the aforesaid equal shares, shall be a common expense of each Condominium and shall be listed as a line item on each condominium budget. The assets, liabilities, and common surplus of the Association shall be apportioned

among the membership of the Association on the same basis as provided herein for expenses (1/310<sup>th</sup> share).

(c) **Membership and Voting Rights.** Each unit owner in every condominium shall be a mandatory member of the Association. As provided in the Amended and Restated Bylaws of the Association, each unit shall have one vote, which may be cast personally by the owner(s) of the unit as provided in those Amended and Restated Bylaws.

(d) **Use of Common Areas and Common Elements.** The members of the Association shall have non-exclusive use rights in all Common Areas in accordance with the Neighborhood Declaration. None of the common elements of the individual condominiums may be used by unit owners in other condominiums unless expressed provided in the Declaration of Condominium for the Condominium in which the common elements in question are located.

**PROPOSED AMENDMENTS  
TO THE  
DECLARATIONS OF CONDOMINIUM  
FOR PINESTONE AT PALMER RANCH CONDOMINIUMS, NO. 1 THROUGH 26**

**EXPLANATORY NOTE:** Each Declaration of Condominium is substantially the same and will be amended as set forth in this model amendment. Any non-substantive modifications that might be necessary to adopt this model amendment to a specific Declaration of Condominium shall be accomplished as part of this amendment without need for further approval by the unit owners.

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

.....

2. DEFINITIONS. For all purposes in this Declaration and for all purposes in the Articles of Incorporation and Bylaws of ~~Pinestone At Palmer Ranch No. 2 Condominium Association, Inc., a Florida corporation not for profit,~~ the following words shall have the definitions as hereinafter stated, to-wit:

(a) Articles. The Articles of Incorporation of the Association were filed with the Florida Department of State on July 27, 1995 and initially recorded in Official Records Book 2786, Pages 1331 through 1336, inclusive, of the Public Records of Sarasota County, Florida. Those Articles of Incorporation, as same may be amended from time to time, shall govern the operation of the Association.

.....

(c) Association. Association means ~~Pinestone At Palmer Ranch No. 2 Condominium Association, Inc., a Florida corporation not for profit,~~ which is responsible for the operation of the Condominium and the Common Facilities (as defined hereafter), its successors and assigns.

.....

(f) Bylaws. The Bylaws of the Association were initially recorded in Official Records Book 2786, Pages 1337 through 1350, inclusive, of the Public Records of Sarasota County, Florida. Those Bylaws, as may be amended from time to time, shall govern the operation of the Association.

.....

~~(t) Developer. A person who creates a condominium or offers condominium parcels for sale or lease in the ordinary course of business but does not include an owner or lessee of a condominium.~~

(The remaining subsections shall be relettered to be in sequential order)

.....

(y) Neighborhood Association. The Pinestone at Palmer Ranch Neighborhood Association, Inc., a Florida not-for-profit corporation, successors and/or assigns.

.....



3. PROPERTY SUBMITTED TO CONDOMINIUM FORM OF OWNERSHIP. The following property is hereby submitted to the Condominium Form of Ownership:

.....

~~The Developer does not plan to enlarge, modify or add recreational or other commonly used facilities on the Condominium Property so as to result in the imposition of additional Common Expenses or costs to the individual Unit Owners; however, the Developer reserves the right to enlarge, modify or add recreational or other commonly used facilities on the Condominium Property so as to result in the imposition of additional Common Expenses or cost to the individual Unit Owner.~~

4. PINESTONE AT PALMER RANCH NEIGHBORHOOD ASSOCIATION, INC., COMMON AREA. The Condominium Property is subject to the terms and conditions of the Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch as recorded in Official Records Book 2786, Page 1257, et seq., of the Public Records of Sarasota County, Florida, as it may be amended from time to time (the "Neighborhood Declaration"). The Neighborhood Declaration provides, among other things, that every member of Pinestone at Palmer Ranch Neighborhood Association, Inc. (the "Neighborhood Association") shall have a right of enjoyment and use in and easement to the common area as described in the Neighborhood Declaration ("Neighborhood Association Common Area"), which right and easement shall be appurtenant to, and shall pass with the title to, every Unit subject to the right of the Neighborhood Association to charge reasonable admission, assessments and other fees for the use and maintenance of the Neighborhood Association Common Area, and for other property as more particularly described in the Neighborhood Declaration. Membership in the Neighborhood Association is mandatory and automatic with the ownership of real property in Pinestone at Palmer Ranch (which would include the ownership of a Condominium Unit in the Condominium). The Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch provides that every member of the Neighborhood Association (which includes the Unit Owners) agrees to pay assessments to the Neighborhood Association. The Assessments are currently determined on a per unit basis, and the amount of such assessments is subject to change. The Assessment, together with interest and cost of collection, will be a continuing lien against each Condominium Unit against which assessment is made.

The maximum number of Units in Pinestone at Palmer Ranch is 310. The Neighborhood Association is not required to spend any funds for additional recreational facilities or enlargement of such facilities for the Neighborhood Association Common Area except as otherwise provided in the Neighborhood Declaration, ~~and except that the Neighborhood Association is required to accept such additional property that the Developer conveys, leases or grants a license or other use or right in the property to the Neighborhood Association.~~

~~The Developer of the Neighborhood Association reserves the right to expand or add to the recreational facilities of the Neighborhood Association without consent of Unit Owners or the Association.~~

.....

6. CHANGE IN PLANS AND SPECIFICATIONS. ~~The Developer is hereby authorized to make changes in the plans and specifications and construction methods and materials during the construction of improvements on said Property, so long as such changes do not materially and adversely affect the Condominium and so long as such changes do not conflict with other provisions of this Declaration.~~

(The remaining sections shall be renumbered to be in sequential order)

.....

8. DEVELOPER'S UNITS AND PRIVILEGES. ~~The Developer is irrevocably empowered, notwithstanding anything herein to the contrary, to sell, lease or rent Condominium Units to any person~~

~~approved by it, subject to the terms of Paragraph 20. The Developer shall have the right to transact on the Condominium Property any business necessary to consummate the sale of Condominium Units, including but not limited to the right to maintain models, sales offices and construction trailers, erect signs, place employees in the office, use the Common Elements and show unsold Condominium Units it owns, the Limited Common Elements appurtenant thereto, if any, and the Common Elements to prospective purchasers and tenants, as well as the right to place and maintain signs and other promotional material on the Condominium Project. The sales office(s), signs, and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. In the event there are unsold Condominium Units, the Developer retains the right to be the Owner thereof, under the same terms and conditions as other Owners, save for this right to sell, rent or lease as contained in this paragraph.~~

(The remaining sections shall be renumbered to be in sequential order)

.....

12. GOVERNING BODY. The affairs of the Condominium shall be conducted by a corporation incorporated pursuant to the Florida Statutes governing corporations not for profit. The name of the corporation to conduct the affairs of the Condominium shall be ~~Pinestone At Palmer Ranch No. 2 Condominium Association, Inc., the Articles of Incorporation of which are attached hereto as Exhibit C and are made a part hereof as though set out in full herein. The Bylaws of the Association are attached hereto as Exhibit D and are made a part hereof as though set out in full herein.~~

13. MEMBERSHIP IN THE ASSOCIATION.

.....

~~(c) If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by a corporation, partnership or trust, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer, general partner or trustee, as applicable, and filed with the Secretary of the Association. Such person need not be a Unit Owner. These certificates shall be valid until revoked or superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. If a certificate designating the person entitled to cast the vote for a Unit for a Unit in which such certificate is required is not on file or has been revoked, the vote attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed. If a Unit is owned by more than one person, they may, without being required to do so, designate a voting member in the manner provided above. Such designee must be a Unit Owner. In the event multiple owners of a Unit do not designate a voting member, the following provisions shall apply:~~

~~(i) If more than one of the joint Owners are present at a meeting and they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).~~

~~(ii) If only one joint Owner is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.~~

~~(iii) If all of the joint Owners are present at a meeting and concur, any one of them may cast the Unit vote.~~

~~(d) There shall be one (1) vote per unit which shall be cast as provided in the Bylaws, voting member for each Condominium Unit submitted to condominium ownership pursuant to this Declaration and amendments hereto.~~

(de) All the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Directors of the Association.

14. AMENDMENT OF DECLARATION.

(a) Amendments to this Declaration may be proposed by the Board of Directors or by written petition signed by not less than twenty (20%) percent of the voting interests of the Association. This Declaration may be amended by affirmative vote of two-thirds (2/3) of the voting interests of the membership of the Association present in person or by proxy and voting Unit Owners at a meeting duly called for such purpose pursuant to the Bylaws. However, if such amendment is only for the purpose to correct an error or omission in this Declaration or in other documentation required by law to establish the Condominium form of ownership, then such amendment shall nevertheless be effective when duly passed by an affirmative vote of fifty-one (51%) percent of the members of the Association present or represented by written proxy in accordance with the Bylaws, and recorded among the Public Records of Sarasota County; provided, however, that the property rights of the Unit Owners are not materially and/or adversely affected by such amendment, as provided in Paragraph 13(cd).

(b) If it shall appear through scrivener's error, that a Condominium Unit has not been designated as owning an appropriate undivided share of the Common Elements or does not bear an appropriate share of the Common Expenses or that all the Common Expenses or interest in the Common Surplus or all of the Common Elements in the Condominium have not been distributed in the Declaration, such that the total sum of the shares of Common Elements which have been distributed or the sum total of the shares of the Common Expenses or ownership of Common Surplus fail to equal one hundred (100%) percent (or if it shall appear that, through such error, more than one hundred (100%) percent of Common Elements or Expenses or ownership of the Common Surplus shall have been distributed) such error may be corrected by the filing of an amendment to this Declaration approved by the Board or a majority of the Unit Owners. The amendment to the Declaration shall be evidenced by a certificate of the Association which shall include the recording data identifying the Declaration and shall be executed in the form required for the execution of a deed and recorded in the Public Records of Sarasota County, Florida.

~~(c) The Developer, during the time it is in control of the Board of Directors of the Association may amend this Declaration, or the Articles or the Bylaws of the Association, to correct an omission or an error, or to affect any other amendment, except that this procedure for amendment cannot be used if such amendment would, in the reasonable opinion of the Developer, materially and adversely affect substantial property rights of Unit Owners unless the affected Unit Owners consent in writing to such amendment. The execution and recording of nay amendment by the Developer pursuant to this Paragraph 13(c) shall be conclusive evidence, however, that the amendment does not materially adversely affect substantial property rights of Unit Owners who did not join in or consent to such execution, and any such amendment shall be effective as provided herein unless subsequently rescinded.~~

(The remaining subsections shall be relettered to be in sequential order)

.....

16. MAINTENANCE AND ALTERATION. The responsibility for the maintenance of the Condominium Property as it may apply hereafter, shall be as follows:

.....

(e) Alterations and Additions to Common Elements and Association Property by Association. The protection, maintenance, repair, insurance, and replacement of the Common Elements and Association Property is the responsibility of the Association and the cost is a Common Expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to, the Common Elements or the real property owned by the Association costing more than fifteen (15%) percent of

the annual overall operating budget of the Association, including reserves, in the aggregate in any calendar year without prior approval of at least a majority of the voting interests of the Association. Alterations or additions costing less than this amount may be made with Board approval. If work reasonably necessary to protect, maintain, repair, or replace the Common Elements or Association Property also constitutes a material alteration or substantial addition to the Common Elements, no prior Unit Owner approval is required.

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23. USE RESTRICTIONS. In addition to other obligations and duties heretofore set out in this Declaration, every Unit Owner or occupant of a Condominium Unit shall abide by the following use restrictions and any rules and regulations adopted by the Association which are not inconsistent with the provisions set forth herein or the Exhibits hereto.

.....

(e) No signs, advertising, or notices of any kind or type whatsoever, including, but not limited to, "For Rent" or "For Sale" signs, shall be permitted or displayed on any Condominium Unit; nor shall the same be posted or displayed in such a manner as to be visible from the exterior of any Condominium Unit, except certain "For Sale" signs are permitted for limited periods of time in accordance with the rules and regulations adopted by without the prior written approval of the Board of Directors; ~~except that the Developer can post such signs until all of the Condominium Units owned by it are sold.~~

.....

~~24. DEVELOPER'S RIGHTS DURING DEVELOPMENT PERIOD. During such time as the Developer, its successors or assigns is in the process of construction or sale of Condominium Units on the lands described in Exhibit A hereto, the Developer, its successors or assigns expressly reserve the following rights:~~

~~(a) The right to prohibit access to any uncompleted Building to any of the residents of the Condominium, while such uncompleted Building is under construction and development. No Unit Owner or his guests, or invitees shall in any way interfere or hamper the Developer, its employees, contractors, successors or assigns, in connection with such construction. Thereafter, during such time, as the Developer, its successor and/or assigns, owns any Condominium Units within the Buildings and is carrying on any business in connection therewith, including the selling, renting or leasing of such Condominium Units, the Unit Owners, their guests and invitees shall in no way interfere with such activities or prevent access to such Condominium Units by the Developer, its successors and/or assigns.~~

~~(b) An easement for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, center cores and other portions of the Common Elements as may be from time to time necessary and intended for such purpose of going from one portion of the Condominium Property to another, including but not limited to, all recreational facilities, and where necessary, for the proceeding from one portion of the Condominium Property to the other, and for vehicular traffic as may be necessary for the Developer, its guests, assigns and invitees for the purpose of crossing over various portions of the Condominium Property to obtain ingress and egress to the Condominium Property. Provided, however, that nothing contained herein shall be construed to allow any person or entity to enter upon the Condominium Property unless it is upon an area specifically designated for such traffic and necessary for such ingress and egress as described above and under no circumstances shall such traffic be allowed through or over any Condominium Unit not owned by the Developer its successors and/or assigns, or any limited Common Element appurtenant thereto.~~

.....

(The remaining sections shall be renumbered to be in sequential order)

**A new Section 31 is created to read as follows:**

31. Multi-Condominium Operations. Effective upon the date of the amendment creating this provision, and corresponding amendments to the other affected condominiums, the Condominium is part of a multi-condominium development comprised of this Condominium and the other twenty-five condominiums in Pinestone at Palmer Ranch, all of which are operated by the Association.

(a) Specific Condominium Expenses. The Association shall prepare and adopt a budget for each Condominium. Each condominium budget shall provide for expenses specific only to that Condominium, such as maintenance of the building comprising the condominium, and shall be apportioned among the unit owners in that Condominium equally among all units.

(b) Association Expenses. Expenses not specific to a condominium, such as maintenance of commons areas serving more than one condominium, and management and administrative expenses, shall be provided for in the overall Association budget, and shall be apportioned among all the members of the Association equally (1/310<sup>th</sup> share). An appropriate share of the general Association budget, based on the aforesaid equal shares, shall be a common expense of each Condominium and shall be listed as a line item on each condominium budget. The assets, liabilities, and common surplus of the Association shall be apportioned among the membership of the Association on the same basis as provided herein for expenses (1/310<sup>th</sup> share).

(c) Membership and Voting Rights. Each unit owner in every condominium shall be a mandatory member of the Association. As provided in the Amended and Restated Bylaws of the Association, each unit shall have one vote, which may be cast personally by the owner(s) of the unit as provided in those Amended and Restated Bylaws.

(d) Use of Common Areas and Common Elements. The members of the Association shall have non-exclusive use rights in all common areas in accordance with the Neighborhood Declaration. None of the common elements of the individual condominiums may be used by unit owners in other condominiums unless expressed provided in the Declaration of Condominium for the Condominium in which the common elements in question are located.

**Substantial revision of Bylaws.  
See current Bylaws for present text.**

**AMENDED AND RESTATED BYLAWS  
OF  
PINESTONE AT PALMER RANCH ASSOCIATION, INC.**

**WHEREAS**, the original Bylaws of Pinestone at Palmer Ranch Association, Inc., f/k/a Pinestone at Palmer Ranch Neighborhood Association, Inc., were recorded in the Public Records of Sarasota County, Florida at Official Records Book 2786, Page 1337, et seq., and

**WHEREAS**, not less than two-thirds (2/3rds) of the entire membership of the Board of Directors approved these Amended and Restated Bylaws at a duly noticed and convened Board meeting held on Jan 7, 2003, and

**WHEREAS**, not less than two-thirds (2/3rds) of the voting interests represented in person or by proxy at a duly noticed and convened membership meeting held on Jan 30, 2003 approved these Amended and Restated Bylaws.

**NOW THEREFORE**, the following are adopted and recorded as the Amended and Restated Bylaws of Pinestone at Palmer Ranch Association, Inc.

1. **Identity.** These are the Bylaws of Pinestone at Palmer Ranch Association, Inc. (the "Association"), a corporation not-for-profit incorporated under the laws of the State of Florida, organized for the purpose of administering and operating the twenty-six condominium communities in Pinestone at Palmer Ranch located in Sarasota County, Florida (hereinafter collectively referred to as the Condominium) according to the Declarations of Condominium thereof, and the performance of the duties, obligations, and responsibilities placed upon the Neighborhood Association under that certain Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch as recorded in Official Records Book 2786, Page 1257, et seq., Public Records of Sarasota County, Florida, as amended (Neighborhood Declaration).
  - 1.1 **Principal Office.** The principal office of the Association shall be 4255 Players Place, Sarasota, Florida 34238, or at such other place as may be designated by the Board of Directors from time to time.
  - 1.2 **Seal.** The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation (1995).
2. **Definitions.** The terms used herein shall have the same definitions as stated in the Florida Condominium Act (Chapter 718, Florida Statutes) unless the context requires otherwise.
3. **Members.** The members of the Association shall be the record owners of legal title to the units in the Condominium.
  - 3.1 **Qualifications.** Membership shall become effective upon the recording in the Public Records of a deed or other instrument evidencing the member's legal title to the unit.
  - 3.2 **Voting Rights: Voting Interests.** The members of the Association are entitled to one (1) vote for each unit owned by them. The total number of votes ("voting interests") is equal to the total number of units (310). The vote of a unit is not divisible. The right to vote may not be denied because of delinquent assessments. If a unit is

owned by one natural person, individually or as trustee, the right to vote shall be established by the record title to the unit. If a unit is owned jointly by two or more persons, that unit's vote may be cast by any of the owners. If a unit is subject to life estate, any one of the life tenants can vote. If two or more owners of a unit do not agree among themselves how their one vote shall be cast, that vote shall not be counted. If the owner of a unit is a corporation, the president or vice-president of the corporation may cast the vote of that unit. If a unit is owned by a partnership, any general partner may cast its vote. If a limited liability company owns a unit, any authorized agent may cast the vote.

- 3.3 Approval or Disapproval of Matters. Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by any person authorized to cast the vote of such unit at an Association meeting as stated in Section 3.2 above, unless the joinder of all owners is specifically required.
- 3.4 Termination of Membership. The termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Condominium during the period of the membership, nor does it impair any rights or remedies which the Association may have against any former member arising out of or in any way connected with such membership and the covenants and obligations incident thereto.

4. Members' Meetings: Voting.

- 4.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.
- 4.2 Special Meetings. Special members' meetings may be called by the President, Vice President, or by a majority of the Board of Directors of the Association, and must be called by the Association upon receipt of a written request from twenty percent (20%) of the voting interest. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
- 4.3 Notice of Meeting: Waiver of Notice. Notice of a meeting of members shall state the time, place, date and the purpose(s) for which the meeting is called. The notice shall include an agenda. A copy of the notice shall be continuously posted at the designated location on the Condominium property not less than fourteen (14) days before the meeting. The notice of any members' meeting shall be sent by mail to each unit owner unless the unit owner waives in writing the right to receive notice of the meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. Each member bears the responsibility of notifying the Association of any change of address. The posting and mailing of the notice shall be effected not less than fourteen (14) days, nor more than sixty (60) days prior to the date of the meeting. Proof of notice shall be given by affidavit.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member shall constitute such member's waiver of notice of such meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

- 4.4 Quorum. A quorum at members' meetings shall be obtained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the members.
- 4.5 Voting. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all unit owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these Bylaws.
- 4.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the unit and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies must be members, or spouses of members.

Except as specifically otherwise provided in this paragraph, unit owners may not vote by general proxy, but may vote by use of a limited proxy. Both limited proxies 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 waive financial reporting requirements; for votes taken to amend the Declaration, the Articles of Incorporation, or Bylaws; and for any other matter which the Florida Condominium Act requires or permits a vote of the unit owners. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. No proxy may be used to vote on the election of directors. The election of directors shall be by ballot in accordance with Section 5.3 of these Bylaws.

An executed facsimile appearing to have been transmitted by the proxy giver, or a photographic, photostatic, facsimile or equivalent reproduction of a proxy is a sufficient proxy. Owners may retroactively cure any alleged defect in a proxy by signing a statement ratifying the owner's intent to cast a proxy vote and ratifying the vote cast by his or her proxy.

- 4.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting.
- 4.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Call to order by President;
  - (b) At the discretion of the President, appointment by the President of a chairperson of the meeting (who need not be a member or a director);
  - (c) Calling of the roll, certifying of proxies, and determination of a quorum, or in lieu thereof, certification and acceptance of the preregistration and registration procedures establishing the owners represented in person, by proxy;



- (d) Proof of notice of the meeting or waiver of notice;
- (e) Reading and disposal of any unapproved minutes;
- (f) Reports of officers;
- (g) Reports of committees;
- (h) Call for final balloting on election of directors and close of balloting.
- (i) Appointment of inspectors of election;
- (j) Election of directors;
- (k) Unfinished business;
- (l) New business;
- (m) Adjournment.

Such order may be waived in whole or in part by direction of the President or the chairperson.

- 4.09 Minutes of Meeting. The minutes of all meetings of unit owners shall be kept available for inspection by unit owners or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than seven years. Minutes for each meeting must be reduced to written form within thirty (30) days after the meeting date.

## 5. Directors.

- 5.1 Number, Tenure and Qualifications. The affairs of the Association shall be governed by a Board not less than three or more than seven directors, and shall be fixed at seven members until changed by adoption of a membership resolution. Commencing at the annual meeting in 2003, and thereafter, all directors shall be elected to two-year terms, provided however, that either the Board of Directors or the membership shall have the authority to temporarily assign a one-year term to one or more director positions if necessary to reimplement a scheme of staggering the Board, to promote continuity of leadership, so that approximately one-half of the Board members are elected each year.
- 5.2 Qualifications. Every director must be a member or the spouse of a member, a trustee owner, a life tenant under a life estate, an officer of a corporate owner, an authorized agent for a limited liability company owner, or a general partner of a partnership owner. All directors must be at least 18 years of age.
- 5.3 Election of Directors. The following procedures shall apply in lieu of the Director election procedures under Chapter 718, Florida Statutes:
- (a) Any eligible person desiring to be a candidate may submit a self-nomination, in writing, not less than forty (40) days prior to the scheduled election and shall automatically be entitled to be listed on the ballot.
  - (b) The ballot prepared for the annual meeting shall list all Director candidates in alphabetical order by surname. Ballots shall be mailed to all voting

interests with notice of the annual meeting and may be returned to the Association prior to the meeting, or cast at the meeting.

- (c) There shall be no nominations from the floor on the date of the election.
- (d) The election shall be by plurality vote based upon votes from all members of the Association (the nominees receiving the highest number of votes are elected). Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as the flipping of a coin by a neutral party.
- (e) No election shall be necessary if the number of candidates is less than or equal to the number of vacancies. The candidates shall automatically be elected and their names announced at the annual meeting.

#### 5.4 Vacancies on the Board.

If the office of any director becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected as follows:

- (a) If a vacancy is caused by the death, disqualification or resignation of a director, a majority of the remaining directors, even though less than a quorum, shall appoint a successor, who shall hold office for the remaining unexpired term.
- (b) If a vacancy occurs as a result of a recall and less than a majority of the directors are removed, the vacancy may be filled by appointment by a majority of the remaining directors, though less than a quorum. If vacancies occur as a result of a recall in which a majority or more of the directors are removed, the vacancies shall be filled in accordance with procedural rules adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes, governing the method of selecting successors, and providing procedures for the operation of the Association during the period after the recall but prior to the designation of successor directors sufficient to constitute a quorum.

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

5.5 Removal of Directors. Any or all directors may be removed with or without cause by a majority vote of the entire membership, either by a written petition or at any meeting called for that purpose. The question shall be determined separately as to each director sought to be removed. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given.

5.6 Organizational Meeting. The organizational meeting of directors shall be held within ten (10) days of the election at such place and time as shall be fixed by the directors. Notice of the organizational meeting shall be posted at the designated

location on the Condominium property at least 48 continuous hours in advance of the meeting.

- 5.7 Regular Meetings. Regular meetings of the Board of Directors shall be held at a location and at such times as shall be determined by a majority of the directors. Except for meetings with the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice, meetings of the Board of Directors shall be open to all unit owners who may participate in accordance with the written policy established by the Board of Directors. Notice of such meetings shall be posted at a designated location on the Condominium property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency in which case the notice shall be posted as soon as practicable after the need for emergency meeting is known to the Association. All notices shall include an agenda for all known substantive matters to be discussed. Meetings at which regular monthly or quarterly assessments are to be considered shall contain a statement that assessments will be considered and the nature of such assessments. Written notice of any meeting at which a non-emergency special assessment, or at which amendment to rules regarding unit use, will be considered, shall be mailed or delivered to the unit owners and posted at a designated location on the Condominium property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by affidavit by the person providing the notice, and filed among the official records of the Association.
- 5.8 Special Meetings. Special meetings of the directors may be called by the President, or Vice President, and must be called by the President or Secretary at the written request of a majority of the directors. Special meetings of the Board of Directors shall be noticed and conducted in the same manner as provided herein for regular meetings.
- 5.9 Notice to Board Members/Waiver of Notice. Notice of Board meetings shall be given to Board members personally or by mail, telephone, email, or by facsimile transmission which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than forty-eight (48) hours prior to the meeting. Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said director of notice. Attendance by any director at a meeting shall constitute a waiver of notice of such meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- 5.10 Quorum. Except as provided in Section 5.4 hereof, 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 number of directors is specifically required by the Declaration, the Articles or these By-Laws. Directors may not vote by proxy. Directors may vote by secret ballot only for the election of officers. At all other times, a vote or abstention for each director present shall be recorded in the minutes. Directors may not abstain from voting except in the case of an asserted conflict of interest.
- 5.11 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled

meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

- 5.12 Joinder in Meeting by Approval of Minutes. A member of the Board may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend, but such action may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.
- 5.13 Presiding Officer. The presiding officer at the directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the directors present may designate any person to preside.
- 5.14 Order of Business. If a quorum has been attained, the order of business at directors' meetings shall be:
- (a) Proof of due notice of meeting;
  - (b) Reading and disposal of any unapproved minutes;
  - (c) Report of officers and committees;
  - (d) Unfinished business;
  - (e) New business;
  - (f) Adjournment.
- Such order may be waived in whole or in part by direction of the President, or the presiding officer.
- 5.15 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by unit owners, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years. Minutes for each meeting must be reduced to written form within thirty (30) days after the meeting date.
- 5.16 Executive Committee. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common expenses required for the affairs of the Condominium, (b) to determine the assessments payable by the unit owners to meet the common expenses of the Condominium, (c) to adopt or amend any rules and regulations governing the details of the operation and use of the Condominium property, (d) to fill vacancies on the Board of Directors or (e) to borrow money.
- 5.17 Other Committees. The Board of Directors may by resolution create other committees and may invest in such committees such powers and responsibilities as the Board shall deem advisable. The Board may authorize the President to appoint committee members, and designate the chairpersons of each committee.

Any committee authorized to take final action on behalf of the Board, or to make recommendations to the Board regarding the Association budget, shall conduct their affairs in the same manner as provided in these Bylaws for Board of Director meetings. All other committees may meet and conduct their affairs in private without prior notice or owner participation. Notwithstanding any other law or documentary provision, the requirement that committee meetings be open to the unit owners is inapplicable to meetings between a committee and the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice.

6. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declarations, the Neighborhood Declaration, the Articles or these Bylaws may not be delegated to the Board of Directors by the unit owners. Such powers and duties of the Board of Directors shall include the following:

- (a) Operating and maintaining the commons area, common elements, limited common elements and Association Property.
- (b) Determining the common expenses required for the operation of the Condominium and the Association.
- (c) Collecting the assessments for common expenses from unit owners.
- (d) Employing and dismissing the personnel necessary for the maintenance and operation of the commons area and common elements.
- (e) Adopting and amending rules and regulations concerning the operation and use of the commons area and Condominium property, subject to the authority of the members to overrule such rules, as provided in Section 15 of these Bylaws.
- (f) Maintaining accounts at depositories on behalf of the Association and designating the signatories therefore.
- (g) Purchasing, leasing or otherwise acquiring units or other property in the name of the Association, or its designee.
- (h) Purchasing units at foreclosure or other judicial sales, in the name of the Association, or its designee.
- (i) Selling, leasing, mortgaging or otherwise dealing with units acquired, and subleasing units leased, by the Association, or its designee.
- (j) Obtaining and reviewing insurance for the commons area and Condominium property.
- (k) Making repairs, additions and improvements to, or alterations of, the Condominium property, and repairs to and restoration of the Condominium property, in accordance with the provisions of the Declarations, or the Neighborhood Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (l) Enforcing obligations of the unit owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

- (m) Levying fines against unit owners for violations of the rules, regulations and restrictions established by the Association to govern the conduct of occupants and guests at the Condominium. The Board of Directors may levy a fine against a unit owner, not to exceed the maximum amount permitted by law, for each violation by the owner, or his or her tenants, guests or visitors, of the Neighborhood Declaration, the Declarations, Articles, Bylaws, or rules or regulations, and a separate fine for each repeat or continued violation, provided, however, written notice of the nature of the violation and an opportunity to attend a hearing shall be given prior to the levy of the initial fine. No written notice or hearing shall be necessary for the levy of a separate fine for repeat or continued violations if substantially similar to the initial violation for which notice and a hearing was provided. The Board of Directors shall have the authority to adopt rules, regulations and policies to fully implement its fining authority.

The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

1. A statement of the date, time and place of the hearing;
2. A statement of the provisions of the Neighborhood Declaration, the Declarations, Association Bylaws, or Association Rules which have allegedly been violated; and
3. A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be conducted before a panel of three (3) unit owners appointed by the Board, none of whom may then be serving as directors. If the panel, by majority vote, which may be taken by secret ballot, does not agree with the fine, it may not be levied. The minutes of the hearing shall contain a statement of the results of the hearing, and the fine, if any, that was imposed.

The unit owner shall be liable for all attorney fees and costs incurred by the Association incident to the levy or collection of the fine, including but not limited to attendance at the hearing and foreclosure of the lien. Any partial payments received by the Association shall be first applied against attorney fees, then costs, then the unpaid fines.

- (n) Purchasing or leasing units for use by resident superintendents, managers or other similar persons.
- (o) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the commons area or common elements, or the acquisition of property, and granting mortgages and/or security interests in Association owned property; provided, however, that the consent of at least two-thirds of the voting interest present, in person or by proxy, at a duly noticed and convened membership meeting shall be required for the borrowing of any sum in excess of fifteen percent (15%) of the annual overall budget of the Association, including reserves. If any sum borrowed by the Board of Directors pursuant to the authority contained in this subparagraph is not repaid by the Association, a unit owner who pays to the creditor his or her portion thereof shall

be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such unit owner's unit.

- (p) Contracting for the management and maintenance of the commons area and Condominium property and authorizing a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the common elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

All contracts for the purchase, lease, or renting of materials or equipment, all contracts for services, and any contract that is not to be fully performed within one year, shall be in writing. For so long as required by law, the Association shall obtain competitive bids for any contract which requires payment exceeding five (5%) percent of the total annual budget of the Association (except for contracts with employees of the Association, management firms, attorneys, accountants, architects, engineers, or landscape engineers), unless the products and services are needed as the result of any emergency or unless the desired supplier is the only source of supply within the county serving the Association. The Board need not accept the lowest bid.

- (q) Exercising (i) all powers specifically set forth in the Neighborhood Declaration, the Declarations, the Articles, these Bylaws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers granted by statute or other law to a Florida corporation not for profit.
- (r) Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of units, not to exceed the maximum amount permitted by law in any one case.
- (s) Adopting hurricane shutter specifications for the Condominium, which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board.
- (t) Convey a portion of the commons area or common elements to a condemning authority for the purpose of providing utility easements, right-of-way expansion, or other public purposes, whether negotiated or as a result of eminent domain proceedings.

#### 7. Emergency Board Powers.

In the event of any "emergency" as defined in Section 7(g) below, the Board of Directors may exercise the emergency powers described in this section, and any other emergency powers authorized by Sections 617.0207, and 617.0303, Florida Statutes, as amended from time to time.

- (a) The Board may name as assistant officers persons who are not directors, which assistant officers shall have the same authority as the executive officers to whom

they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

- (b) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.
- (c) During any emergency the Board may hold meetings with notice given only to those directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The director or directors in attendance at such a meeting shall constitute a quorum.
- (d) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association, and shall have the rebuttable presumption of being reasonable and necessary.
- (e) Any officer, director, or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of the willful misconduct.
- (f) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.
- (g) For purposes of this Section only, an "emergency" exists only during a period of time that the Condominium, or the immediate geographic area in which the Condominium is located, is subjected to:
  - (1) a state of emergency declared by local civil or law enforcement authorities;
  - (2) a hurricane warning;
  - (3) a partial or complete evacuation order;
  - (4) federal or state "disaster area" status; or
  - (5) a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the Condominium, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

An "emergency" also exists for purposes of this section during the time when a quorum of the Board cannot readily be assembled because of the occurrence of a catastrophic event, such as a hurricane, earthquake, act of terrorism, or other similar event. A determination by any two (2) directors, or by the President, that an emergency exists shall have presumptive quality.

## 8. Officers.

- 8.1 Executive Officers. The executive officers of the Association shall be a President, Vice-President, a Treasurer and a Secretary. The President and Vice-President must be board members. All officers shall be elected by the Board of Directors and may be peremptorily removed at any meeting by concurrence of a majority of all of the directors. A person may hold more than one (1) office, except that the President may not also be the Secretary or Treasurer. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their



powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association.

- 8.2 President. The President shall be the chief executive officer of the Association, and shall have all of the powers and duties that are usually vested in the office of president of an association.
- 8.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President, and shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice-president of an association and as may be required by the directors or the President.
- 8.4 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the members, shall attend to the giving of all notices to the members and directors and other notices required by law, shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed, and shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the directors or the President.
- 8.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness, shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.
- 8.6 Delegation. The Board of Directors may delegate any or all of the functions of the Secretary or Treasurer to a management agent or employee, provided that the Secretary or Treasurer shall in such instance generally supervise the performance of the agent or employee in the performance of such functions.
9. Compensation. Neither directors nor officers shall receive compensation for their services as such, provided however, the Board of Directors may hire a Director or officer as an employee of the Association, and may contract with a Director or officer for the management of the Condominium or for any other compensable service, in their reasonable business discretion.
10. Resignations. Any director or officer may resign his or her post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all units owned by any director or officer shall constitute a resignation of such director or officer without need for a written resignation. The unexcused absence from three (3) consecutive Board meetings shall also constitute a resignation of such director without need for a written resignation.
11. Fiscal Matters. The provisions for fiscal management of the Association set forth in the Declarations of Condominium shall be supplemented by the following:

- 11.1 Budget. The Board of Directors shall adopt twenty-seven budgets: one budget for the Association to include, but not be limited to commons area maintenance and administrative expenses; and one budget for each of the condominiums to include, but not be limited to, maintenance of the building within the condominium. Copies of the proposed budgets, and a notice stating the time, date and place of the meeting of the Board at which the budget will be adopted, shall be mailed to or served on the owners of each unit not less than fourteen (14) days before that meeting. The proposed budgets must be detailed, and must show the amounts budgeted by income and expense classifications.
- 11.2 Statutory Reserves for Capital Expenditures and Deferred Maintenance. In addition to operating expenses, the proposed budgets must include provisions for funding reserve accounts for capital expenditures and deferred maintenance, as required by law. These accounts shall include roof cleaning and maintenance, building painting, and pavement resurfacing. They shall also include any other planned or foreseeable capital expenditures or deferred maintenance item with a current estimated cost of \$10,000 or more. The amount to be reserved for each item shall be computed by a formula based on the estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the item. These reserves must be funded unless the members subsequently determine, by vote of not less than a majority of those members who are present in person or by proxy at a duly noticed and convened membership meeting, to fund no reserves, or less than adequate reserves, for a fiscal year. The vote to waive or reduce reserves, if any is taken, may be taken only after the proposed budget has been mailed to the unit owners as required in Section 11.1 above, in which case, such waiver shall be retroactive to the beginning of the fiscal year upon which the vote was taken. The funds in a reserve account established under this Section 11.2, and all interest earned on the account, shall be used only for the purposes for which the reserve account is established, unless use for another purpose is approved in advance by a majority vote.
- 11.3 Operating Reserves. In addition to the statutory reserves described in Section 11.2 above, or in place of them if the members so vote, the Board may establish one or more additional reserve accounts in the operating budget for contingencies, operating expenses, repairs, minor improvements or special projects. These reserves may be used to offset cash flow shortages, provide financial stability, and avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be included in the proposed annual budget. These funds may be spent for any purpose approved by the Board.
- 11.4 Assessments; Installments. Regular annual assessments based on an adopted budget shall be payable in monthly installments, in advance, due on the first day of each month. If an annual budget has not been adopted at the time the first monthly installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last monthly payment, and payments shall be continued at such rate until a budget is adopted and new monthly installments are calculated, at which time an appropriate adjustment shall be added to or subtracted from each unit's next due monthly installment.
- 11.5 Special Assessments. Special assessments may be imposed by the Board of Directors to meet unusual, unexpected, unbudgeted, or non-recurring expenses. Special assessments are due on the day specified in the resolution of the Board approving such assessments. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 5.7 above; and the notice to the owners that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent

for the stated purpose(s) or returned to the members as provided by law. If required in the Neighborhood Declaration, membership approval shall also be obtained before the levy of a special assessment.

- 11.6 Fidelity Bonds. The President, Secretary and Treasurer, and all other persons who are authorized to sign checks, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The premium on such bonds is a common expense.
- 11.7 Financial Reports. In accordance with Section 718.111(13) of the Condominium Act, not later than June 1 of each year, the Board shall, as a minimal requirement, distribute to the owners of each unit a report showing in reasonable detail the financial condition of the Association as of the close of the fiscal year, and an income and expense statement for the year, detailed by accounts. The Board of Directors must, if required by law and not waived by the membership, and may otherwise, in their discretion, engage a CPA and have a more comprehensive analysis accomplished, which shall be mailed or delivered to the members not later than June 1 of each year in lieu of the financial report referenced above. In lieu of the distribution of financial reports as provided herein, the Association may mail or deliver each unit owner not later than June 1 of each year a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner.
- 11.8 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each calendar year. The Board of Directors may adopt a different fiscal year in accordance with law and the regulations of the Internal Revenue Service.
- 11.9 Depository. The depository of the Association shall be such bank, banks or other federally insured depository, in the State, as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited not to exceed the amount of federal insurance available for any account. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons authorized by the directors. All funds shall be maintained separately in the Association's name. Provided, nothing herein shall restrict the Board of Directors from making prudent investments consistent with their fiduciary duty, as long as the investments are insured or guaranteed.
12. Roster of Unit Owners. Each unit owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information and may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only unit owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other owners shall produce adequate evidence, as provided above, of their ownership interest and shall waive in writing notice of such meeting.
13. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Condominium or Corporate Acts, case law, the Declaration, the Articles, these Bylaws, or rules and regulations adopted from time to time by the Board of Directors to regulate the participation of unit owners at Board, membership and committee meetings, and to otherwise provide for orderly corporate operations.
14. Amendments. These Bylaws may be amended in the following manner:

- 14.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.
- 14.2 Resolution. A resolution for the adoption of a proposed amendment may be proposed either by vote of not less than a majority of the entire membership of the Board of Directors, or by not less than twenty (20%) percent of the voting interest of the Association.
- 14.3 Adoption. Except as otherwise required by law, a proposed amendment to these Bylaws shall be adopted if it is approved by vote of not less than two-thirds (2/3) of those members who are present in person or by proxy at a duly noticed and convened membership meeting.
- 14.4 Certificate and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of Sarasota County.
15. Rules and Regulations. The Board of Directors may, from time to time, adopt, amend or add to rules and regulations governing the use of units, common areas, common elements, Association property, and the operation of the Association. However, any Board-promulgated Rule may be rescinded or amended upon the written action or vote of not less than two-thirds (2/3) of those members who are present in person or by proxy at a duly noticed and convened membership meeting. Copies of adopted, amended or additional rules and regulations shall be furnished by the Board of Directors to each unit owner not less than thirty (30) days prior to the effective date thereof, and shall be valid and enforceable notwithstanding whether recorded in the public records.
16. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.
17. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these Bylaws or the intent of any provision hereof.
18. Mandatory Arbitration of Disputes. Prior to commencing litigation, unresolved disputes between the Board and unit owners as defined in Section 718.1255(1), Florida Statutes, must be submitted to arbitration or mediation as provided in the Condominium Act. This provision shall be in effect only so long as the Condominium Act mandates such proceedings.
19. Document Conflict. If any irreconcilable conflict should exist, or hereafter arise, the provisions of the Declaration shall take precedence over the Articles of Incorporation, which shall prevail over the provisions of these Bylaws, which shall prevail over the rules and regulations.
20. Social Activities. The Board of Directors shall have the authority to expend not more than one (1%) percent of the overall Association budget for social activities, including without limitation, parties held for the benefit of owners, residents, and employees of the Association, get well cards, flowers, and similar social activities, all of which shall be a common expense of the Association.

21. Exceptions Due To Operation of Multi-Condominium Community. In recognition that the Association serves as the condominium association for twenty-six separate condominiums, it may be necessary from time to time for the unit owners in a condominium to vote at a membership meeting, or take action in writing in lieu of a meeting, on a matter that affects only that condominium. In those instances, all procedural requirements in these Bylaws may be modified, as necessary, to permit the unit owners in the affected condominium to proceed without participation by the other members of the Association. For example, and without limitation, if the unit owners in one condominium are voting to consider the waiver or partial funding or reserves for that condominium, all quorum, notice, and voting requirements shall be altered to permit the unit owners in that condominium to vote on reserves for their particular condominium (but not common areas) without regard to the other members of the Association.

The foregoing recitals are certified as true and correct by the Board of Directors on this 3<sup>rd</sup> day of ~~February~~ March, 2003.

**Pinestone at Palmer Ranch Neighborhood Association, Inc.,  
n/k/a Pinestone At Palmer Ranch Association, Inc.**

  
By: Edward Schönegg Jr., President

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
PINESTONE AT PALMER RANCH NEIGHBORHOOD ASSOCIATION, INC.  
n/k/a PINESTONE AT PALMER RANCH ASSOCIATION, INC.**

**WHEREAS**, the original Articles of Incorporation of Pinestone at Palmer Ranch Neighborhood Association, Inc. were filed with the Florida Department of State on July 27, 1995, and

**WHEREAS**, these Amended and Restated Articles of Incorporation contain amendments to all the Articles, which amendments are incorporated herein, and

**WHEREAS**, not less than two-thirds (2/3rds) of the entire membership of the Board of Directors approved the amendments, and these Amended and Restated Articles of Incorporation, at a duly noticed and convened Board meeting held on January 7, 2003, and

**WHEREAS**, not less than two-thirds (2/3rds) of the voting interests represented in person or by proxy at a duly noticed and convened membership meeting held on January 30, 2003, as adjourned and reconvened on February 3, 2003, approved the amendments, and these Amended and Restated Articles of Incorporation, and

**WHEREAS**, the number of membership votes cast for the amendments were sufficient for approval under the corporation documents and applicable law, and

**NOW THEREFORE**, the following are adopted as the Amended and Restated Articles of Incorporation of Pinestone at Palmer Ranch Association, Inc.

**ARTICLE I  
NAME OF CORPORATION AND PRINCIPAL ADDRESS**

The name of this corporation shall be Pinestone at Palmer Ranch Association, Inc., hereinafter referred to as Association. The principal office and mailing address of said corporation shall be located at 4255 Players Place, Sarasota, Florida 34238. The Directors of the Association may change the location of the principal office or mailing address from time to time.

**ARTICLE II  
PURPOSES**

The purposes of this corporation are to administer and operate the twenty-six condominium communities in Pinestone at Palmer Ranch located in Sarasota County, Florida (hereinafter collectively referred to as the Condominium) according to the Declarations of Condominium thereof, and to perform the duties, obligations, and responsibilities placed upon the Neighborhood Association under that certain Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch as recorded in Official Records Book 2786, Page 1257, et seq., Public Records of Sarasota County, Florida, as amended (Neighborhood Declaration), and to perform all acts required under the Florida Condominium Act, Chapter 718, Florida Statutes.

**ARTICLE III  
POWERS**

The Association shall have all of the statutory powers of a corporation not for profit and all of the powers and duties set forth in the Florida Condominium Act, the Neighborhood Declaration, and the

Declarations of Condominium, as amended from time to time, except as may be limited or otherwise provided by these Articles.

**ARTICLE IV  
MEMBERS**

All persons owning legal title to any of the condominium units of the Condominium, which interest is evidenced by a duly recorded proper instrument in the Public Records of Sarasota County, Florida, shall be members. Membership shall terminate automatically and immediately as a member's vested interest in the record legal title terminates.

**ARTICLE V  
VOTING RIGHTS**

Each condominium unit shall be entitled to one vote at Association meetings, notwithstanding that the same owner may own more than one unit or that units may be joined together and occupied by one owner.

**ARTICLE VI  
INCOME DISTRIBUTION**

No part of the income of the Association shall be distributable to its members.

**ARTICLE VII  
REGISTERED OFFICE AND REGISTERED AGENT**

The registered office of the Association shall be 1820 Ringling Boulevard, Sarasota, Florida 34236, and the registered agent at such address shall be Chad M. McClenathen. The Board of Directors may change the registered agent and office at any time in accordance with legal requirements then in effect.

**ARTICLE VIII  
EXISTENCE**

The term for which this corporation is to exist shall be perpetual, unless dissolved according to law.

**ARTICLE IX  
BOARD OF DIRECTORS**

A governing board called the Board of Directors, who shall be elected and serve in accordance with the Bylaws, shall manage the affairs of this corporation.

**ARTICLE X  
BYLAWS**

The Bylaws of this corporation may be amended, altered or rescinded in the manner provided in such Bylaws.

**ARTICLE XI  
AMENDMENTS**

Amendments to these Articles shall be proposed and adopted in the following manner:

- A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered.

- B. A resolution for the adoption of a proposed amendment may be proposed either by vote of not less than a majority of the entire membership of the Board of Directors, or by not less than twenty (20%) percent of the voting interest of the Association.
- C. Except as otherwise required by law, a proposed amendment to these Articles of Incorporation shall be adopted if it is approved by vote of not less than two-thirds (2/3) of the voting interests of those members who are present in person or by proxy at a duly noticed and convened membership meeting.
- D. An amendment shall become effective upon filing with the Secretary of State and recording a copy in the Public Records of Sarasota County, Florida.

**ARTICLE XII  
INDEMNIFICATION OF OFFICERS AND DIRECTORS**

- A. Indemnity. The Association shall indemnify any person serving as a director, officer, or committee member to the fullest extent permitted under Section 607.0850, Florida Statutes (2002).
- B. Additional Indemnification. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled by law, agreement, vote of a majority of the voting interests of the members or otherwise, and shall continue as to a person who has ceased to be a director, officer, or committee member and shall inure to the benefit of the heirs and personal representatives of such person.
- C. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, or committee member against any liability asserted against the person and incurred by the person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify the person against such liability under the provisions of this Article. Notwithstanding anything in this Article to the contrary, the provision herein provided for indemnification shall only be applicable to the extent insurance coverage does not apply or is insufficient.

The recitals set forth in these Amended and Restated Articles of Incorporation are true and correct and are certified as such by the Board of Directors this 3rd day of ~~February~~ March, 2003.

PINESTONE AT PALMER RANCH ASSOCIATION, INC.

  
BY: EDWARD SCHONEGG JR., PRESIDENT



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**Acceptance of Duties as Registered Agent**

Having been named as registered agent and to accept service of process for **Pinestone at Palmer Ranch Association, Inc., f/k/a Pinestone at Palmer Ranch Neighborhood Association, Inc.**, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligation of my position as registered agent.



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Chad M. McClenathen, Esq.  
1820 Ringling Boulevard  
Sarasota, Florida 34236

3/6/03

Date