

BYLAWS
OF
VILLAGGIO AT VILLAGES OF WINDSOR HOMEOWNERS ASSOCIATION, INC.

Table of Contents

| | |
|------------|--|
| Section 1 | <u>IDENTIFICATION OF ASSOCIATION</u> |
| Section 2 | <u>EXPLANATION OF TERMINOLOGY</u> |
| Section 3 | <u>MEMBERSHIP; MEMBERS' MEETINGS; VOTING AND PROXIES</u> |
| Section 4 | <u>BOARD; DIRECTORS' MEETINGS</u> |
| Section 5 | <u>POWERS AND DUTIES OF THE BOARD</u> |
| Section 6 | <u>OFFICERS OF THE ASSOCIATION</u> |
| Section 7 | <u>RESIGNATION OF BOARD DIRECTORS</u> |
| Section 8 | <u>ACCOUNTING RECORDS; FISCAL MANAGEMENT</u> |
| Section 9 | <u>LATE FEES, INTEREST, LEGAL FEES AND COSTS</u> |
| Section 10 | <u>RULES AND REGULATIONS</u> |
| Section 11 | <u>PARLIAMENTARY RULES</u> |
| Section 12 | <u>ROSTER OF OWNERS</u> |
| Section 13 | <u>AMENDMENT OF THE BYLAWS</u> |
| Section 14 | <u>INTERPRETATION</u> |

Section 1. IDENTIFICATION OF ASSOCIATION

These are the Bylaws of the VILLAGGIO AT VILLAGES OF WINDSOR HOMEOWNERS ASSOCIATION, INC. ("Association") as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to Chapter 617, Florida Statutes.

1.1. The office of the Association shall be for the present at 6935 Via Bernardi Lake Worth Fl. 33467 and thereafter may be located at any location within Palm Beach County designated by the Board.

1.2. The fiscal year of the Association shall be the calendar year.

1.3. The seal of the Association shall bear the name of the Association, the word "Florida" and the words "Corporation Not For Profit."

Section 2. EXPLANATION OF TERMINOLOGY

The terms defined in the Articles of Incorporation of the Association ("Articles") as well as in the Declaration of Covenants, Restrictions and Easements for VILLAGGIO AT VILLAGES OF WINDSOR ("Declaration") are incorporated herein by reference and shall appear in initial capital letters each time such terms appear in these Bylaws.

Section 3. MEMBERSHIP; MEMBERS' MEETINGS; VOTING; AND, PROXIES.

3.1. The qualification of Members, the manner of their admission to membership in the Association, the manner of termination of such membership and the voting by Members shall be as set forth in the Articles.

3.2. The Members shall meet annually ("Annual Members' Meeting"). The Annual Members' Meeting shall be held at the office of the Association or at such other place in Palm Beach County as the Board may determine and on such day and at such time as designated by the Board in the notice of such meeting commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (when that shall be appropriate as determined by the provisions of the Articles) and any other authorized business to be transacted at such Annual Members' Meeting.

3.3. Special meetings (meetings other than the Annual Members' Meeting) of the Members shall be held at any place within Palm Beach County whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by such President or Vice President upon receipt of a written request from Voting Members having the right to vote at least one-third (1/3) of the total voting interests.

3.4. Except as otherwise provided in the Articles, a written notice of all Members' meetings, whether the Annual Members' Meeting or special meetings (collectively "Meeting"), shall be given to each Member at his last known address as it appears on the books of the Association and shall be mailed to the said address not less than fourteen (14) days nor more than forty-five (45) days prior to the date of the Meeting, except that the Association may, for members who have supplied their email address to the Association via direct correspondence with the designated individual for the Resident Directory, or via an official Association form from which the email address was extracted for the purpose of Association communication, shall receive such notice by Association email. Such owners should take affirmative action to update the Association directly or by contacting the office staff if there is a change in their email address. Proof of such mailing or emailing shall be given by the affidavit of the person giving

the notice. Any notice given hereunder shall state the time and place of the Meeting and the purposes for which the Meeting is called. The notice of all Annual Members' Meetings shall, specify the number of Directors of the Association to be elected if applicable, by their Voting Members. Notwithstanding any provisions hereof to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member or by the person entitled to vote for such Member by signing a document setting forth the waiver of such notice.

3.5. The Voting Members may, at the discretion of the Board, act by written response in lieu of a Meeting, provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these Bylaws. Unless some greater number is required under the VILLAGGIO AT VILLAGES OF WINDSOR Documents and except as to the election of Directors, which shall be accomplished by plurality vote, the decision of a majority of the votes cast by Voting Members as to the matter or matters to be agreed or voted upon shall be binding on the Members provided a quorum is either present at such Meeting or submits a response if action is taken by written response in lieu of a Meeting, as the case may be. The notice, with respect to actions to be taken by written response in lieu of a Meeting, shall set forth the time period during which written responses must be received by the Association.

3.6. (a) A quorum of the Members shall consist of Voting Members entitled to cast thirty percent (30%) of the total number of votes of the Members.

(b) When a quorum is present at any Meeting and a question which raises the jurisdiction of such Meeting is presented, the holders of a majority of the voting rights present in person or represented by written "Proxy" (as hereinafter defined) shall be required to decide the question. However, if the question is one upon which a vote other than the majority vote of a quorum is required by express provision of the VILLAGGIO AT VILLAGES OF WINDSOR Documents or by law, then such express provision shall govern and control the required vote on the decision of such question.

3.7. At any Annual Members' Meeting at which elections of Directors are to occur, written ballots are to be supplied to the Voting Members for such purposes.

3.8. If a quorum is not in attendance at a Meeting, the Voting Members who are present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum is present with no further notice of such adjourned Meeting being required unless otherwise determined by the Board.

3.9. Minutes of all Meetings shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable times. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

3.10. Voting rights of Members shall be as stated in the Articles with respect to the election of all Boards. Such votes may be cast by the Voting Members in person or by

Proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of the person or authorized representative of an entity entitled to vote. Proxies shall be in writing signed by the person or authorized representative of an entity giving the same and shall be valid only for the particular Meeting designated therein and, if so stated in the Proxy, any adjournments thereof, provided, however, any proxy automatically expires ninety (90) days after the date of the meeting for which it was originally given. A Proxy must be filed with the Secretary of the Association before the appointed time of the Meeting in order to be valid. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.

3.11. The election of Board Directors shall be by secret ballot either in person or by proxy.

Section 4. THE BOARD; DIRECTORS' MEETINGS

4.1. The business and administration of the Association shall be by the Board.

4.2. The election and, if applicable, designation of Directors shall be conducted in accordance with the Articles. Directors must be Members or, if duly authorized by the Member, the parents, children or spouses of the Member.

4.3. (a) Any person elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association.

(b) The term of a Director's service shall be as stated in the Articles and, if not so stated, shall extend until the next Annual Members' Meeting and thereafter until his successor is duly elected and qualified or until he resigns or is removed in the manner elsewhere provided.

4.4. (a) The organizational meeting of the Board after each annual election, shall be held within ten (10) days of its election, at such place and time as shall be fixed by the Directors at the meeting at which they were elected. Provided the organizational meeting is held directly following the annual Members' meeting, no further notice of the organizational meeting shall be necessary; if not, however, notice of the organizational meeting shall be given in accordance with Section 720.303(2) of the Florida Statutes.

(b) The newly constituted Board of Directors shall elect by secret ballot those members who will serve as officers of the Association until the next election, or at such time as it may be necessary to elect a member to serve as an officer of the Association due to a resignation, or for any other reason, that results in a vacant officer position required by either statute or the documents.

4.5. Regular meetings of the Board may be held at such times and places in Palm Beach County as shall be determined from time to time by a majority of Directors. Special

meetings of the Board may be called at the discretion of the President or Vice President. Special meetings must be called by the Secretary at the written request of at least one-third (1/3) of the Directors. Any such special meeting may be held in Palm Beach County at such time and place as determined by the Directors requesting such meeting or in such other place as all Directors shall agree upon.

4.6. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally, by mail, email, telephone or telegraph at least two days (48 hours) prior to the day named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting in writing before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.7. Notice of all Board meetings shall be given to the members in accordance with Section 720.303(2) of the Florida Statutes.

4.8. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as may be otherwise specifically provided by law, by the Articles or elsewhere herein. Note that the following Board actions REQUIRE a majority vote of the entire Board: 1. approval of the annual Association budget, 2. removal of any Board member from their elected Board officer position, 3. The election of a Board member to serve as an elected officer. If at any meetings of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting that takes place on account of a previously adjourned meeting, any business, which might have been transacted at the meeting as originally called, may be transacted. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by the Board.

4.9. The presiding officer at all Board meetings shall be the President. In the absence of the President the Directors shall designate any one of their number to preside.

4.10. Directors' fees, if any, shall be determined by the Members of the Association.

4.11. Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times.

4.12. The Board shall have the power to appoint an "Executive Committee(s)" of the Board consisting of not less than three (3) Directors. An Executive Committee(s) shall have and exercise such powers of the Board as may be delegated to such Executive Committee(s) by the Board.

4.13. Meetings of the Board shall be open to all Members on such terms as the Board may determine. The Board may also hold closed meetings to the extent permitted by applicable law, including, by way of example but not by way of limitation, where the discussion at a meeting is governed by attorney-client privilege. Members shall be permitted to participate in Association meeting as provided under law, provided, that the Board of Directors shall have the authority to adopt such rules and regulations for the purpose of monitoring and controlling the frequency, duration and manner of Membership participation in any Association meeting. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member or a duly authorized representative, agent or proxy holder of a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

Section 5. POWERS AND DUTIES OF THE BOARD

5.1. All of the powers and duties of the Association shall be exercised by the Board. Such powers and duties of the Board shall include, but not be limited to, all powers and duties set forth in the VILLAGGIO AT VILLAGES OF WINDSOR Documents, as well as all of the powers and duties of a director of a not for profit corporation.

5.2. The Association may employ a manager to perform any of the duties, powers or functions of the Association. Notwithstanding the foregoing, the Association may not delegate to the manager the power to conclusively determine whether the Association should make expenditures for capital additions or improvements chargeable against the Association funds.

5.3. The members of the Board shall not be personally liable for any omission or improper exercise by the manager of any duty, power or function delegated to the manager by the Association.

Section 6. OFFICERS OF THE ASSOCIATION

6.1. Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board. Any Board Director elected to serve as an officer may be removed from such office without cause by vote of a majority of the entire membership of the Board of Directors, at any meeting of the Board. The Board may, from time to time, elect such other officers and assistant officers and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. One person may hold any two offices simultaneously, except where the functions of such offices are incompatible, but no person shall hold the office of President and any of the following offices simultaneously: Vice President, Secretary, Assistant Secretary or Treasurer.

6.2. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of an association or a not for profit corporation, including, but not limited to, the power to appoint

such committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President ("Chairman") shall preside at all meetings of the Board and the Members; provided, however, that the President may appoint a substitute.

6.3. In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. If there is more than one (1) Vice President, the Board shall designate which Vice President is to perform which duties. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc., and shall exercise the powers and perform the duties of the presidency in such order.

6.4. The Secretary shall keep the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring such seal when duly authorized and directed to do so. The Secretary shall be custodian for the corporate records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary under the supervision of the Secretary. The Secretary shall have the right, if agreed to by a majority of the Board, to delegate the custodian responsibilities contained herein to the General Manager or the Association's Management Company.

6.5. The Treasurer shall have custody of all of the monies of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall maintain the assessment rolls and accounts of the Members and shall maintain the books of the Association in accordance with generally accepted accounting principles and shall perform all duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent and shall assist the Treasurer under the supervision of the Treasurer. Notwithstanding anything above, the Association may designate the Management Company under contract agreement to be the recipient of funds and other obligations and to perform all associated duties for the collection and disbursement thereof, not limited to maintaining all HOA records/accounts, the individual Homeowner's accounts, and the HOA money accounts. In the event that such option is chosen, the Treasurer shall obtain such information as appropriate to report to the Board and Members the financial condition of the Association from the Management Company.

6.6. The compensation of employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from hiring a Director as an employee of the Association or preclude the contracting with a Director or a party affiliated with a Director for the management or performance of contract services for all or any part of VILLAGGIO AT VILLAGES OF WINDSOR.

Section 7. RESIGNATION OF BOARD DIRECTORS

Any Director or officer may resign his 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 earlier withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or officer shall constitute a written resignation of such Director or officer.

Section 8. ACCOUNTING RECORDS; FISCAL MANAGEMENT

8.1. The Association shall use the accrual basis method of accounting and shall maintain accounting records in accordance with generally accepted accounting principles which shall be open to inspection by Members or their respective authorized representatives at reasonable times; however, any information shared shall be limited to the information allowed by the current Florida Statute. Such authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Such records shall include, but not be limited to: (i) a record of all receipts and expenditures; (ii) an account for each Lot within VILLAGGIO AT VILLAGES OF WINDSOR which shall designate the name and address of the Owner thereof, the amount of "Individual Lot Assessments" (as defined in the Declaration) and all other Assessments, if any, charged to the Lot, the amounts and due dates for payment of same, the amounts paid upon the account and the dates paid, and the balance due; (iii) any tax returns, financial statements and financial reports of the Association; and (iv) any other records that identify, measure, record or communicate financial information.

8.2. The Board shall adopt a Budget (as provided for in the Declaration) of the anticipated Operating Expenses for each forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board ("Budget Meeting") called for that purpose to be held during the month of November of the year preceding the year to which the Budget applies. Prior to the Budget Meeting, a proposed Budget for the Operating Expenses shall be prepared by or on behalf of the Board. Within thirty (30) days after adoption of the Budget, a copy thereof shall be furnished to each Member, upon request, and each Owner shall be given notice of the Individual Lot Assessment applicable to his Lot(s). The copy of the Budget, if requested, shall be deemed furnished and the notice of the Individual Lot Assessment shall be deemed given upon its delivery or upon its being mailed or emailed if permitted, to the Owner shown on the records of the Association at his last known address as shown on the records of the Association.

8.3. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any monies received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a *pro rata* basis any expenses which are prepaid in any one calendar year for Operating Expenses which cover more than such calendar year; (iv) Assessments shall be made quarterly in amounts no less than

are required to provide funds in advance for payment of all of the anticipated current Operating Expenses and for all unpaid Operating Expenses previously incurred; and (v) items of Operating Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Assessments for Operating Expenses and any periodic installments thereof shall be of sufficient magnitude to ensure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the accrual basis method of accounting.

8.4. Individual Lot Assessments shall be payable as provided for in the Declaration.

8.5. No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Operating Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater Operating Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a "Special Assessment" (as defined in the Declaration) or an upward adjustment to the Individual Lot Assessment.

8.6. The depository of the Association shall be such bank or banks or other financial institutions as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

8.7. An Audit of the accounts of the Association shall be made annually and signed by a Certified Public Accountant and a copy of the report shall be furnished to each Member who requests same in writing no later than the first day of June of the year following the year for which the report is made. The report shall be deemed to be furnished to the Member upon its delivery or mailing or emailing if permitted to the Member at his last known address shown on the records of the Association.

Section 9. LATE FEES, INTEREST, LEGAL FEES AND COSTS

An Owner of a lot who fails to timely pay any Assessment shall be charged an administrative late fee of the greater of \$25.00 or five percent of the amount of each installment that is paid past the due date and, interest where applicable, all as authorized by 720.3085 of the Florida Statutes. Owners shall be responsible to pay all Legal Fees and costs incurred in connection with the collection of late Assessments whether or not an action at law to collect said Assessment and foreclosure of the Association's lien has been commenced.

Section 10. RULES AND REGULATIONS

The Board may, at any meeting of the Board, adopt rules and regulations or amend, modify or rescind then existing rules and regulations for the operation of VILLAGGIO AT

VILLAGES OF WINDSOR provided, however, that such rules and regulations are not inconsistent with the terms or provisions of the VILLAGGIO AT VILLAGES OF WINDSOR Documents. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed, emailed if permitted or delivered to all Members at the last known address for such Members as shown on the records of the Association at the time of such delivery or mailing and shall not take effect until forty-eight (48) hours after such delivery or mailing, or, in the event both forms of notification are used, whichever is later. Notwithstanding the foregoing, where rules and regulations are to regulate the use of specific portions of the Association Property, same shall be conspicuously posted at such facility and such rules and regulations shall be effective immediately upon such posting. Care shall be taken to ensure that posted rules and regulations are conspicuously displayed and easily readable and that posted signs or announcements are designed with a view towards protection from weather and the elements. Posted rules and regulations, which are torn down or lost, shall be promptly replaced.

Section 11. PARLIAMENTARY RULES

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of all Members and the Board; provided, however, if such rules of order are in conflict with any of the VILLAGGIO AT VILLAGES OF WINDSOR Documents, Robert's Rules of Order shall yield to the provisions of such instrument.

Section 12. BOARD OF DIRECTORS PROTOCOL

12.1 Motions before the Board must be open to debate by Board Directors prior to any vote; that debate must be in assembly form, which may be aided by electronic options that enable all Directors to hear and speak in a real time discussion mode. However informal polls may be conducted via email or by phone to determine if a motion (to be proposed) has support.

12.2 The schedule of announced Special, Working and Business Meetings of the Board shall be clearly identified and posted for the homeowners. Changes to the schedule of Business Meetings may be made when it is known in advance that a quorum of the Board will not be attainable or that a cancellation or postponement is deemed necessary. Advance notice of any such changes shall be given to the community as soon as practical.

Section 13. ROSTER OF OWNERS

Each Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information. The Association may rely on the accuracy of such information for all purposes until notified in writing of changes therein.

Section 14. AMENDMENT OF THE BYLAWS

14.1. These Bylaws may be amended as hereinafter set forth in this Section 14.

14.2. Any Bylaw of the Association may be amended or repealed, and any new Bylaw of the Association may be adopted by:

(i) An affirmative vote of the Voting Members representing two-thirds (2/3) of those voting after attaining a quorum of the voting interests of the Members at any Annual Members' Meeting or any special meeting of the Members called for that purpose or by majority action of the Voting Members who have acted by written response in lieu of a Meeting as permitted by these Bylaws;

(ii) Amendment may be adopted by a written statement (in lieu of a meeting) as prescribed in 14.2(i)

(iii) By the affirmative vote of a majority of the Directors then in office at any regular meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all of the Directors as is permitted by these Bylaws, provided that the Directors shall not have any authority to adopt, amend or repeal any Bylaw if such new Bylaw or such amendment or the repeal of a Bylaw would be inconsistent with any Bylaw previously adopted by the Members.

14.3. Notwithstanding the foregoing provisions of this Section 14, there shall be no amendment to these Bylaws which shall abridge, amend or alter the rights of any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee.

14.4. Any instrument amending, modifying, repealing or adding Bylaws shall identify the particular section or sections affected and give the exact language of such modification, amendment or addition or of the provisions repealed. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of the County.

Section 15. INTERPRETATION

In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the event of any conflict between the Articles and the Declaration, the Declaration shall control.

VILLAGGIO AT VILLAGES OF
WINDSOR HOMEOWNERS
ASSOCIATION, INC.

By:
Attest: _____

Approval by unanimous vote of the HOA Board on August 3, 2010.