

BY-LAWS
OF
HARBOUR LANDINGS ESTATES ASSOCIATION, INC.

ARTICLE I. IDENTIFICATION

1.1 **Identity:** These are the By-Laws of Harbour Landings Estates Association, Inc., a corporation not for profit organized and existing under the laws of Florida, hereinafter called "Association."

1.2 **Purpose:** The Association has been organized for the purpose of perpetuating the maintenance of, preserving, managing and exercising architectural control over the lots and Association property within Harbour Landings Estates, a residential development located within Manatee County, Florida in accordance with the Declaration of Restrictions, Covenants and Conditions for Harbour Landings Estates ("the "Declaration") and to promote the health, safety and welfare of the lot owners and occupants of Harbour Landings Estates.

1.3 **Office:** The location of the office of the Association shall be determined by the Board of Directors.

1.4 **Fiscal Year:** The fiscal year of the Association shall be the calendar year.

1.5 **Seal:** The seal of the corporation shall bear the name of the corporation, the word "Florida," the words "corporation not for profit" and the year of incorporation.

ARTICLE II. MEMBERS

2.1 **Qualification:** The members of the Association shall consist of all of the record owners of lots in Harbour Landings Estates.

2.2 **Change of Membership:** Change of membership in the Association shall be established by (a) recording in the Public Records of Manatee County, Florida, a deed or other instrument establishing a change in record title to a lot in Harbour Landings; (b) the delivery to the Association of a certified copy of such instrument; and (c) the approval of the Association to such change in ownership as required in the Declaration. Upon the occurrence of all three (3) events, the owner established by such instrument shall become a member of the Association, and the membership of the prior owner shall be terminated. The Association may waive the certification requirement.

2.3 **Multiple Owners:** When a lot is owned by more than one person, each owner shall be a member of the Association by virtue of being a record owner of a lot interest. All matters of voting shall, however, be determined on a per lot basis, as provided in Article III.

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2.4 Restraint Upon Assignment of Membership, Shares and Assets: The membership of a lot owner, and the share of a member in the funds and assets of the Association shall not be assigned, hypothecated or transferred in any manner except as appurtenant to his lot.

2.5 Evidence of Membership: There shall be no stock or membership certificates in the Association. Membership shall be determined by approved ownership as herein provided.

ARTICLE III. VOTING

3.1 Voting Right: The member or members who are the record owners of each lot shall be collectively entitled to one (1) vote for each such lot as provided in the Declaration and the Articles of Incorporation. If members own more than one lot, they shall be entitled to one vote for each lot owned. A lot vote may not be divided.

3.2 Voting Procedure: The single or multiple owners of each lot shall have one vote for each lot. All determination of requisite majorities and quorums for all purposes under the Declaration, the Articles of Incorporation and these By-Laws shall be made by reference to the number of lots entitled to vote. Decisions of the Association shall be made by the owners of a majority of lots represented at a meeting at which a quorum is present, unless a greater percentage is required by the Declaration, the Articles of Incorporation, these By-Laws or the applicable law.

3.3 Quorum: A quorum shall exist when the owners of 30% of the lots are present, either in person, by designated voting representative or by proxy.

3.4 Designation of Voting Representative: The right to cast the vote attributable to each lot shall be determined, established and limited as follows:

- (a) Single Owner: If the lot is owned by one natural person, that person shall be entitled to cast the vote for his lot.
- (b) Multiple Owners: If a lot is owned by more than one person, either as co-tenants or joint tenants, the person entitled to cast the vote for the lot shall be designated by a certificate signed by all of the record owners and filed with the Secretary of the Association.
- (c) Life Estate with Remainder Interest: If a lot is owned by a life tenant, with others owning the remainder interest, the life tenant shall be entitled to cast the vote for the lot. If the life estate is owned by more than one person, the authority to vote shall be determined as herein otherwise provided for voting by persons owning a lot in fee in the same manner as the life tenants own the life estate.

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- (d) Corporations: If a lot is owned by a corporation, the officers or employees thereof entitled to cast the vote for the lot shall be designated by a certificate executed by an executive officer of the corporation and attested by the Secretary or an Assistant Secretary, and filed with the Secretary of the Association.
 - (e) Partnership: If a unit is owned by a general or limited partnership, the general partner entitled to cast the vote for the lot shall be designated by a certificate executed by all general partners and filed with the Secretary of the Association.
 - (f) Trustees: If a lot is owned by a trustee or trustees, such trustee or trustees shall be entitled to cast the vote for the lot. Multiple trustees may designate a single trustee, or a beneficiary entitled to possession, and a single trustee may likewise designate such beneficiary as the person entitled to cast the vote for the lot by a certificate executed by all trustees and filed with the Secretary of the Association.
 - (g) Estates and Guardianships: If a lot is subject to administration by a duly authorized and acting Personal Representative or Guardian of the property, then such Personal Representative or Guardian shall be entitled to cast the vote for such lot upon filing with the Secretary of the Association a current certified copy of his Letters of Administration or Guardianship.
 - (h) Tenants by the Entirety: If a lot is owned by a husband and wife as tenants by the entirety, they may designate a voting member in the same manner as other multiple owners. If no certificate designating a voting member is on file with the Association, and only one of the husband and wife is present at a meeting, he or she may cast the vote for their lot without the concurrence of the other owner. If both spouses are present, they may jointly cast the vote for their lot, but if they are unable to agree on the manner of casting such vote, they shall lose their right to vote on such matter, although the lot may still be counted for purposes of a quorum.
 - (i) Certificate: Whenever a certificate designating a voting representative is permitted or required, such certificate shall, once filed, be valid until revoked. If a certificate is not filed, the lot shall not be counted in determining a quorum, unless all owners required to execute such certificate are present, in person or by proxy, and such lot owners shall lose their vote on any particular matter unless they concur on the manner in which the vote of the lot is to be cast on that matter.

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- (j) Limitation: If there has been a change in ownership of a lot, until such change has been approved by the Association as required by the Declaration, the vote attributable to such lot shall not be counted for any purpose.

3.5 Approval or Disapproval of Matters: Whenever the decision of a lot owner is required upon any matter, such decision shall be expressed by the same person who would cast the vote of such owner if at an Association meeting, unless the joinder of record owners is specifically required by the Declaration of these By-Laws.

3.6 Proxies: Votes may be cast in person or by proxy. A proxy shall be in writing and signed by the designated voting representative, or the owner, if no voting representative has been designated. A proxy shall be valid only for the particular meeting designated in the proxy, and must be filed with the Secretary of the Association before the appointed time of the meeting or any adjournments thereof. A properly executed and delivered proxy may be revoked by a writing delivered to the Secretary prior to the appointed time of the meeting or any adjournments thereof, or by the attendance in person of the persons executing said proxy at any meeting or adjournment thereof. No one person may be designated to hold more than ten proxies. In no event shall a proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given.

3.7 Method of Voting: Subject to the provisions of the Declaration and applicable law, voting may be by roll call voice vote or by written ballot; provided that whenever written approval is required by the Declaration, or wherever any amendment to the Declaration, the Articles or these By-Laws is proposed, or when any improvement, special assessment, election or regulation is put to a vote, the voting shall be by written ballot. Any vote to amend the Declaration relating to the sharing of the common expense shall be by secret ballot. Routine matters such as approval of minutes, adjournment, acceptance of reports, parliamentary questions and social business may be determined by "yeas" and "nays;" provided, that any five voting members, or the chairman, may require a roll call vote.

ARTICLE IV. MEETINGS OF MEMBERS

4.1 Annual Meeting: The annual meeting of the members shall be held during the month of March of each year on a day and at a time determined by the Board of Directors; provided that notice pursuant to Section 4.3 is given at least 30 days prior to the date set for the annual meeting. The annual meeting shall be for the purpose of electing Directors, and transacting any other business authorized to be transacted by the members.

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4.2 Special Meetings: Special meetings of the members shall be held whenever called by the President, or Vice President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from voting members entitled to cast votes for not fewer than 15% of the total number of lots unless a smaller percentage is provided for consideration of particular issues by applicable law.

4.3 Notice of Meetings: Reasonable notice of all meetings of the members, stating the time, place and objects for which the meeting is called, shall be given by the President or Vice President or Secretary, unless waived in writing. The notice for any meeting at which assessments against lot owners are to be considered shall contain a statement of the nature of such assessments and that such assessments will be considered. Such notice shall be given in writing to each member at his address, as it appears on the books of the Association, and shall be mailed or delivered not fewer than fifteen (15) days, nor more than sixty (60) days, prior to the date of the meeting, and by the posting in a conspicuous place on the Association property of a notice of the meeting at least fifteen (15) days, but not more than sixty (60) days, in advance of the date of the meeting. The notice to each member shall be furnished by personal delivery, or by mailing same by either regular or certified mail to the member at his address as is appears on the books of the Association. A duplicate notice shall be furnished to the designated voting representative if such voting representative is not also an owner.

4.4 Place: Meetings of the Association members shall be held at such place in Manatee County, Florida as the Board of Directors may designate in the Notice of Meeting.

4.5 Adjournments: If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

4.6 Order of Business: The order of business at annual meetings, and as far as practical at all special meetings, shall be:

- (a) Election of Chairman of the meeting (if necessary);
- (b) Calling of the roll and certifying of the proxies;
- (c) Proof of notice of the meeting or waiver of notice;
- (d) Reading and disposal of any unapproved minutes;
- (e) Reports of officers;

- (f) Reports of committees;
- (g) Election of Directors;
- (h) Unfinished business;
- (i) New business;
- (j) Announcements;
- (k) Adjournment.

4.7 Action Without Meeting: Whenever the affirmative vote or approval of the members is required or permitted by the Declaration or these By-Laws, such action may be taken without a meeting if members entitled to cast not fewer than the minimum number of votes necessary to authorize such action if meeting were held, shall agree in writing that such action be taken and waive the necessity of such meeting. Provided, however, that if a greater percentage of approval is required, then not less than such percentage must also agree in writing. Provided further that the Declaration, Articles of Incorporation and these By-Laws may not be amended without a meeting. Notice of the action so taken shall be given in writing to all members who did not approve such action in writing within ten (10) days of such approval. Provided further that the provisions of this Section may not be used to avoid the obligation to hold an annual meeting, nor may any action be taken under this Section with respect to any matter for which a meeting is specifically required by applicable law.

4.8 Proviso: Until Developer has terminated its control of the Association and its affairs in accordance with the Declaration, the proceedings of all meetings of the members of the Association shall have no effect unless approved by the Board of Directors, except for the rights of the lot owners other than Developer to elect Directors and such other matters for which applicable law requires the approval, consent, vote or other action by lot owners other than the Developer.

ARTICLE V. DIRECTORS

5.1 Number: The affairs of the Association shall be managed by a Board of not less than three (3) nor more than seven (7) Directors, the exact number to be determined by the members from time to time prior to the annual election of Directors. The Board of Directors shall at all time be comprised of an odd number of members. Until otherwise determined by the members, there shall be three (3) Directors.

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5.2 Election of Directors: The election of Directors shall be conducted in the following manner:

- (a) Election of Directors shall be held at the annual meeting of the members. A nominating committee of not less than three (3) nor more than five (5) members may be appointed by the Board of Directors not less than thirty (30) days prior to the annual meeting of the members. The nominating committee shall nominate at least one (1) person for each Directorship. Other nominations may be made from the floor, and nominations for additional directorships, if any, created at the meeting shall be made from the floor.
- (b) The election shall be by ballots, unless dispensed with by unanimous consent, and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.
- (c) Following the first election of Directors as set forth in Article 5.2 of these By-Laws, any Director may be recalled and removed from office, with or without cause, by the vote or agreement in writing by a majority of all lot owners. A special meeting of the lot owners to recall a member or members of the Board may be called by 10% of the lot owners giving notice of the meeting as required for a meeting of lot owners, and the notice shall state the purpose of the meeting. The vacancy in the Board of Directors so created shall be filled by vote of the members of the Association at the same meeting, or if the recall be by agreement, the Board shall fill such vacancy at a meeting within seventy-two (72) hours after receipt of the agreement.
- (d) The Developer shall be vested with the power to designate the initial Board of Directors, the members of which need not be owners of lots in Harbour Landings. The initial Board of Directors shall serve until the first election of Directors. Any vacancies occurring prior to the first election shall be filled by the remaining Directors.
- (e) The first election of Directors shall be held when lot owners other than Developer own 90% or more of the lots that will ultimately be located within Harbour Landings. Within fifty (50) days after such time the Association shall call a meeting of the lot owners and give not fewer than thirty (30) not more than forty (40) days notice of such meeting. At such meeting, lot owners other than Developer shall be entitled to elect the members of the Board of Directors, except the Developer shall be entitled to appoint one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least 5%

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of the lots which will ultimately be located within Harbour Landings. The Directors elected and designated at the first election shall serve until the annual meeting date that is not less than eighteen (18) months following such election, at which time the lot owners other than Developer shall elect the number of Directors to which they are entitled under the Declaration, these By-Laws and applicable law.

- (f) Thereafter, Directors shall be elected annually at the annual meeting except as set forth in these By-Laws.
- (g) All such rights in favor of the Developer shall continue so long as the Developer owns and holds for sale in the ordinary course of its business at least 5% of the lots in Harbour Landings. Developer may waive its right to elect any one or more Directors under this paragraph, which waiver shall apply only to the specific election at which the waiver is made. If Developer does waive such right, the lot owners shall elect the Board member or members who would otherwise have been elected or designated by Developer.

5.3 Term: The term of each Director's service shall extend to the next annual meeting of the members and thereafter until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.

5.4 Qualifications: All Directors shall be members of the Association; provided, however, any Director elected or designated by Developer need not be an Association member.

5.5 Vacancies: Except as otherwise provided herein, if the office of any Director becomes vacant, whether by reason of death, resignation, retirement, disqualification, incapacity or otherwise, a majority of the remaining Directors shall select a successor, who shall hold the office for the unexpired term of Director he is replacing. Vacancies following removal of office pursuant to Section 5.2(c) shall be filled as therein provided. Any vacancy in the Board of Directors occurring during the time that the Developer and lot owners other than Developer share authority to elect and designate Directors shall be filled in the manner in which the Director who has vacated his office was originally elected or designated; i.e. if elected by lot owners, the vacancy shall be filled by special election by lot owners other than Developer and if designated or elected by Developer, then Developer shall select and designate a person to fill such vacancy.

5.6 Disqualification and Resignation: Any Director may resign at any time by sending written notice to the Secretary of the Association. Such resignation shall take effect upon receipt by the Secretary, unless otherwise specified in the resignation. Any Director who must be a member of the association shall be deemed to have

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resigned if he transfers his lot so that he ceases to be a member of the Association. After the Developer has transferred control of the Association pursuant to the Declaration more than three (3) consecutive unexcused absences from regular Board meetings shall be deemed a resignation, which shall be effective upon acceptance by the Board.

5.7 Voting: All voting for the election of Directors shall be by lot as provided in Article III hereof.

5.8 Organizational Meeting: The organizational meeting of a newly elected Board of Directors 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, and no further notice of the organization meeting shall be necessary.

5.9 Regular Meetings: The Board may, from time to time, establish a schedule of regular meetings to be held at such time and place as the Board may designate. Any regular scheduled meetings may be dispensed with upon written concurrence of not less than two-thirds (2/3) of the members of the Board.

5.10 Special Meetings: Special Meetings of the Directors may be called by the President and must be called by the Secretary or an Assistant Secretary at the written request of one-third of the Directors.

5.11 Notice: Notice of each regular or special meeting shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the meeting date. All notices shall state the time and place of the meeting, and if a special meeting, the purposes thereof. Any Director may waive notice of a meeting before, during or after the meeting, and all such waivers shall be deemed equivalent to the giving of the notice. Attendance by a Director at a meeting shall be deemed a waiver of Notice by him.

5.12 Quorum: 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 act of the Board of Directors; except where approval of a greater number of Directors is required by applicable law, the Declaration or these By-Laws.

5.13 Adjourned Meeting: If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present.

5.14 Joinder in Meeting by Approval of Minutes: The joinder of a Director in the action of a meeting, by signing and concurring in the minutes thereof shall constitute the concurrence of such Director for the purpose of determining requisite

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majorities on any action taken and reflected in such minutes; provided such concurrence shall not be used to create a quorum. Directors may join in minutes under this section only after an open meeting, for the purposes herein provided.

5.15 Meetings Open: Meeting of the Board of Directors shall be open to all lot owners, and notices of such meeting shall be posted conspicuously forty-eight (48) hours in advance of such meeting for the attention of lot owners except in an emergency.

5.16 Telephone Conference Meetings: The Board of Directors or a committee thereof may participate in a meeting by using conference telephones or similar communication equipment which permits all persons participating in the meeting to hear each other at the same time. Participation in this manner shall constitute presence in person at the meeting.

5.17 Presiding Officer: The presiding officer at Directors' meetings shall be the President. In the absence of the President, the Vice President shall preside. In the absence of both, the Directors present shall designate one of their members to preside.

5.18 Directors' Fees: Directors' fees, if any, shall be determined by the members of the Association; provided, Directors designated by the Developer shall not be entitled to Directors' fees.

5.19 Order of Business: The order of business of Directors' meetings shall be:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading and disposal of any unapproved minutes;
- (d) Reports of officers and committees;
- (e) Election of officers, if any;
- (f) Unfinished business;
- (g) New business;
- (h) Announcements; and
- (i) Adjournment.

ARTICLE VI. POWERS AND DUTIES OF BOARD OF DIRECTORS

The Board of Directors shall have all powers, authority, discretion and duties necessary for the administration of Harbour Landings, the Association and Association Property, except as may be reserved or granted to the lot owners, Developer, or a specific committee or committees of the Association by the Declaration, Articles of Incorporation, these By-Laws or applicable law. The powers of the Board shall include, but shall not be limited to, the following:

6.1 General Powers: All powers specifically set forth in the Declaration, Articles of Incorporation and these By-Laws and all powers incident thereto or reasonably to be inferred therefrom.

6.2 Enforcement and Fines: The Board of Directors shall enforce by legal means, provisions of the Declaration, the Articles of Incorporation, the By-Laws and Rules and Regulations for the use of the property of the Association. In the event that the Board of Directors determines that any lot owner is in violation of any of the provisions of the Declaration, By-Laws, Articles or Rules and Regulations, the Board, or an agent of the Board designated for that purpose, shall notify the lot owner of the nature of the violation. If said violation is not cured within fourteen (14) days, or if said violation consists of acts or conduct by the lot owner, and such acts or conduct are repeated, the Board may levy a fine of a sum not exceeding \$50.00 per offense against the lot owner. Each day during which the violation continues shall be deemed a separate offense. Before levying any fine, the defaulting lot owner shall be entitled to a hearing before the Board, upon reasonable written notice, specifying the violations charged and may be represented by counsel, provided further that no fine may be levied in any event against the Developer.

6.3 Budget and Assessments: To adopt budgets and make assessments, and to use and expend assessments and other receipts of the Association to carry out the powers and duties of the Association pursuant to the Declaration, By-Laws and applicable law.

6.4 Employment: To employ, dismiss, control and contract for personnel and contractors for the administration of the Association and operation of Association property, including but not limited to managers, maintenance personnel, attorneys, accountants, and other professionals by employment or contract, as the Board may determine.

6.5 Rules and Regulations: To adopt, amend and rescind reasonable rules and regulations relating to the administration of the Association and operation and use of the Association property, subject to the Declaration, By-Laws and applicable law. Provided, however, that any rules or regulations adopted by the Board may be supplemented, amended or rescinded by affirmative vote of owners of not less than

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two-thirds (2/3) of the lots in Harbour Landings. Any such rules or regulations approved by the owners shall not thereafter be amended or rescinded except upon affirmative vote of the owners of not less than two-thirds (2/3) of the lots in Harbour Landings Estates.

6.6 Committees: To create and disband such committees as the Board may from time to time determine as reasonably necessary or useful in and about the administration of the Association and operation of Harbour Landings Estates, and to delegate such authority to such committees as may be reasonable in connection with their purpose, subject always to the provisions of the Declaration, Articles of Incorporation, By-Laws and applicable law. All committees of the Association shall keep records and conduct meetings in the same manner, to the extent applicable, as is required of the Board of Directors. Nothing contained herein shall restrict the authority of the lot owners to create, elect and disband such committees, or from modifying the duties and responsibilities of such committees. Any such action of the lot owners shall not be amended or rescinded except by the lot owners. Nothing contained herein shall be deemed to restrict the authority of the President of the Association from appointing advisory committees not inconsistent with committees created by the Board of Directors and the lot owners.

ARTICLE VII. OFFICERS

7.1 Officers and Election: The officers of the Association shall be a President, who shall be a Director; a Vice President, who shall be a Director; a Treasurer, a Secretary and such other officers as may be determined from time to time by the Board, all of whom shall be elected annually by the Board of Directors, and who may be preemptively removed by a majority vote of all Directors at any meeting. Any person may hold two offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall designate the powers and duties of such other officers as it may create.

7.2 President: 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; including, but not limited to, the power to appoint advisory committees from time to time, from among the members or others as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall serve as Chairman at all Board and Membership meetings.

7.3 Vice President: The Vice President shall, in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President, and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

7.4 Secretary and Assistant Secretary: The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notice to the members and Directors, and other notices required by law and the Association. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association, as may be required by the Directors or the President. The Assistant Secretary, if such office is created, shall perform the duties of the Secretary, when the Secretary is absent. The minutes of all meetings of the members and the Board of Directors shall be kept in books available for inspection by members, or their authorized representatives, and Board members at any reasonable time. All such records shall be retained for not less than seven (7) years.

7.5 Treasurer: The Treasurer shall have the custody of all the property of the Association including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and provide for collection of assessments and he shall perform all other duties incident to the office of Treasurer. All such records shall be retained for not less than seven (7) years.

7.6 Compensation: The compensation of all officers and employees of the Association shall be fixed by the Directors. The provisions that Directors' fees shall be determined by members shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude contracting with a Director for the management of Harbour Landings. No officer who is a designee of the Developer shall receive any compensation for his services.

7.7 Indemnification of Directors and Officers: Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or on which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is Director or officer at the time such expenses are incurred, except in such cases when the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

7.8 Term: All officers shall hold office until their successors are chosen and qualify.

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ARTICLE VIII. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions:

8.1 Accounting: Receipts and expenditures of the Association shall be credited and charged to accounts under the following general classifications, as shall be appropriate, all of which expenditures shall be common expenses:

- (a) Current Expenses: Current expenses shall include a reasonable allowance for contingencies and working funds, but not be limited to the following:
 - (i) Administration of the Association;
 - (ii) Management fees;
 - (iii) Maintenance;
 - (iv) Rent for recreational and other commonly used facilities;
 - (v) Taxes upon Association property;
 - (vi) Taxes upon leased areas;
 - (vii) Insurance;
 - (viii) Security provisions;
 - (ix) Other expenses;
 - (x) Operating capital;
 - (xi) Other fees payable to governmental entities.
- (b) Reserves for Deferred Maintenance: Reserves for deferred maintenance shall include funds for maintenance items which occur less frequently than annually.
- (c) Reserve for Capital Expenditures and Replacement: Reserves for capital expenditures and replacement shall include funds for repair or replacement required because of water damage, depreciation or obsolescence.

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- (d) **Betterments:** Reserves for betterments shall be used for capital expenditures for betterments as herein defined. Reserves for betterments shall be budgeted within the sole discretion of the Board of Directors.
- (e) **Additional Accounts:** The Board may establish additional accounts for specifically authorized improvements, or other categories consistent with accepted accounting practices.

8.2 Budget: The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the current expenses and funds for required reserves, and may provide funds for specifically proposed betterments and approved improvements.

8.3 Procedure: The Board of Directors shall adopt a budget in accordance with the Declaration.

8.4 Betterments: Betterments shall mean and include the acquisition of tangible personal property by the Association for the benefit of the Association and its members, and shall also include the acquisition, installation, and construction of things, as well as the performance of work, the result of which shall improve or enhance the value of the Association property or its use by the Harbour Landings residents. Betterments shall not require increased maintenance to the extent that they will have a substantial impact on common expenses. Betterments shall be of a lesser magnitude than improvements, and shall not be subject to the restrictions of Article 8 of the Declaration.

By way of explanation only, and not by way of limitation, the following shall be deemed betterments: the installation of improved or additional street lighting; installation of landscaping; the widening of existing paved streets or walks, or the paving of new walks or paths; installation of improved or additional barbecue or picnic facilities; construction of a fishing dock in a lake or stream; installation of a heating system for a pool; or the extension of an irrigation or sprinkling system. By contrast, improvements, as used in the Declaration, are intended to include the construction of new buildings or additions to the existing buildings, the installation of recreational facilities such as pools, tennis courts, and other activities that substantially alter the use of the Association property and impact upon maintenance expense. Betterments shall in no event exceed a total cost of Ten Thousand Dollars (\$10,000.00) in any fiscal year, nor shall any one project costing in excess of Two Thousand Five Hundred Dollars (\$2,500.00) be deemed a betterment, without the approval of lot owners owning a majority of the lots in Harbour Landings.

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The Board of Directors may plan for and include within the budget amounts for betterments and may expend such amounts; provided, however, that the Association, by majority vote of those present at any meeting, may overrule the decision of the Board that a given budget item constitutes a betterment, and may require the same to be treated as an improvement and approved as required by Article 8 of the Declaration. It is the purpose of this section to permit the Board of Directors, within limitations and guidelines, to provide for enhancements to the Association property that might otherwise be technically considered an improvement, and to provide both discretion to the Board, yet protect the right of the lot owners to require that the more restrictive improvement procedures be invoked. The cost for betterments shall not be incurred without notice to the members, either by way of inclusion in a budget, notice at a meeting, or otherwise, so that the members' right to object shall be secured. The determination of the Board to treat an item as one of betterment shall be conclusive after the Association has had the opportunity to direct that same be deemed a proposed improvement.

8.5 Assessments: Annual Regular Assessments against an owner for his share of the items of the budget shall be made in advance on or before December 20 preceding the year for which the assessment is made. Such assessment shall be due in four (4) equal quarter annual installments, which shall come due on the 1st day of January, April, July and October of the year for which the assessments are made. If an annual Regular Assessment is not made as required, a Regular Assessment shall be presumed to have been made in the amount of the last prior Regular Assessment and monthly payments thereon shall be due from the 1st day of each month until changed by an amended assessment. In the event the annual Regular Assessment proves to be insufficient, the budget may be amended at any time by the Board and a Supplementary Assessment levied. The Supplementary Assessment shall be due on the 1st day of the month next following the month in which the Supplementary Assessment is made or as otherwise provided by the Board of Directors. The first Regular Assessment shall be determined by the Board of Directors of the Association.

Other assessments may be made from time to time by the Board as provided in the Declaration, with Association approval where required. Notice of Supplementary and Improvement Assessments not previously approved by the lot owners shall be given to the lot owners. Lot owners may request a special meeting to reconsider such assessment by filing a request therefor in accordance with Section 4.2 of these By-Laws. Such request shall be filed within fifteen (15) days of mailing or delivery of the notice of such assessment. At any such special meeting called pursuant hereto, if the proposed Improvement or Supplementary Assessment is not approved by the owners of the requisite number of owners in accordance with the Declaration and these By-Laws, then such assessment shall not go into effect until and unless the proposed assessment is approved in accordance with the Declaration and these By-Laws. In such event, the assessment may be levied only in such form and amount as may be properly approved. Nothing contained herein shall prohibit the

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Board of Directors from levying a Supplementary Assessment for any bona fide emergency common expense that cannot be paid from the approved Regular Assessments and approved Supplementary Assessments or appropriate reserve funds. Nothing contained herein shall limit the authority of the Board to levy Improvement Assessments or Special Assessments for necessary repairs or to effect reconstruction under the Declaration. The Board may levy Special Charges pursuant to the Declaration.

8.6 Acceleration of Assessments: As provided in the Declaration, upon default in payment the Board may elect to accelerate remaining installments of annual Regular, Supplementary, Improvement or other assessments, and such assessments shall stand accelerated thirty (30) days after delivery or receipt of such notice to or by the delinquent owner.

8.7 Expenditures: All funds of the Association shall be expended only upon authorization of the Board of Directors. Approval of the budget shall be deemed authority to expend funds for the items and contingency funds within the budget. Funds derived from special assessments and funds in reserves shall be expended solely for the purpose for which such assessment was made or reserve established; provided that, upon completion of such specific purpose or purposes, any excess funds shall be considered surplus. Contingency funds may be expended for any legitimate purpose by action of the Board. Funds received from Special Charges may be expended only for the purposes for which such Special Charges were levied, including reimbursement of the general fund of the Association for amounts advanced by the Association.

8.8 Depository: The depository of the Association shall be in such bank or banks as shall be designated from time to time by the Directors, and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by appropriate resolution of the Board of Directors. Funds of the Association may be co-mingled or kept in separate accounts, but any such co-mingling shall not alter the accounting designated pursuant to Section 8.1 hereof.

8.9 Audit: After Developer transfers complete control of the Association, a report of the accounts of the Association shall be made annually by the Board, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made. At least every three (3) years, the report shall include an audit by a Certified Public Accountant.

8.10 Fidelity Bonds: Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for the Association's funds. The amounts of such bonds shall be determined by the Board. The premiums on such bonds shall be paid by the Association as a common expense.

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ARTICLE IX. PARLIAMENTARY RULES

Roberts Rules of Order, the latest edition, shall govern the conduct of the meetings of the Association, the Board of Directors and Committees of the Association when not in conflict with the Declaration, Articles of Incorporation or these By-Laws.

ARTICLE X. AMENDMENT

These By-Laws may be amended in the manner set forth in the Declaration and using procedures that incorporate the provisions of applicable law, as same may be amended from time to time; provided, however, that no Amendment shall discriminate against any owner or against any class or group unless the owners so affected shall consent. No Amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration. Amendments to the By-Laws shall not be effective until they have been certified by the officer of the Association and a copy of the Amendment is recorded in the books of the Association.

ARTICLE XI. MISCELLANEOUS

The provisions of these By-Laws shall be construed together with the Declaration and the Articles. In the event of a conflict between the provisions hereof and the provisions of the Declaration, the provisions of the Declaration shall control. The provisions hereof shall be liberally construed to grant to the Association sufficient practical authority to operate Harbour Landings. Whenever the context so requires, the use of any gender herein shall be deemed to include all genders, and the use of the plural shall include the singular and the singular shall include the plural.

Until such time as the Developer or any successor shall no longer own any portion of Harbour Landings, the Association, its Directors and officers shall take all such actions as may be necessary or appropriate to enable the Developer to exercise any power or authority reserved by the Developer for its benefit in either the Declaration, the Articles, or these By-Laws.

The foregoing was adopted as the By-Laws of Harbour Landings Estates at the first meeting of the Board on the 18 day of Nov. 1997.

HARBOUR LANDINGS ESTATES ASSOCIATION, INC.

By: Michael G. Krizmanich
Michael G. Krizmanich, President

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NOTICE TO PROSPECTIVE BUYERS

To the purchasers of property in Harbour Landings Estates, Cortez, Manatee County, Florida:

You are hereby notified that the purchase of your parcel is subject to:

1. The Declaration of Covenants, Conditions and Restrictions for Harbour Landings Estates, as it may be amended from time to time (the "Restrictions"), a copy of which is provided upon execution of your contract to purchase.
2. Ownership of a parcel in said subdivision automatically makes you a member of Harbour Landings Estates Association, Inc. (the "Association") and you are subject to its Articles of Incorporation and Bylaws. Each parcel entitles its owner to one vote in the affairs of the Association.
3. The Association controls the Association Property, as described in the Listing of Holding, if any, and has the right and power to assess and collect for the cost of maintenance and care of all property and uses under the purview of the Association which you have the right to enjoy, in accordance with the Declaration, Articles of Incorporation, and Bylaws of the Association. A ten (10) year Fiscal Program is included as part of the Declaration to provide adequate reserve funds for the Association.
4. The initial proposed assessment by the Association is \$2,700.00 annually for each parcel. You are hereby notified that the Association may increase that amount as may be required to maintain the amenities of the subdivision.
5. Certain parcels are subject to conservation, drainage or other easements and/or are designated as wetland mitigation areas. These easements and areas have conditions and limitations as to their use and enjoyment as are described in the Declaration. A copy of the Conservation Easement applicable to Harbour Landings Estates is attached to this Notice as Exhibit "i".
6. Attached as Exhibit "ii" is a copy of Hurricane Safety Tips with attached color evacuation map from the Emergency Management Division of the Public Safety Department of Manatee County.
7. The final lot grading for this project is to be accomplished as the homes are constructed upon the individual lots. For lots which border on lakes, it is a requirement of the project approval that the lakes be final graded with bank slopes not steeper than four horizontal to one vertical and that the banks be stabilized with grass or sod. Purchasers of lots abutting lakes are hereby notified that it will be their responsibility to have their final lot grading comply with these requirements.

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8. Specifically, unless permitted by the Manatee County Land Development Code, the following acts and activities are expressly prohibited within the boundaries of this Conservation Easement without the prior consent of Grantee:
- * Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above the ground.
 - * Construction or placing of utilities on, below or above the ground without appropriate local, state and federal permits or other authorization.
 - * Dumping or placing of soil or other material as landfill or dumping or placing trash waste, unsightly or offensive materials.
 - * Removal, mowing or trimming of trees, shrubs or other vegetation.
 - * Application of herbicides, pesticides or fertilizers.
 - * Excavation, dredging or removal of loam, peat, gravel, soil, rock or other material substances in such manner as to affect the surface.
 - * Surface use except for purposes that permit the land or water areas to remain in its natural state.
 - * Any activity detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation.
9. A 15' rear-yard setback is required is required for Lots 41-46 and shall be measured from the closest edge of the greenbelt to the proposed structures.
10. All side property lines for lots adjacent to the boat basin, with the exception of Lots 7, 19, 22, 23, and 24, shall terminate at the inside edge of the sidewalk that runs along the basin seawall.
11. Other than the seawall and sidewalk, no impervious surfaces shall be placed within the first 15' of the 30' waterfront setback, as measured from the face of the seawall.
12. Each lot owner shall, as a part of the original construction of Permitted Improvements, be required to plant two shade trees. Trees planted pursuant to this section shall have a minimum size of 10' in height and a trunk diameter breast height of 2" and a spread of at least 4', whichever is greater. Existing trees and native species that require minimal water and maintenance are preferred. Further, street trees that exist at this time on individual lots may not be removed by the homeowners and shall be

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Exhibit "F" (pg. 2 of 3)

preserved and maintained in accordance with the maintenance provisions contained herein.

13. The foregoing statements are only summary in nature and shall not be deemed to supersede or modify the provisions of the Declaration, or any lot sales contract between a purchaser and Developer.

Krizmani\Buyers.Not

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Exhibit "F" (pg. 3 of 3)

CONSERVATION EASEMENT

In consideration of the premises and mutual covenants, terms, conditions, and restrictions contained herein and other good and valuable considerations, the receipt of which is hereby acknowledged, KRIZMANICH MANATEE HOLDINGS, INC., a Florida corporation, whose address is 5801 Ulmerton Road, Suite 203, Clearwater, Florida 34620 ("Grantor"), as owner of the property described on attached Exhibit "A", and on behalf of itself and its successors, heirs and assigns, grants and gives to MANATEE COUNTY, a political subdivision of the State of Florida, whose address is Post Office Box 1000, Bradenton, Florida 34206 ("Grantee"), a Conservation Easement pursuant to Section 704.06, Florida Statutes (1995) over the above-described property of the Grantor.

Specifically, unless permitted by the Manatee County Land Development Code, the following acts and activities are expressly prohibited within the boundaries of this Conservation Easement without the prior consent of Grantee:

- * Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above the ground.
- * Construction or placing of utilities on, below or above the ground without appropriate local, state and federal permits or other authorization.
- * Dumping or placing of soil or other material as landfill or dumping or placing trash waste, unsightly or offensive materials.
- * Removal, mowing or trimming of trees, shrubs or other vegetation.
- * Application of herbicides, pesticides or fertilizers.
- * Excavation, dredging or removal of loam, peat, gravel, soil, rock or other material substances in such manner as to affect the surface.
- * Surface use except for purposes that permit the land or water areas to remain in its natural state.
- * Any activity detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation.

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Dated this 15th day of November, 1997 in Clearwater, Florida.

Witnesses:

Krizmanich Manatee Holdings, Inc., a Florida Corporation

By:

Michael Krizmanich
Michael Krizmanich, President

Patricia Santos
Type name: Patricia Santos

George Everhart
Type name: George Everhart

Dorothy Dillenkoffer
Type name: Dorothy Dillenkoffer

James Cascio
Type name: James Cascio

NOTARY ACKNOWLEDGEMENT

State of Florida

County of Pinellas

The foregoing instrument was acknowledged before me this 19th day of November, 1997, by Michael Krizmanich, President, on behalf of Krizmanich Manatee Holdings, Inc., a Florida Corporation who is (XX) personally known to me or () has produced identification

NOTARY SEAL:



Dorothy Dillenkoffer
Print name of Notary
Dorothy Dillenkoffer

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Exhibit "i" (pg. 2 of 3)

HARBOUR LANDINGS
CONDOMINIUM

DESCRIPTION:

FROM A CONCRETE MONUMENT FOUND AT THE N.W. CORNER OF GUTHRIE STREET AND SECOND AVENUE, AS INDICATED ON THE AMENDED PLAT OF CORTEZ ADDITION TO CORTEZ, RECORDED IN PLAT BOOK 2, PAGE 59, PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA: RUN N 64°00'45" W ALONG THE NORTH LINE OF SAID GUTHRIE STREET, A DISTANCE OF 180.00 FEET; AND N 25°52'13" E, A DISTANCE OF 50.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N 25°52'13" E, A DISTANCE OF 730 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF PALMA SOLA BAY; THENCE MEANDER NORTHEASTERLY ALONG SAID MEAN HIGH WATER LINE, A DISTANCE OF 285 FEET MORE OR LESS TO THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SECOND AVENUE (128TH STREET WEST); THENCE N 25°52'13" E ALONG SAID PROLONGATION, A DISTANCE OF 180 FEET MORE OR LESS TO A POINT ON THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N 19°40'31" E, AT A DISTANCE OF 1525.62 FEET, SAID POINT ALSO BEING ON THE MANATEE COUNTY BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE THE FOLLOWING TWO COURSES, EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 13°03'31", A DISTANCE OF 347.71 FEET TO THE P.T. OF SAID CURVE; AND S 83°23'00" E, A DISTANCE OF 1495.19 FEET TO THE NORTHERLY PROLONGATION OF THE EAST LINE OF BLOCK 17 OF SAID AMENDED PLAT OF CORTEZ; THENCE S 25°52'13" W, A DISTANCE OF 1016.06 FEET TO THE N.E. CORNER OF SAID BLOCK 17; THENCE S 64°00'45" E, A DISTANCE OF 25.00 FEET TO THE CENTERLINE OF THE VACATED RIGHT OF WAY ADJACENT TO SAID BLOCK 17; THENCE S 25°52'13" W, AND PARALLEL TO THE EAST LINE OF SAID BLOCK 17, A DISTANCE OF 1057.87 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF 42ND AVENUE WEST, SAID POINT ALSO BEING A POINT ON THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N 29°40'09" E, AT A DISTANCE OF 166.32 FEET; THENCE ALONG SAID RIGHT OF WAY LINE THE FOLLOWING TEN COURSES; NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 41°06'35", A DISTANCE OF 119.33 FEET TO THE P.T. OF SAID CURVE; AND N 19°13'16" W, A DISTANCE OF 107.73 FEET TO THE P.C. OF A CURVE TO THE RIGHT HAVING A RADIUS OF 152.50 FEET; AND NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 10°43'16", A DISTANCE OF 28.54 FEET TO THE P.R.C. OF A CURVE TO THE LEFT HAVING A RADIUS OF 232.50 FEET; AND NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 33°39'30", A DISTANCE OF 136.58 FEET TO THE P.C.C. OF A CURVE TO THE LEFT HAVING A RADIUS OF 327.50 FEET; AND WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 72°30'30", A DISTANCE OF 414.45 FEET TO THE P.T. OF SAID CURVE; AND S 65°20'00" W, A DISTANCE OF 40.00 FEET TO THE P.C. OF A CURVE TO THE RIGHT HAVING A RADIUS OF 142.50 FEET; AND WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 17°41'32", A DISTANCE OF 44.00 FEET TO THE P.T. OF SAID CURVE; AND S 83°01'32" W, A DISTANCE OF 118.53 FEET TO THE P.C. OF A CURVE TO THE RIGHT HAVING A RADIUS OF 72.50 FEET; AND WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 33°08'28", A DISTANCE OF 41.94 FEET TO THE P.T. OF SAID CURVE; AND N 63°50'00" W, A DISTANCE OF 16.21 FEET; THENCE N 26°10'00" E, A DISTANCE OF 71.01 FEET; THENCE N 19°36'28" E, A DISTANCE OF 460.46 FEET; THENCE N 53°34'15" W, A DISTANCE OF 577.95 FEET; THENCE N 71°56'13" W, A DISTANCE OF 163.65 FEET; THENCE N 64°07'47" W, A DISTANCE OF 330.00 FEET; TO THE POINT OF BEGINNING. LYING AND BEING IN SECTIONS 34 AND 35, TOWNSHIP 34 SOUTH, RANGE 16 EAST, AND SECTION 3, TOWNSHIP 35 SOUTH, RANGE 16 EAST, MANATEE COUNTY, FLORIDA.

CONTAINING 61.16 ACRES, MORE OR LESS