

**AMENDED AND RESTATED BY-LAWS
OF
BAY LAKES AT GRANADA HOMEOWNERS' ASSOCIATION, INC.**

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**AMENDED AND RESTATED BY-LAWS
OF
BAY LAKES AT GRANADA HOMEOWNERS' ASSOCIATION, INC.**

1. IDENTITY

A. These are the Amended and Restated By-Laws of Bay Lakes at Granada Homeowners' Association, Inc., a corporation not for profit under the laws of the State of Florida, the articles of incorporation of which were filed in the office of the Secretary of State on the 4th day of December, 1981 (hereinafter the "Articles of Incorporation"). Bay Lakes at Granada Homeowners' Association, Inc., (hereinafter called the "Association"), has been organized for the purpose of administering the operation and management of the Covenants, Conditions and Restrictions of Bay Lake at Granada Section One, Section Two, Section Three, Section Four, Section Five and Section Six ("CCR's") recorded in the Public Records of Orange County, Florida and attached to that certain property known as Bay Lake At Granada Section One, Section Two, Section Three, Section Four, Section Five and Section Six, and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. The provisions of these Amended and Restated By-Laws of Bay Lakes at Granada Homeowners' Association (hereinafter called the "By-Laws") are meant to completely amend and replace any and all previous by-laws for the Association, which may or may not be written, which may or may not have been adopted, and which may or may not be known to exist.

C. The provisions of these By-Laws are applicable to the Property, the Residences thereon (as that term is defined in the CCR's) and the CCR's. The terms and provisions hereof are expressly subject to the effect of the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the CCR's, the terms and provisions of said Articles of Incorporation and CCR's to be controlling wherever the same may be in conflict herewith.

D. All present and future owners, tenants, future tenants, or their employees, or any other person that might use or occupy the Property, Residences or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and the CCR's.

E. The mere acquisition or rental of any of the Residences or the mere act of occupancy of any said Residences will signify that these By-Laws and regulations in the CCR's are accepted, ratified and shall be complied with.

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

G. The seal of the Association shall bear the name of the Association, the word "Florida," the words "a corporation not for profit," and the year of the filing of the Articles.

2. MEMBERSHIP

A. The Association shall consist of Members. The qualifications of Members, the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in Article III of the CCR's.

B. "Voting interest", means the voting rights distributed to the Association Members pursuant to Section 720.301(13), Florida Statutes, and specifically set forth in the CCR's, the Articles of Incorporation of the Association and these By-Laws.

3. VOTING, QUORUM, PROXIES, ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

A. The percentage of Voting Interests required to constitute a quorum at a meeting of the Members shall be 30 percent of the total Voting Interests. Unless otherwise provided in the Articles of Incorporation or CCR's, decisions that require a vote of the members must be made by the concurrence of at least a majority of the Voting Interests present, in person or by proxy, at a meeting at which a quorum has been attained.

B. A Residence owned by more than one (1) person or by a corporation, partnership or other entity shall be collectively entitled to the vote assigned to such unit as set forth in Article III of the CCR's and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such Residence of which he is a part until such authorization shall have been changed in writing and each vote shall have the weight of and be equivalent to each owner's undivided percentage share of ownership.

C. The Members have the right to vote in person or by proxy. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

D. A member of the Board or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the Member did not attend, provided however, this agreement or disagreement 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.

E. When any of the Board or committee members meet by telephone conference, those Board or committee members attending by telephone conference may be counted toward obtaining a quorum and may vote by telephone. A telephone speaker must be used so that the conversation of those Board or committee members attending by telephone may be heard by the Board or committee members attending in person as well as by any unit owners present at a meeting.

F. Approval or disapproval of an owner of a Residence upon any matters, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if at an Association meeting.

G. The annual membership meeting shall be held in October on a date, time and place to be designated each year by the Board of Directors for the purpose of electing Board of Directors or transacting any other business authorized to be transacted by the Members; electing Board of Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the succeeding Tuesday or at such other time and place as the Board of Directors shall select.

H. Special meetings must be held when called by the Board of Directors or by at least 10 percent of the total Voting Interests of the association. Business conducted at a special meeting is limited to the purposes described in the notice of the meeting.

I. The association shall give all Members actual notice of all annual meetings and membership meetings, which shall be mailed, delivered, or electronically transmitted to the Members not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the association.

J. At membership meetings, the President shall preside, or in his absence, the Vice President, or in his absence, the membership shall elect a chairman.

K. The order of business at annual Members meetings, and as far as practical at all other Members meetings, shall be:

- (1) Calling of the roll and certifying of proxies.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers.
- (5) Reports of Committees.
- (6) Appointment of Board of Directors.
- (7) Appointment of Nominating Committee.
- (8) Unfinished business.
- (9) New business.
- (10) Adjournment.

L. The Association shall maintain minutes of each meeting of the membership and of the Board of Directors in a businesslike manner. The minutes shall be kept in a book available for inspection by Members or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4. BOARD OF DIRECTORS

A. The Board of Directors shall consist of at least seven (7) Directors but may be more if so elected upon by the Membership. Each director elected at the annual meeting of the membership shall serve for the term of two (2) years or until his successor is duly elected. The Board of Directors shall serve staggered terms with three (3) Directors elected in even-numbered years and four (4) Directors elected in odd-numbered years.

B. The Officers of the Association shall be elected annually by the Board of Directors. There shall be at least four (4) Officers, President, Vice President, Treasurer and Secretary. The same person may hold two (2) offices, provided however, that the office of the President and Vice President shall not be held by the same person, nor shall the office of President and Treasurer be held by the same person. Any Officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or any special meeting of the Board called for such purpose. The Board of Directors may form and serve on as many committees as necessary to carry out the provisions of the CCR's and these By-Laws.

C. Regular meetings of the Board of Directors shall be held monthly and at such time and place as shall be determined from time to time by a majority of the Board of Directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone, email or telegram at least ten (10) days prior to the day named for such meeting, unless notice is waived. These meetings shall be open to all Members. A majority of the Board of Directors present shall constitute a quorum at a Board of Directors meeting.

D. Special meetings of the Board of Directors may be called by the President, and must be called by the Secretary at the written request of any of the Board of Directors. Not less than three (3) days notice of a meeting shall be given to each Director, personally or by mail, telephone, email or telegram, which notice shall state the time, place and purpose of the meeting. Notice to unit owners shall be given in accordance with this paragraph.

E. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all Board of Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting. Notice to unit owners shall be given in accordance with subparagraph E above.

F. A Director who is present at a meeting of its Board at which action is taken on any corporate matter shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote by proxy or by secret ballot at Board Meetings. A vote or abstention for each Member present shall be recorded in the minutes.

G. Meetings of the Board at which a quorum of the Members is present shall be open to all unit owners. Any unit owner may tape record or videotape meetings of the Board. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items.

H. The presiding Officer of Board of Directors' meetings shall be the President. In the absence of the President, the Vice President shall preside.

I. The Directors shall serve without compensation. Compensation for employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board from employing a Director or Officer as an employee of the Association, nor preclude the contracting with a Director or Officer for the management of the Association.

J. The Board of Directors shall exercise those powers and duties permitted by the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the CCR's. Such powers and duties shall be exercised in accordance with the Articles of Incorporation, these By-Laws and the CCR's, and shall include, without limiting the generality of the foregoing, the following:

(1) To make, levy and collect assessments against Members and Residences, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association. Assessments shall be made against units annually.

(2) The reconstruction of improvements after casualty, and further improvement of the Common Area (as that term is defined in the CCR's), real and personal.

(3) To make and amend regulations governing the use of the property, real and personal, and the Common Area, so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the CCR's.

(4) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, as may be necessary or convenient in the operation and management and in accomplishing the purposes set forth in the CCR's.

(5) To contract for the maintenance and management to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, preparation of the records, enforcement of rules, and maintenance of the Common Area. The Association shall, however, retain at all times the powers and duties granted them by Chapter 720 of the Florida Statutes and the CCR's, including, but not limited to, the making of assessments, promulgation of rules, and execution of contracts on behalf of the Association.

(6) To enforce by legal means the provisions of the Articles of Incorporation and By-Laws of the Association, the CCR's and any regulations hereinafter promulgated.

(7) To carry any necessary insurance for the protection of the Members, Board of Directors and the Association against casualty and liability.

(8) To levy fines against the unit owners, occupants, licensee or invitees for failure to abide by any provision of the CCR's, these By-Laws or rules of the Association.

(9) The limited power to convey a portion of the Common Area 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.

K. Election of Board of Directors shall be conducted in the following manner:

(1) Each member of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the Members of the Association.

(2) Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the majority vote of the remaining Directors.

L. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election, at such time and such place as shall be fixed by the Board of Directors at the meeting at which they were elected, and notice of the organizational meeting shall be conspicuously posted on the Property at least 48 continuous hours in advance.

M. Unless otherwise provided in the By-Laws, any vacancy occurring on the Board of Directors before the expiration of a term may be filled by the affirmative vote of the majority of the remaining Board of Directors, even if the remaining Board of Directors constitute less than a quorum, or by the sole remaining director. In the alternative, a Board of Directors may hold an election to fill the vacancy. Unless otherwise provided in the By-Laws, a Board of Directors member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled.

N. If no person is interested in or demonstrates an intention to run for the position of a Board of Directors member whose term has expired such Board of Directors member whose term has expired shall be automatically reappointed to the Board of Directors and need not stand for reelection. A person who is delinquent in the payment of any fee or assessment, is not eligible to hold a Board of Directors position. A person who has been convicted of any felony in this state or in a United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction that would be considered a felony if committed in this state, is not eligible to hold a Board of Directors position unless such felon's civil rights have been restored for a period of no less than five (5) years as of the date on which such person seeks election to the Board of Directors. The validity of an action by the Board of Directors is not affected if it is later determined that a member of the Board of Directors is ineligible to hold a Board of Directors position due to having been convicted of a felony.

O. A Director or Officer more than 90 days delinquent in the payment of regular assessments shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law.

P. A Director or Officer charged with a felony theft or embezzlement offense involving the association's funds or property shall be removed from office, creating a vacancy in the office to be filled according to these By-laws. While such Director or Officer has such criminal charge pending, he or she may not be appointed or elected to a position as a Director or Officer. However, should the charges be resolved without a finding of guilt, the Director or Officer shall be reinstated for the remainder of his or her term of office, if any.

5. OFFICERS

A. The principal Officers of the Association shall be a President, a Secretary and a Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors may deem necessary.

B. The President shall be the Chief Officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the owners, from time to time as he may in his discretion decide is appropriate, to assist in the conduct of the affairs of the Association.

C. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon by the Board of Directors.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and service of all notices of the members and Directors, and such other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep records of the Association, its administration and salaries.

E. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidence of indebtedness. He shall keep the books of the Association in accordance with good accounting practices.

F. The Officers shall serve without compensation. Compensation for employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director or Officer as an employee of the Association, nor preclude the contracting with a Director or Officer for the management of the Association.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Chapter 720, Florida Statutes, the CCR's and Articles of Incorporation shall be supplemented by the following provisions:

A. The Board of Directors shall adopt an operating budget for the Property in advance for each calendar year which shall include the estimated funds required to defray the current expenses and shall provide funds for the foregoing reserves.

B. An expense account shall include all receipts and expenditures to be made within the year for which the expenses are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year or to fund reserves. This may include but not be limited to:

- (1) Professional, administration and management fees and expenses;
- (2) Taxes on Common Area;
- (3) Expense for utility services and maintenance expense relating to the CommonArea;
- (4) Insurance costs;
- (5) Administrative and salary expenses;
- (6) Operating capital; and
- (7) Other expenses.

C. If required by the Board of Directors, there shall be established a reserve account for deferred maintenance, repairs or replacement which shall include funds for major maintenance items which are the obligation of the Association.

D. The depository of the Association will be such banks in Orange County, Florida, and as shall be designated from time to time by the directors and the withdrawal of monies from such accounts shall be only by checks signed by such persons as authorized by the directors; provided, however, that the provisions of a management agreement between the Association and a manager relative to the subject matter of this section shall supersede the provisions hereof.

7. PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the corporate meetings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of Florida.

8. AMENDMENTS TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon vote of a majority of the Directors, or by twenty (20%) percent of the Voting Interests of the Association, whether meeting as Members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by said Board of Directors or Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a Special Meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than twenty (20) days and not later than sixty (60) days from receipt by such officer of the proposed amendment or amendments.

C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of the Members owning a majority of the Voting Interests.

D. At any meeting held to consider such amendment or amendments to the By-Laws, the written vote of any Member of the Association shall be recognized if such Member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

THE UNDERSIGNED, being the President of Bay Lakes at Granada Homeowners' Association, a corporation not for profit under the laws of the State of Florida, does hereby certify that the foregoing Amended and Restated By-Laws were adopted as the By-Laws of said Association at a meeting held for such purpose on the ____ day of _____.

President