

**BYLAWS
OF
HAMPTON HOMEOWNERS, INC.
A Not for Profit Florida Corporation**

**ARTICLE I.
NAME, REGISTERED OFFICE AND REGISTERED AGENT**

Section 1. NAME

The name of this corporation (hereinafter referred to as the "Association") is:
HAMPTON HOMEOWNERS, INC.

Section 2. REGISTERED OFFICE AND REGISTERED AGENT

The Board of Directors shall from time to time make the decision as to who shall be the registered Agent for the Association.

**ARTICLE II.
SEAL**

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**ARTICLE III.
POWERS**

The Directors of this Association and the operation of the Association itself shall be governed by the bylaws.

**ARTICLE IV.
MEMBERSHIP**

Section 1. MEMBERS

All persons **owning manufactured homes and leasing lots** located in The Hamptons, Auburndale, Florida (the community) shall be eligible for membership in this Association. Membership is attained by paying the appropriate annual dues in effect at the time. Those persons or households paying annual dues shall become members in good standing, and will be entitled to all privileges including voting rights and meeting participation. Only members in good standing can participate in Hampton Homeowner Association governing functions.

Section 2. ASSOCIATE MEMBERS

All persons renting a manufactured home in the Community in compliance with Sun regulations for rentals shall be eligible for associatememberships. Associate members shall pay the same dues as members and shall be entitled to all benefits except that associate members shall have no voting rights.

Section 3. MEMBERSHIP CERTIFICATES

Section 4. MEMBERSHIP DUES

Membership dues shall be in an amount established by the Association Board of Directors. Dues shall be collected on an annual basis with yearly membership spanning 1 January – 31 December of any given year. The annual membership drive will begin on 1 October of any given year. All dues collected on or after 1 October will be credited toward payment of the next calendar year dues. Thus, new members joining on or after 1 October will become members of the Association immediately upon receipt of their dues and shall be afforded all rights and privileges of membership, even though their dues are credited toward the following calendar year membership period.

ARTICLE V. MEETINGS OF MEMBERS

Section 1. PLACE OF MEETINGS

Meetings of the members shall be held at the office of the Association, the community clubhouse, or recreation hall or at any other place within the State of Florida that the Board of Directors or members may from time to time designate.

Section 2. ANNUAL MEETINGS

The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent annual meeting of the members shall be held on a Thursday in February thereafter, at a time to be designated by the Board of Directors. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the announced hour a day following which is not a weekend day or legal holiday. At the annual meeting the members shall transact business in accordance with these Bylaws. If an annual meeting has not been called and held within six months after the time designated for the annual meeting, any member or members may call the meeting.

Section 3. REGULAR MEETINGS

Regular meetings and special meetings of the members may be called at any time by the President or by the majority of the Board of Directors.

Section 4. SPECIAL MEETINGS

Special meetings of the members may be called at any time by the President or by the majority of the Board of Directors. Special meetings shall be held if ten (10%) percent of the members sign, date, and deliver one or more written demands for the meeting to the association's corporate secretary. Said demands must describe the purpose or purposes for which the meeting is to be held.

Section 5. ACTION BY WRITTEN AGREEMENT

The BOARD members can act by written agreement of the BOARD members without meetings on the condition that the written agreement is agreed to and signed by at least fifty-one (51%) percent of the BOARD members and the written agreement is posted in a conspicuous place upon the community property within fourteen (14) days after the date of the written agreement. The written agreement shall be filed with the minutes of proceedings of the members.

Section 6. NOTICE OF MEETINGS

Notice of all regular or special meetings of the members, stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes of the meeting, shall be posted by the Secretary of the Association, or by the person authorized to call the meeting, in a conspicuous place on the community property at least fourteen (14) days prior to the meeting, but not more than sixty (60) days before the date named for the meeting. Notice of annual meeting shall be as set forth above except that all notices of annual meetings shall be sent by mail or electronic communication to the member's address appearing on the books of the Association, and the mailing thereof shall constitute notice.

Section 7. AFFIRMATION OF ANNUAL MEETING NOTICE

An officer of the Association shall provide an affidavit affirming that the notices of the annual meeting were emailed, mailed or hand delivered, in accordance with Section 6 hereof, and said statement shall be filed in this Association's records.

Section 8. VOTING RIGHTS AND REGULATIONS

In any regular or special membership meeting the owners of a manufactured home located on a lot in the community (unit) shall be entitled to cast one (1) vote for each unit or lot.

When a unit is owned by one (1) person, his or her right to vote shall be established by the record title of his unit. If a unit is owned by more than one (1) person or is under lease, the person entitled to cast the vote for the unit shall be designated by a Certificate signed by all of the Record Owners of the unit and filed with the Secretary of the Association. In the event a unit is owned by a corporation the person entitled to cast the vote shall be designated by Certificate signed by the officers of the corporation with the formalities required of a deed and filed with the Secretary of the Association. Such Certificate shall be valid until it is revoked or superseded by a subsequent Certificate or until the ownership of the unit is changed or recorded. For the purposes of this paragraph a purchaser under a Contract for Sale and a renter shall not be regarded as an owner.

The proper filing of a Certificate designating the person entitled to cast the vote of a unit is a condition precedent to that person's vote. In the event such a Certificate is not on file, the vote of such owner shall not be considered in determining whether a quorum is present nor for any other purpose, except if the home is owned jointly by a husband and wife. If a home is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

- A. If both spouses are present at a meeting and are unable to concur in their decisions upon any subject requiring their vote, they shall lose the right to vote on that subject at that meeting, provided that their vote shall be considered in determining whether a quorum is present on that subject at the meeting.
- B. If only one (1) spouse is present at a meeting, the person present shall be counted for the purposes of a quorum and may cast the vote for the home, just as though he or she owned the home individually and without establishing the concurrence of the absent person.
- C. If both spouses are present at a meeting and concur, either one may cast the vote for the home.

Section 9. PROXIES

A member entitled to vote may vote in person or by proxy executed in writing by the member of his or her attorney in fact. All proxies shall be in writing and filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer

than one hundred twenty (120) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the member executing it.

A proxy may not be used in the election of a board member or to fill vacancies caused by recall, resignation or otherwise. Board members must be elected by written ballot or by voting in person.

Section 10. QUORUM

The presence in person or by proxy of a majority (50% +1) of the members entitled to vote shall constitute a quorum at member meetings requiring a vote on any business of the association. All decisions or actions taken shall be made by a majority (50% +1) of the quorum in attendance and the affirmative vote of those members present shall be the act of the Association. In those instances where there is a quorum present at the beginning of any duly organized meeting, the members present can continue to do business until adjournment even though members have withdrawn from the meeting leaving less than a quorum present. Meetings of members for informational, reporting and discussion purposes may be held without the presence of a quorum. No action or other business requiring the vote of members may be taken without the presence of a quorum.

Section 11. CONDUCT

All regular and annual and special meetings of the Association and its committees shall be conducted in accordance with Roberts' Rules of Order and the Bylaws of the Association. In the event there are questions as to procedure, the presiding officer shall refer the question to the Parliamentarian for a ruling thereon. If no Parliamentarian has been appointed, the presiding officer shall make the ruling. Unless authorized by the President, only members in good standing may address the chair.

Section 12. ORDER OF BUSINESS

The order of business at all regular and annual meetings of the members shall be as follows:

- A. Call to order
- B. Reading of minutes of previous meeting
- C. Report of officers
- D. Report of committees
- E. Election of directors (if election to be held)
- F. Unfinished business
- G. New business
- H. Open membership comments
- I. Adjournment

The President has the authority to change or modify the order of business and to limit debate on any issue.

Section 13. MINUTES

Minutes of all open meetings of members shall be kept in a businesslike manner and shall be available to be inspected and or copied by members, or their authorized representatives, and board members at reasonable times. The minutes shall be posted on the Homeowners Association bulletin board in the clubhouse. The Association shall retain these minutes within this state for not less than five (5) years.

Section 14. ADJOURNMENTS

Any meeting of members may be adjourned. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement at the meeting at which the adjournment is taken shall not be necessary. If, however, after the adjournment the board fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall

be given in compliance with Section 6 hereof to each member of record on the new record date entitled to vote at such meeting. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

Section 15. FIXING OF RECORD DATE

For the purpose of determining members entitled to notice of, or to vote at, any meeting of members, or any adjournment thereof, or in order to make a determination of members for any other purpose, the Board of Directors shall make the record date 10 days before each meeting. When a determination of members entitled to vote at any meeting of members has been made, as provided herein, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 16. VOTING LISTS

The officer or agent having charge of the membership books of the Association shall make, ten (10) days before each meeting of members, a complete list of the members **entitled to vote at such meeting** or any adjournment thereof. Such list shall be kept on file at the registered office of the Association for a period of ten (10) days prior to such meeting, and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member at any time during the meeting.

Members who join the Association after the record date but before the annual members meeting date are entitled to attend the annual members meeting, but will not have voting rights.

**ARTICLE VI.
BOARD OF DIRECTORS: SELECTION & TERM OF OFFICE**

Section 1. NUMBER

The business and affairs of the Association shall be managed and governed by a board of directors composed of not less than three (3) nor more than nine (9) directors, none of whom need to be a resident of the State of Florida, but all of whom must be members in good standing.

Section 2. TERM OF OFFICE

Those persons named in the Articles of Incorporation as directors shall hold office and comprise the Board of Directors until the first meeting of the members, at which meeting an election of directors shall be held and the successors to the original directors chosen by the members. There shall be no restriction on the number of terms for which a director of this Association may be elected. A director shall hold office for a term of two (2) years and shall be so elected that the terms of a bare majority, if there is an odd number of directors, or one-half of the directors, if there is an even number of directors, will expire in odd years and the remaining in even years. The directors shall hold office until their successors have been elected and have qualified.

Section 3. REMOVAL VACANCY

Any director may be removed from the Board with or without cause, by a majority of the members of the Association. A special meeting of the members to recall a member or members of the Board of Directors may be called by ten (10%) percent of the members giving notice of the meeting as required for a meeting of members, and the notice shall state the purpose of the meeting. In the event of death, resignation, removal of a director or any

vacancy created by reason of an increase in the number of directors, the vacancy may be filled by the affirmative vote of a majority of the remaining members of the Board of Directors. A director elected to fill a vacancy shall hold office until the next election of directors.

Section 4. COMPENSATION

No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties. A director may serve the Association in a capacity other than director and receive compensation for the services rendered in that other capacity.

Section 5. FIDUCIARY DUTY

The directors of the Association have a fiduciary duty to the members when acting on behalf of the Association.

ARTICLE VII NOMINATION & ELECTION OF DIRECTORS

Section 1. NOMINATION

Nomination for election to the Board of Directors shall be made by a Nominating Committee and presented to the membership at the regular scheduled meeting immediately preceding the election. Nominations may also be made from the floor. Nominations will be closed at that meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at the November board meeting and serve until the elections are completed. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All candidates must be homeowners who hold a legal title to their residence. Each member or other eligible resident who desires to be a candidate for the board of directors shall appear on the ballot in alphabetical order by surname. A ballot may not indicate if any of the candidates are an incumbent on the board. All ballots must be uniform in appearance. Write-in candidates and more than one vote per candidate per ballot are not allowed. A ballot may not provide a space for the signature of, or any other means of identifying, a voter. If a ballot contains more votes than vacancies, the ballot is invalid unless otherwise stated in the bylaws.

Section 2. ELECTION

Election to the Board of Directors shall be by secret written ballot. The election shall be held the third Thursday of each January. At such election, the members of good standing or their proxies shall cast one (1) vote per each vacancy. The persons receiving a plurality of the votes cast for that office shall be elected. Cumulative voting is not permitted. Election results will be posted on the Homeowners Association bulletin board. Elections shall be decided by a plurality of the ballots cast. A quorum is not required, however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election. A member may not allow any other person to cast his or her ballot, and any ballots improperly cast are invalid. An election is not required unless there are more candidates nominated than vacancies that are on the board. Upon election of new board members, the association shall notify the park owner in writing by U.S. mail or email of the names and addresses of the new board members.

Section 3. ELECTION COMMITTEE

An impartial committee, appointed by the Board, shall be responsible for overseeing the election process and complying with all ballot requirements. For purposes of this section, the

term "impartial committee" means a committee whose members do not include any of the following people or their spouses:

- A. Current board member
- B. Current association officers
- C. Candidates for the association or board
- D. Any spouse and/or joint resident who lives in the same residence as those identified in A, B, or C, above

Section 4. PROCEDURES

The association bylaws shall provide a method for determining the winner of an election in which two or more candidates for the same position receive the same number of votes. The association shall adopt procedural rules to govern elections, including, but not limited to, rules for providing notice by electronic transmission and rules for maintaining the secrecy of ballots.

ARTICLE VIII. MEETINGS OF DIRECTORS

Section 1. REGULAR MEETINGS

Regular meetings of the Board of Directors shall be held at least six (6) times each year, at such place, date and hour as may be fixed from time to time by resolution of the Board. Should such regular meeting dates fall upon a legal holiday, the meeting shall be held at the same time on the next day, which is not a legal holiday. Notice of the date, time and place of all regular meetings of the Board of Directors shall be posted in a conspicuous place upon the community property or by email to members at least forty-eight (48) hours in advance, except in an emergency.

Section 2. SPECIAL MEETINGS

Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days' notice to each director of the date, time, and place of the meeting. Notice of special meetings shall be posted in a conspicuous place upon the community property or by email to members at least forty-eight (48) hours in advance except in an emergency. The notice of special meetings shall contain the purpose or purposes of the meeting. Notice of any meeting, regular or special, in which expenditure of reserve funds is to be considered, shall specifically contain a statement that expenditure of reserve funds is to be considered and the nature of said expenditure.

Section 3. EMERGENCY MEETINGS

Emergency meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors. Emergency meetings of the Board of Directors may be held by telephone conference. Emergency decisions, as determined by the President or a majority of the Board of Directors, may be made by means of a designated officer or member of the Board polling the members of the Board by telephone or other electronic means and any such emergency issue or question shall be determined by affirmative vote of a majority of the Board which shall then be considered to be the action of the Board. Minutes of any emergency meeting of the Board, whether by telephone conference, telephone polling, or other electronic means, shall be filed by the Secretary or other designated officer, and the correctness of the minutes shall be certified by said officer and posted in a conspicuous place upon the community property within fourteen (14) days after the date of the emergency meeting.

It is contemplated that emergency meetings, include but not be limited to such subjects as re-designation of the Homeowners Committee, filling vacancies on the Board of Directors or officers of the Association and the conduct of necessary or important business can occur

while a majority of the Board of Directors is not present in the State of Florida.

Section 4. ACTION BY WRITTEN AGREEMENT

The Board of Directors may act or render decisions by written agreement without meetings on the condition that the written agreement is agreed to and signed by all of the Board of Directors and the written agreement, which includes electronic means, is posted in a conspicuous place upon the community property within fourteen (14) days after the date of the written agreement.

Section 5. OPEN MEETINGS

All regular and special meetings of the Board of Directors shall be open to all members of the Association except for meetings between the park owner and the board of directors or any of the board's committees.

Section 6. QUORUM

A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. A director may join in the action of the meeting of the Board by signing the minutes thereof and such signing shall constitute the presence of such director for the purpose of determining a quorum. 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, 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. Members of the Board of Directors shall be deemed present at any meeting held by conference telephone or similar communications equipment where all persons participating in the meeting can hear each other.

Section 7. NOTICE OF DIRECTORS MEETINGS

Notice of Directors meetings shall be posted in a conspicuous place upon the community property or by email to members at least forty-eight (48) hours in advance, except for emergency meetings. Notice of any Directors meeting in which in which expenditure of reserve funds is to be considered, and shall specifically contain a statement that expenditure of reserve funds is to be considered and the nature of said expenditure.

Section 8. WAIVER OF NOTICE

A director may waive, in writing, notice of a regular or special meeting of the Board of Directors either before or after the meeting, and his waiver shall be deemed the equivalent of getting notice. Attendance of a director at any meeting shall constitute waiver of notice of that meeting unless the director attends with the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

Section 9. MINUTES

Minutes of all meetings of the members of an association and meetings open for members of board of Directors and committees of the board shall be kept in a businesslike manner and shall be available to be inspected and or copied by members, or their authorized representatives, and Board members at reasonable times. The minutes of board or committee meetings that are closed to members are privileged and confidential and are not available for inspection or photocopying. Also the minutes will be posted on the Homeowners Association bulletin board in the clubhouse. The Association shall retain these minutes within this state for not less than five (5) years.

Section 10. PARLIAMENTARIAN

The Board may appoint a parliamentarian whose duties shall be prescribed by the Board.

Section 11. INFORMAL PREPARATORY MEETINGS

Informal preparatory meetings may be held by the board to discuss issues that are relevant to the Homeowners Association. No minutes or binding votes will be taken.

Section 13. EMERGENCY POWERS

The HOA Board of Directors may implement emergency powers for a predetermined period as established by the directors. Simply stated, annual elections, open meetings, and large gatherings may be suspended. The directors would continue to perform the normal business of the Board under these emergency powers. For the purposes of this section an emergency exist when the directors cannot conduct regular meetings because of some catastrophic event. Typically this would be the result of a county, state or federal declaration of a State of Emergency. Emergency Powers would cease to be operative upon termination of the State of Emergency.

A. A quorum of 50% +1 of the directors must be present for the Board to take action under these emergency powers.

B. Corporate action taken under these emergency powers to further the ordinary affairs of the corporation:

1. Legally binds the corporation.

2. May not be used to impose liability on a corporate directors, officer, employee, or agent of the corporation.

3. An officer, director, or employee acting in accordance with these emergency powers can only be liable for willful personal conduct.

C. Because members cannot attend meetings that are conducted under these emergency powers, it is vital that the minutes be posted and disseminated through all means possible in a timely manner. Minutes of each meeting conducted under the provisions of emergency powers shall be published and posted not later than one week following the meeting.

ARTICLE IX. OFFICERS

Section 1. ENUMERATION OF OFFICERS

The officers of the Board of Directors and the Association shall be one and the same and shall be a president, a vice president, a secretary and treasurer, and such other officers as the Board may from time to time by resolution create. All officers shall at all times, be members of the Board of Directors and no officers may be elected or appointed who are not members of the Board of Directors.

Section 2. ELECTION OF OFFICERS

The election of officers shall take place at a special meeting of the newly elected board members to be held after the election and prior to the annual meeting. Only residents of the community can be elected as officers. The officers shall assume their responsibilities immediately following the adjournment of each annual meeting of the members. The President shall designate another board member to be in charge in the instance where all other officers will be absent from the park. Upon election of new officers the association shall notify the park owner in writing by certified mail, return receipt requested, or by email of the names of the new officers.

Section 3. TERM

The officers shall be elected annually by the Board of Directors and each shall hold office for one year unless he or she shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. SPECIAL APPOINTMENTS

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. Such additionally elected officers shall be chosen from the Board of Directors and shall at all times be members of the Board of Directors.

Section 5.COMMITTEES

The Board may appoint regular and special committees to serve for the purposes designated by the Board and for such terms as determined by the Board.

STATUTORY. A committee, not to exceed 5 in number, designated by the Board of Directors of the association shall meet with park owner no later than 60 days before the effective date of a change to discuss the reasons for lot rental increase, reduction of services or utilities, or change in rules and regulations. The committee shall address all lot rental amount increases that are specified in the notice of lot rental amount increase. The committee shall provide a written request to the park owner of issues to be discussed, with supporting documentation.

Section 6.RESIGNATION AND REMOVAL

Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at such later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.VACANCIES

A vacancy in any office may be filled by appointment by a majority vote of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 8.MULTIPLE OFFICES

The offices of president and secretary may not be held by the same person.

Section 9.DUTIES

Duties of the officers are as follows:

A. *President:* The president shall preside at all meetings of the Board of Directors; see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, if determined by resolution of the Board and mayco signchecks and promissory notes, and shall have all of the powers and duties which are usually vested in the office of the president of a corporation.

B. *Vice President:* The vice president shall act in the place and stead of the president in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors. The Vice-President may be authorized to co-sign checks.

C. *Secretary:* The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; keep the corporateseal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other

duties as may be required by the Board of Directors. The Secretary may be a signer on checks.

D. *Treasurer*: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign checks and promissory notes of the Association; keep proper books of account; shall cause an annual audit of the Association books to be made by a public accountant or audit committee at the completion of each fiscal year; shall prepare a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

E. *Customary Duties*: The officers, in addition to the duties specifically set forth herein, shall perform the duties of those offices customarily performed by officers of corporations.

F. The immediate past president of the Association shall become an "ex officio" member of the Board of Directors. As an "ex officio" member, the immediate past president shall have no voting rights and shall act in an advisory position only.

Section 10. COMPENSATION

The officers shall serve without compensation.

ARTICLE X.

ACCOUNTING RECORDS: FISCAL MANAGEMENT: ASSESSMENTS: CONTRACTS: ASSOCIATION RECORDS

Section 1. BOOKS AND RECORDS

All financial and accounting records, insurance policies, contracts or agreements and any other written records of the association must be retained within this state for at least 5 years or at least 5 years after the expiration date, as applicable. The official records shall be made available to a member or their authorized representative for inspection or photocopying within 20 business days of receipt by the board or its designee of a written request submitted by certified mail, return receipt requested. The failure of an association to provide access to the records within 20 business days after receipt of a written request submitted by certified mail, return receipt requested, creates a rebuttable presumption that the association failed to comply with this subsection. A member who is denied access to official records is entitled to damages for the association's willful failure to comply with this subsection in the amount of \$10 per calendar day up to 10 days, not to exceed \$100. The calculation for damages begins on the 21st business day after receipt of the written request, submitted by certified mail, return receipt requested.

Section 2. FISCAL YEAR

In administering the finances of the Association, the following procedures shall govern:

A. The fiscal year shall be the calendar year.

B. 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 subject to the provisions for excess revenues set forth in Section 3 of this Article.

C. There shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in one calendar year for operating expenses which cover more than such calendar year.

D. 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.

E. Board of Directors shall have the discretion to allocate the annual dues between reserves i.e. legal funds, for future expenses and current expenses. Legal expenses shall be such items as: attorneys fees and costs, litigation expense, liability insurance premiums, expenses associated with statutory requirements, or actions involving disputes with the management and or owners of the community. Such items as listed above but not limited to those items.

Section 3. BUDGET

The annual budget of the Association may be adopted by the members or by the Board of Directors as determined by resolution of the Board of Directors. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of expenses to the members not less than thirty (30) days prior to the meeting at which the budget will be considered. If the budget is to be adopted by the Board of Directors, the members shall be given written notice of the time and place, as aforesaid, of the meeting of the Board of Directors at which the budget will be considered. This meeting shall be open to all members. If the budget is to be adopted by the members per resolution of the Board of Directors, the Board shall propose a budget to the members at a meeting of the members or in writing, and if the budget or proposed budget is approved by the members at the meeting or by a majority of their whole number in writing, the budget shall be adopted.

Section 4. RESERVES

The Board of Directors shall develop policies and shall retain or develop financial reserves it deems adequate to provide reasonable financial stability of the Association and continuity of HOA operations. The Board of Directors may establish Specified Reserve Funds or General (unspecified) Reserve Funds. Specified Reserve Funds are created in anticipation of future significant expenditures to meet a specific purpose. General reserve funds are used to fund unanticipated expenses of a lesser amount, to include budget shortfalls which may occur due to unexpected expenses. The amount of the Reserve Funds shall be reviewed and approved annually by the Board of Directors in conjunction with approval of the annual budget. Notice of any meeting, regular or special, in which expenditure of reserve funds is to be considered, shall specifically contain a statement that expenditure of reserve funds is to be considered and the nature of said expenditure. **Expenditure of any and all reserve funds requires the approval of two-thirds of the members of the Board of Directors at a meeting at which a quorum of the Board of Directors is present.**

Section 5. INCOME

Dues and other sources of income shall total an amount no less than is required to provide funds in advance for all anticipated operating expenses. The total income shall be of sufficient magnitude to ensure the adequacy and availability of cash to meet all expenses in any calendar year.

Section 6. REVENUE – EXCESS - DEFICIT

In the event that the fiscal year ends with a net profit, all money in excess of expenses will be transferred from the operating budget to General Reserve funds. If there exists any deficiency which results from there being greater operating expenses than income, such deficit shall be funded using the General Reserve Fund upon approval of the Board of Directors.

Section 7. DEPOSITORY

The depository of the Association shall be such bank or banks or reputable financial institutions as shall be designated from time to time by the Board of Directors in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be either by checks or debit cards signed by such persons as are authorized by the Board from the banks where funds are on deposit.

Section 8. AUTHORITY TO DISBURSE FUNDS

The Treasurer, Secretary, Vice President or President may sign and disburse funds as directed by a resolution of the Board of Directors provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of the current budget adopted by the Board of Directors. The Treasurer, Secretary, Vice President or President will be required to sign all checks and notes of the Association.

Section 9. CONTRACTS

A. **AUTHORIZATION:** The HOA Board is authorized to award contracts in accordance with FS 723.079 for the benefit of the HOA or the residents of The Hamptons. **Awarding the contract cannot financially benefit any individual member of the Board or any individual member of the community.**

B. **RECORD COPY:** The record copy of the contract shall be maintained by the Treasurer for a period of five years beyond the fulfillment of the contract. This will be presented to any audit committee upon request.

ARTICLE XI. FIDUCIARY RELATIONSHIP

The officers and directors of the Association shall have a fiduciary relationship to the members.

ARTICLE XII. INDEMNIFICATION

The Association will hold harmless and indemnify all current duly installed board members against any and all claims and actions arising out of the participation of the director in any Association-related activity including, without limitation, expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any liability, suit, action, loss, or damage arising or resulting from the director's participation in any HOA activity. The Association shall not hold harmless and indemnify any board member against a claim caused by the negligence or fault of the indemnitee, agent, or employee, in a civil action where the indemnitee did not act in good faith, where the actions or conduct of the indemnitee constituted willful misconduct, the indemnitee was knowingly fraudulent, deliberately dishonest, or involved in criminal behavior.

ARTICLE XIII. AMENDMENT OF BYLAWS

These Bylaws may be amended by a majority vote of the Board of Directors of this Association at any duly noticed regular or special meeting. The notice of any meeting at which amendments of the Bylaws are to be considered shall contain a statement that amendments to the Bylaws shall be considered.

ARTICLE XIV AMENDMENT OF ARTICLES OF INCORPORATION

The Articles of Incorporation of this Association may be amended by majority (50% +1) vote of the members. The notice of any meeting at which amendment of the Articles of Incorporation are to be considered shall contain a statement that amendments to the Articles of Incorporation shall be considered.

ARTICLE XV. LOANS

No loans shall be contracted on behalf of the Association, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

ARTICLE XVI. DEADLOCK

A. *SUBMISSION TO ARBITRATION.* Should deadlock, dispute or controversy arise among the members or directors of the Association in regard to matters of management and company policy or matters arising under the provisions of the charter and should the members, by using their legal power and influence as members, be unable to resolve such deadlock, dispute or controversy, the matter shall be submitted by the members to arbitration.

B. *DETERMINATION BY ARBITRATION.* Should the members or directors be unable to agree as to the scope of this provision or the application of this provision to the deadlock, dispute or controversy at issue, the scope and applicability of this provision shall be determined by the arbitrator.

C. *NOTICE.* Notice shall be given by such objecting or dissenting member(s) that such deadlock exists within fifteen (15) days of such deadlock, by certified mail, postage prepaid, addressed to the remaining member(s) at the addresses listed on the corporate books.

D. *SELECTION OF ARBITRATOR.* **The members shall then select an arbitrator within 60 days of the receipt of such notice of deadlock, upon a unanimous vote of the members entitled to vote.** The members shall reserve the right to replace the arbitrator by unanimous vote of the members entitled to vote.

E. *INABILITY TO SELECT.* Should the members be unable to select an arbitrator or a successor arbitrator, the deadlock, dispute or controversy shall be resolved in accordance with the Florida Arbitration Code, Chapter 682 of the Florida Statutes.

F. *FINAL DECISION.* The decision of the arbitrator shall be final and binding upon all members. The members shall vote as the arbitrator shall direct.

G. *ENFORCEMENT.* To enforce these provisions, the arbitrator may obtain an injunction from a court having jurisdiction to direct the members to vote as the arbitrator has determined.

H. *ALTERNATIVE RESOLUTION OF RECALL, ELECTION AND INSPECTION AND PHOTOCOPYING OF OFFICIAL RECORDS.* A dispute between a member and the HOA

regarding the election and recall of officers or directors under FS 723.078 (2)(b)) or regarding the inspection or photocopying of official records under FS 723.079(5) must be submitted to mandatory binding arbitration with the division. The arbitration must be conducted pursuant to FS 723.1255 and the procedural rules adopted by the division. Each party shall be responsible for paying its own attorney fees, expert and investigator fees, and associated costs. The cost of the arbitrator shall be divided equally between the parties, regardless of the outcome. The division shall adopt procedural rules to govern mandatory binding arbitration proceedings.

ARTICLE XVII. INTERESTED DIRECTORS

A. *CONFLICT OF INTEREST.* No contract or other transaction between the Association and one or more of its directors, or between the Association and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or are financially interested, shall either be void or voidable for this reason alone or by reason alone that such director or directors are present at the meeting of the Board of Directors, or of a committee thereof, which approves such contract or transaction, or that his or their votes are counted for such purposes if:

1. The fact of such common directorship, officership or financial interest is disclosed or known to the Board or committee, and the Board or committee approves such contract or transaction by vote sufficient for such purpose without counting the vote or votes of such interested director or directors; or

2. Such common directorship, officership or financial interest is disclosed or known to the members entitled to vote thereon, and such contract or transaction is approved by vote of the members; or

3. The contract or transaction is fair and reasonable as to the Association at the time it is approved by the Board, a committee or the members.

B. *QUORUM.* Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which approves such contract or transaction.

Approved by Board on May 9, 2024. I hereby certify that the foregoing is a true and correct copy of the Bylaws as adopted by the Board of Directors at their meeting held on the 9th day of May, 2024.

BY: Frank Forant 5-14-24
Frank Forant, President