

BY-LAWS OF
ROYAL-TEE HOMEOWNERS ASSOCIATION, INC.

A Nonprofit Corporation

ARTICLE I.

NAME AND LOCATION: The name of the corporation is ROYAL-TEE HOMEOWNERS ASSOCIATION, INC. The principal office of the corporation shall be located at 3434 Cleveland Avenue, Fort Myers, Florida 33901, but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II.

Section 1.: "Association" shall mean and refer to ROYAL-TEE HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2.: "Fiscal Year". The fiscal year of the Association shall be the calendar year.

Section 3.: "Seal". The seal shall bear the name of the Association, the word "Florida", and the year of establishment.

ARTICLE III.

MEETINGS OF MEMBERS:

Section 1.: Annual Meetings. The first annual meeting of members shall be held within sixty (60) days after ninety five percent (95%) of the Lots have been sold and conveyed by Declarant. Subsequent annual meetings of members shall be as determined by the Board of Directors.

Section 2.: Special Meetings. Special meetings of members may be called at any time by the president or by two (2) members of the Board of Directors, or after ninety five percent (95%) of the Lots have been sold and conveyed upon written request of the members who are entitled to vote one-half (1/2) of all votes of the membership.

Section 3.: Notice of Meetings. Written notice of each meeting of members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days, but not more than thirty (30) days before such

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meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for purpose of receiving notice. Such notice shall specify the day, hour and place of the meeting, and in the case of a special meeting the purpose of the meeting.

Section 4.: Quorum. The presence at the meeting, in person or by proxy, of members entitled to cast a majority of the votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these By-Laws. If a quorum is not present at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, until a quorum is present.

Section 5.: Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Proxies shall be revocable, and the proxy of any owner shall automatically terminate on conveyance by him of his Lot.

Section 6.: MEMBERSHIP AND ASSOCIATION VOTING RIGHTS shall be as set forth in the Declaration of Covenants, Conditions and Restrictions for ROYAL-TEE HOMEOWNERS ASSOCIATION, INC. (See Article 2 thereof.)

ARTICLE IV.

BOARD OF DIRECTORS: TERM OF OFFICE: REMOVAL:

Section 1.: Number. The affairs of the Association shall be managed by not less than three (3) or more than nine (9) directors, who need not be members of the Association.

Section 2.: Term of Office. At the first annual meeting, one Director shall be elected to serve a one (1) year term; one Director shall be elected to serve a two (2) year term and one Director shall be elected to serve a three (3) year term. There after, each Director will be elected for a three (3) year term.

If the Association elects to increase the number of Directors to more than three (3) Directors, the number shall always be an uneven number and no more than two (2) Directors will serve in the same three (3) year term.

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The staggering of the terms of office will always provide for Directors with knowledge and experience on the Board.

Section 3.: Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.: Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V.

BOARD OF DIRECTORS; NOMINATION AND ELECTION:

Section 1.: Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee selected by the President or by nomination from the floor.

Section 2.: Election. Election to the Board of Directors shall be by written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI.

BOARD OF DIRECTORS; MEETINGS:

Section 1.: Regular Meetings. Regular meetings of the Board of Directors shall be held annually, at such place and hour as may be fixed from time to time by resolution of the Board.

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.

Section 3.: Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at

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a duly held meeting in which a quorum is present shall constitute the act or decision of the Board.

ARTICLE VII.

BOARD OF DIRECTORS; POWERS AND DUTIES:

Section 1.: Powers. The Board of Directors shall have the power to:

a) Adopt and publish rules and regulations governing the use of the common elements and facilities including the personal conduct of the members and their guests thereon; and to establish penalties for infractions of such rules and regulations.

b) Suspend the voting rights of any member during any period in which such member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations.

c) Exercise on behalf of the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these By-Laws.

d) Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 2.: Duties. It shall be the duty of the Board of Directors to:

a) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

b) As more fully provided in the Declaration, to:

1) Fix the amount of the annual assessment against each Lot in advance of each annual assessment period.

2) Send written notices of each assessment to every owner subject thereto in advance of each assessment period; and

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3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the owner personally obligated to pay the same.

c) Issue, or cause an appropriate officer to issue on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The Board may impose a reasonable charge for the issuance of these certificates.

d) Procure and maintain liability and hazard insurance on all property owned by the Association.

e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

f) Cause the common elements to be maintained.

ARTICLE VIII.

OFFICERS AND THEIR DUTIES:

Section 1.: Enumeration of Offices. The officers of the Association shall be a president and vice president, who shall at all times be members of the Board of Directors, and a secretary, treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2.: Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of members.

Section 3.: Term. The officers of the Association shall be elected annually by the Board. Each shall hold office for a term of one (1) year unless he 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 in 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.

Section 5.: Resignation and Removal. Any officer may be removed from office by the Board at any time with or without

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cause. 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 any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.: Vacancies. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7.: Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8.: Duties. The duties of the officers are as follows:

a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, deeds, and other instruments.

b) Vice President. The vice president shall act in the place of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it to all papers so requiring; serve notice of meetings of the Board to members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as may be required by the Board or by law.

d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association, and shall disburse such funds as directed by resolution of the Board

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of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books of the accounts; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be given at the regular annual meeting of members.

ARTICLE IX.

ASSESSMENTS:

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which such assessments are made. All annual assessments shall be paid as provided in the Declaration. Any assessments not paid when due are considered delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment bears interest (prime rate plus 2%) from the date of delinquency and the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against his property. Interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of any assessment due. No owner may waive or otherwise escape liability for assessments by nonuse of the common elements or abandonment of his Lots.

ARTICLE X.

BOOKS AND RECORDS; INSPECTION:

The books, records, and papers of the Association shall be subject to inspection by any member upon fifteen (15) days prior written notice. The Declaration, Articles of Incorporation, and By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE XI.

CORPORATE SEAL:

The Association shall have a seal in circular form having within its circumference the words: ROYAL-TEE HOMEOWNERS ASSOCIATION, INC., A Not For Profit Florida Corporation, 1990.

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ARTICLE XII.

AMENDMENTS:

These By-Laws may be amended at a regular or special meeting of members, by vote of two-thirds (2/3) of each class of members existing at the time of and present in person or by proxy at such meeting.

ARTICLE XIII.

FISCAL YEAR:

The fiscal year of the Association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31st of the year of incorporation.

ARTICLE XIV.

CONFLICTS:

In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; in case of any conflict between the Declaration and these By-Laws, the Declaration shall control; and in case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ARTICLE XV.

ARBITRATION:

If a dispute arises, it may be resolved by arbitration in accordance (which shall be voluntary on the part of both parties) with the then existing rules of the American Arbitration Association and a judgment of specific performance upon the arbitrator's award may be entered in any court of jurisdiction.

The foregoing was adopted as the Bylaws of ROYAL-TEE HOMEOWNERS ASSOCIATION, INC., at the first meeting of the Board of Directors.

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