

SKYE LOCH VILLAS OWNERS ASSOCIATION, INC.
AN INCORPORATED DEED RESTRICTED ADULT COMMUNITY
BY-LAWS

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SKYE LOCH VILLAS OWNERS ASSOCIATION, INC.
AN INCORPORATED DEED RESTRICTED ADULT COMMUNITY

Not for profit Florida Corporation

BY-LAWS

March 1, 2003

ARTICLE I ORGANIZATION AND DEFINITIONS

1.1. The name of the corporation shall be SKYE LOCH VILLAS OWNERS' ASSOCIATION, INC., hereinafter referred to as the "ASSOCIATION."

1.2. SKYE LOCH VILLAS OWNERS' ASSOCIATION, INC. is registered as a not-for-profit Corporation, charter number N100056, registered July 1985 in the State of Florida.

1.3. Office Location: 729 Skyloch Drive, North, Dunedin, Florida, 34698

1.4. Any provisions, definitions and/or contexts not covered by these By-Laws are covered in the DECLARATION OF RESTRICTIONS OF SKYE LOCH VILLAS, hereinafter referred to as the "DECLARATION," the RULES AND REGULATIONS, hereinafter referred to as "RULES," the BOARD OF DIRECTORS, hereinafter referred to as "BOARD" and the FLORIDA STATUTES, hereinafter referred to as "FS."

1.5. The terms of the Declaration of Restrictions for Skye Loch Villas shall be Superior to and govern over any conflicting provision hereof.

1.6. These By-Laws and Rules shall be initially adopted and approved by a majority of the Board. The Board shall have the right to adjust word groups, correct misspelled words, change and omit words and make any other correction in all Articles of the By-Laws and Rules during the first year, as long as it does not change the approved version. Thereafter, the By-Laws and Rules shall be amended. or rescinded by a 2/3 vote of Members present or by proxy at any Regular or Special Meeting of the Membership duly called and convened, see Article IX, Amendments.

ARTICLE II PURPOSE

2.1 To foster and promote neighborly feelings, friendship, fellowship and welfare among the Members as well as providing for social, educational and civic functions.

2.2. To formulate and enforce these By-Laws, the Declaration and the Rules governing the conduct of the Member(s), Contract Member(s), Renter(s), Guest or Tenants as allowed by law.

2.3. To supervise, along with any contracted Management Company, the operation of the recreational facilities and the common area of Skye Loch Villas to the maximum benefit and enjoyment of all Member(s), Contract Member(s), Renter(s), Guest or Tenants.

2.4. To oversee any contracted Management Company hired to manage Skye Loch Villas.

ARTICLE III MEMBERSHIP

3.1. Membership shall be limited to the Owner or Owners of a Lot who execute a written agreement to be bound by the Declaration, and his/her/their successors in title. See Article I, Section 8, of the Declaration.

3.2. Only Members shall be entitled to hold an elected Office and cast One (1) vote per Villa owned.

3.3. Contract Member(s), shall be limited to the Owner or Owners of a Lot who have a personal contractual relationship with the Association for provision of services and facilities in accordance with the position of the Association and are bound by the Articles of these By-Laws, Declaration, Rules and not entitled to vote.

3.4. The Member(s), Owners(s) or Contract Member(s) that purchase a Villa to rent and or lease and not to reside in, shall incur such fines their Renter(s) and or Lease Holder(s) fails to pay, and will be subject to ARTICLE VIII, Section 1, of the Declaration.

3.5. It shall be the Owner(s) responsibility to inform the Renter(s) or Lease Holder(s) of the Declaration, By-Laws and Rules to which they are subject.

3.6. The Owner(s) who rents or leases their Villa shall be liable for any damages to Skye Loch Villas properties caused by the Renter(s) or Lease Holder(s).

3.7. Renter(s) or Lease Holder(s), shall be bound by the Articles of these By-Laws, Declaration and Rules and are subject to any and all fines due to any and all violations.

ARTICLE IV MEETINGS

4.1. Annual Meeting shall be held on the first Thursday of January at 7:00 P.M., at the Clubhouse, 729 Skyloch Drive, North, Dunedin, Florida, 34698.

4.2. Annual Meeting shall be for the reading of annual reports from Officers and Committee Chairpersons, open the nominations for additional Board Candidates from the floor, the electing of the nominated Members to the Board and such other business as may properly be presented on the prepared agenda for such meeting.

4.3 Date time, place and a specific agenda will be included in the meeting notice and be posted on the bulletin boards and/or in the Ripple's not less than five (5) day's prior to the

meeting.

4.4. Any Member that has other business they would like placed on the agenda, must submit a signed written request to the Secretary three (3) weeks prior to the Annual meeting.

4.5. Association Regular Meetings shall be held on the first Thursday of the month at 7:00 P.M., at the Clubhouse, 729 Skyloch Drive, North, Dunedin, Florida, 34698.

4.6. Meeting notices with the date, time and place and any changes or cancellations to the Association's Regular or Board Meetings shall be with just cause and/or prerogative of the Board, with a majority approval of the Board and shall be posted on the bulletin board's and/or in the Ripple's not less than five (5) days prior to the meeting.

4.7. No Meetings will be held during the months of June, July, August and September.

4.8. Association Regular Meeting Order of Business shall be:

- A. Call the meeting to order.
- B. Pledge of Allegiance followed by a moment of silence in memory of neighbors, friends and relatives that have passed away or are very sick.
- C. Read Minutes of last meeting. (at the discretion of the President).
- D. Treasurer's report.
- E. Committee reports.
- F. Old business.
- G. New business.
- H. Motion to adjourn.

4.9 The Order of Business at all Meetings shall follow Robert's Rules of Parliamentary Procedure.

4.10. *The Board shall meet on the last Tuesday of the month at 1:00 p.m., and/or at such other date and time as determined by the Board of Directors, from time to time, at the Clubhouse, 729 Skyloch Drive North, Dunedin, Florida 34698.*

4.11. During the OFF SEASON months of June, July, August and September, if the President needs approval of the Board on a specific item(s) he/she shall at their discretion use the telephone, send a letters to or E-mail each Board Member to obtain their vote on that specific item(s).

4.12. All Board Meetings shall be open to all Members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents

of the meeting may be governed by the attorney-client privilege.

4.13. The open Board Meeting extends to Members the right to observe the business being transacted, but does not extend to Members the right to participate, object or interfere with any action being taken by the Board.

4.14. Members who would like to make a presentation, or other business for the Board during a Board Meeting shall provide the Secretary a signed detailed written notice of the specific item(s) five (5) days prior to the Board Meeting.

4.15 Directors may not vote by proxy or by secret ballot at board meetings, except secret ballots may be used in the election of Officers.

4.16. Board Meeting Order of Business shall be:

- A. Call the meeting to order.
- B. Read minutes of last meeting, (At the discretion of the President).
- C. Old business.
- D. New business
- E. Open the meeting to the Members, (At the discretion of the President or if specific items are on the agenda).
- F. Motion to adjourn.

4.17. Special Board Meetings shall be called at the discretion of the President, a majority of the Board or on a petition signed by 25 Members of the Association specifying the purpose of the meeting and given to the Secretary ten (10) days prior too. such a meeting.

4.18. The notice of a Special Board Meeting shall state the purpose of the meeting. No other business shall be transacted during the Special Board Meeting except that specified in the notice. See 4.6 for posting.

4.19. The quorum for Board Meetings shall be three (3) Directors. The quorum for a meeting of Members shall be a minimum of thirty-five (35), representing twenty percent (20%) of the voting membership, present in person and by proxy. 4.20. All proxies shall be in writing and signed by the absent Member, specifying the meeting date to be used and filed with the Secretary.

4.21. No Member may hold more than five (5) proxies. Proxies shall be effective only for the specific meeting for which it was originally filed.

4.22. The vote of the majority of Membership in person or by proxy, shall decide any question brought before such meeting except for where 2/3 vote is called for to amend the By-Laws and Rules.

ARTICLE V

BOARD OF DIRECTORS

1. Every Director, Officer, Committee Member, Women's Club, Volunteers, Trustees and Employees of the Association shall be indemnified by the Association to the fullest extent of the law against all expenses and liabilities, including counsel fees reasonably incurred by or imposed on them in connection with any proceeding or settlement of any processing to which they may be in involved party or in which they may become involved by reason of their being or having been a Director or Officer of the Association, whether or not they are a Director or Officer. at the time such expenses are incurred, provided that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. the foregoing right of indemnification shall be in addition to and not exclusive of all the rights to which such Director, Officer, Committee Members, Women's Club, Volunteers, Trustees and Employees of the Association may be entitled.

5.2. The Board shall have the authority to transact the business and affairs of the Association, oversee any contracted Management Company and to make decisions within the framework of the Declaration, By-Laws and Rules and FS governing Skye Loch Villas.

5.3. There shall be a One Thousand dollar (\$1000.00) limitation on the expenditure of funds by the Board for purposes NOT expressly authorized in the budget, without the approval of the Membership.

5.4. The Board shall consist of five (5) Members.

5.5. Three (3) Directors will be elected annually, two (2) for two (2) years terms and one (1) for one (1) year term.

5.6. Any Director absent for more than three (3) consecutive Board meetings shall be automatically removed from office unless such absentee shall be excused by the Board.

5.7. The Officers of the Corporation shall be President, Vice President, Secretary and Treasurer.

5.8. The President and Vice President shall be elected by the Board from their Membership.

5.9. The Secretary and Treasurer shall be appointed by the Board from the Members.

5.10. The Officer's term of Office shall be one (1) year.

5.11. Any Director may be removed from the Board for just cause, by a majority vote of the Members of the Association.

5.12. In the event of death, resignation or removal of a Director, his successor shall be

selected by the remaining Members of the Board and subject to ratification by the Membership at the next Regular Meeting.

5.13. The duties of the Board shall be to review and act upon all suggestions submitted by Members in writing and signed.

5.14. To supervise any contracted Management Company.

5.15. To interview for approval all new purchasers, renters and Lease Holders of Villas in Skye Loch Villas.

5.16. In the case of the failure of the contracted Management Company to perform the services required as set forth in the Management Contract, the Board shall take the necessary action.

5.17. To conduct the business, determine the policies, activities and levy fines as set forth in Article X of these By-Laws and allowed by law.

5.18. To discipline Member(s), Owner(s), Contract Member(s), Renter(s) and Lease Holder(s) when appropriate per the Declaration, By-Laws, Rules and F S.

5.19. The Board shall work with any contracted Management Company in preparing an Annual Budget for the Association.

5.20. The Budget shall reflect the estimated revenues and expenses for the year.

5.21. A majority of the Board is needed to approve the Annual Budget.

5.22. The Board shall work with any contracted Management Company to establish a Reserve Fund and Long Range Plans which will hereinafter be referred to as the PLAN.

5.23. No Member of the Board shall receive compensation for any Service they may render to the Association. However, any Board Member maybe reimbursed for actual expenses incurred in the performance of their duties.

ARTICLE VI OFFICERS

6.1. The President shall preside at all meetings of the Association and Board and shall provide overall direction and leadership for the conduct of the business of the Corporation, subject to the control of the Board.

6.2. The President shall be ex-officio of all Committees except the Nominating and Covenant Enforcement Committees.

6.3 . Vice President shall, in the absence of the President, assume the duties and responsibilities of the President.

6.4. If the President should be unable for any reason to continue to serve as President, the Vice President automatically becomes president.

6.5. Secretary shall keep a record of all meetings of the Association and maintain in cooperation with the Treasurer a roster of the Association Membership and perform other duties assigned by the President and required by these By-Laws.

6.6. All records and record books of the Secretary shall be and remain the property of the Association and be kept readily available for a period of seven (7) years.

6.7. Treasurer shall work with any contracted Management Company to monitor the Association's incomes and disbursements.

6.8. The Treasurer shall give a report on the financial condition of the Association at each Membership Meeting.

ARTICLE VII ELECTIONS

7.1. At the November Regular Association Meeting the President will appoint a Nominating Committee of three (3) Members none of whom shall be a Member of the Board.

7.2. At the December Regular Association Meeting the Nominating Committee will present Nominees for the Board. Nominations from the floor shall be called for at this time.

7.3. The names of the Nominees from the December's Regular Association Meeting will be posted on the bulletin boards and/or in the Ripple's at least five (5) days before the January Annual Meeting.

7.4. Nominations from the floor will be accepted and election of the Board Members will take place at the Annual Meeting in January.

7.5. A majority vote of the Members present and by Proxy is required to be elected.

7.6. All those elected will be introduced to the membership by the President and take office *immediately upon the closing of the Annual Meeting of the Association.*

ARTICLE VIII COMMITTEES

8.1. Standing Committees shall be established by the Board as required.

8.2. The President shall appoint members of the standing Committees to terms concurrent with his or her term of office.

8.3 Standing Committees may include but not necessarily be limited to;

A. Nominating Committee shall consist of three (3) Members, none of whom shall be a Members of the Board.

B. Covenants Enforcement Committee hereinafter referred to as C. E. C., shall consist of no less than three (3) Members, none of whom shall be a Members of the Board or their family members.

8.4. Committees may be appointed as appropriate by the President and the Board.

8.5 Such committees shall cease to exist at expiration of the term of the President making the appointments or when the Committees have completed the task assigned to them, whichever comes first.

ARTICLE IX AMENDMENTS

9.1. Except as provided elsewhere, these By-Laws and Rules may be amended in the following manner:

9.2. A resolution for the adoption of an Amendment to these By-Laws and Rules may be proposed either by a majority of the Directors or by a petition signed by not less than twenty(20) percent of the Members.

9.3. A written proposal of the Amendment with the names of the Directors or Members that proposed the change shall be filed with the Secretary fifteen (15) days prior to any meeting at which a proposed Amendment shall be considered.

9.4. Notice of the subject matter of a proposed Amendment shall be included in the notice of any meeting at which a proposed Amendment is to be considered.

9.5. Any proposed Amendments to be considered will be read at a Regular Association Meeting, then discussed and voted upon at the next Special or Regular Association Meeting. Copies of Amendment shall be available to any Member requesting them.

9.6. A proposed Amendment may be adopted by a 2/3 votes cast of the Members present and by proxy at a meeting set forth in the notice.

9.7. . In the event of conflict between or among the provisions of any of the following, the order of priorities shall be, from the highest to the lowest:

- a. Florida Statute.
- b. The Articles of Incorporation.
- c. The Declaration of Restrictions.
- d. The By-Laws.

e. The Rules and Regulations.

ARTICLE X FINING PROCEDURES

10.1. It shall be Board's prerogative to use C. E. C. (see Article VIII section 8.3, of the By-Laws) or any contracted Management Agent to handle the following items.

10.2. C. E. C. shall be charged with determining whether there is probable cause to assert that an Owner of a Villa or other person(s) is violating or has violated any provisions of the Declaration, Articles of Incorporation, the By-Laws or Rules of the Association, regarding the use of their Villa or Common Areas.

10.3. In the event that the C. E. C. determines that such probable cause exists, it shall report same to the Board. It shall be the prerogative of the Board to select either the C. E. C. or the contracted Managements Agent to inform those Owner(s) or person(s) of a violation.

10.4. A fine or suspension may not be imposed without a written Notice at least fourteen (14) days prior to the Owner/s) and/or person(s) sought to be fined or suspended, advising them of the opportunity for a hearing before the Board and a Committee of peers.

10.5. This written Notice from the Board shall describe the specific nature of the alleged violation, including a statement setting forth the provisions of the documents allegedly violated and a short and plain statement of the matters asserted by the association.

10.6. The Notice shall also state the date, time and place of the hearing to be held, if the hearing is requested.

10.7. The Notice shall also specify, and it is hereby provided, that each recurrence of the alleged violation or each day during which the violation continues shall be deemed a recurring offense, subject to a separate fine, up to One Hundred (\$100.00) Dollars for each offense provided the amount of fines shall not exceed One Thousand (\$1000.00) Dollars, exclusive of interest, cost and attorney's fees

10.8. If a hearing is requested, the Board shall hold the same on the date and place set forth in the Notice, and the Committee of Peers shall hear and receive the response of the violator or Owner if other than the violator, including written and oral argument on all issues involved and shall hear any witnesses that the alleged violator, Owner, or C. E. C., may produce.

10.9. Any party at the hearing may be represented by counsel.

10.10. Subsequent to the heating, or if no hearing is requested or if no acknowledgment and promise are timely and properly made, the Board shall determine whether there is sufficient evidence of a violations as provided herein.

10;11. If the Board determines that there is sufficient evidence to support a finding that a violation or violations occurred, the Board shall send a written notification to the violator, and/or Owner-if other than the violator, announcing its finding that a violation or violations occurred and notifying the violator and/or Owner if other than the violator, that fines will be assessed and levied as provided herein.

10.12. If the Committee of Peers, by majority vote, does not approve a proposed fine or suspension, it may not imposed.

10.13. The amount of any fine shall be determined by the Board in accordance with the maximum limits set forth herein.

10;14. The Board may consider the severity of a particular violation in determining the amount of a fine.

10.15. As used in this subsection, a "recurring violation" is more than one violation of the same provision or provisions of these documents.

10.16. No further notice or hearing shall be necessary to enable the Board to levy fines.

1 0.17. A fine pursuant to this section shall be assessed against the Owner of the Villa, which the violator occupied or was visiting at the time of the violation, whether or not, the violator is an Owner, and shall be promptly paid to the Association by the Owner.

10.18. Nothing herein shall be construed as a prohibition of or a limitation on the right of the Board to pursue other means to enforce the provisions of the various Association documents including ,but not limited to, legal action for damages or injunctive relief.

10.19. In the event such other means are pursued, the Association shall not be required to comply with the procedures and provisions of this Article .

THESE BY-LAWS SUPERSEDE ALL PREVIOUS BY-LAWS.

THEY WILL BE IN EFFECT UPON APPROVAL OF THE BOARD OF DIRECTORS.

Approved by the Board of Directors on FEBRUARY 15, 2003.

ADOPTED AMENDMENT TO DECLARATION OF RESTRICTIONS OF SKYE LOCH VILLAS

Article IV of the Declaration of Restrictions is amended by adding the following language-as Section 4 thereof:

Section 4. In order to preserve and retain the value of Skye Loch Villas, rented villas will be limited to not more than six (6%) percent of the 168 villas and must be rented for a term of not less six (6) months. The Board has the authority to make exceptions to this requirement in the event of death of an Owner or occupant and other hardship situations. Any Owner currently leasing prior to the effective date hereof may continue to do provided that the lease is a renewal of the existing lease. Thereafter, leasing must comply with the provisions hereof. A copy of the proposed lease must be provided to the Board prior to the commencement of the lease. The Board shall have the power to acquire such information concerning the proposed lease and the proposed lessee as may be reasonably necessary in order to maintain the integrity of this provision. All lessees are subject to personal interviews by the Board .