

BY-LAWS

THE COVE  
HOA OF SEMINOLE  
COUNTY, INC.

LAKE MARY, FL

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**BY-LAWS**  
**OF**  
**THE COVE**  
**HOMEOWNERS ASSOCIATION OF SEMINOLE COUNTY, INC.**

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**ARTICLE I**  
**NAME AND LOCATION**

The name of the corporation is the THE COVE HOMEOWNERS ASSOCIATION OF SEMINOLE COUNTY, INC., a Florida corporation not-for-profit, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 3100 Clay Avenue, Suite 275, Orlando, Florida 32804, but meetings of members and directors may be held at such places within the State of Florida, Counties of Seminole or Orange, as may be designated by the Board of Directors.

**ARTICLE II**  
**DEFINITIONS**

Defined terms in the Declaration referred to in the Articles of Incorporation of this Association (hereinafter referred to as the "Declaration") are herein used as therein defined.

**ARTICLE III**  
**MEETING OF MEMBERS**

**Section 1.** Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held once in each year thereafter on a date and at a time and place to be determined 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 same hour on the first day following which is not a legal holiday. The first meeting of the Board of Directors of the Association shall be held immediately succeeding the annual meeting of members.

**Section 2.** Special Meetings. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to cast ten percent (10%) of all of the votes of any class of members.

Requests for a meeting by the members shall state the purpose for the meeting and business conducted at any special meeting shall be limited to the matters stated in the notice for it.

**Section 3.** Notice of Meetings. Except as otherwise provided in the Declaration, written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of each notice, postage prepaid, at least 15 days before such 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 the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

**Section 4.** Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented, and the quorum at any such subsequent meeting shall be lowered to twenty percent (20%) of the votes of each class of membership.

**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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot. 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 ninety (90) days after the date of the first meeting for which it was given.

**Section 6.** Voting.

- a. At all meetings of members, each Class A member shall be entitled to cast one (1) vote for each Lot owned and each Class B member shall be entitled to cast six (6) votes for each Lot owned.
- b. If a Lot is owned by one person, his right to vote shall be established by the roster of members. If a Lot is owned by more than one person, or is under lease, the person entitled to cast the vote for the Lot shall be designated by a Certificate signed by all of the record owners of the Lot according to the roster of members and filed with the Secretary of the Association. If a Lot is owned by a corporation, the person entitled to cast the vote for the Lot shall be designated by a Certificate signed by the President or a Vice President of the corporation and filed with the Secretary of the Association. Those Certificates shall be valid

until revoked or until superseded by a subsequent Certificate or until an approved change in the ownership of the Lot concerned. A Certificate designating the person entitled to cast the vote for a Lot may be revoked by any member of a share in the Lot.

**Section 7.** Suspension of Voting Rights. If any assessments and fees, or fines or any portions thereof imposed upon a member remain unpaid for ninety (90) days after the date due and payable, such members' voting rights in the Association shall be automatically suspended until such time as such charges are paid in full, along with any interest and penalties assessed thereon.

**Section 8.** Order of Business. The order of business at annual member meetings, and as far as practical, at other member meetings shall be:

- a. Call to order by President;
- b. Calling of the roll and certifying of proxies;
- c. Proof of notice of meeting or waiver of notice;
- d. Approval of the minutes of the last meeting;
- e. Reports of officers and Directors;
- f. Reports of committees;
- g. Election of inspectors of election;
- h. Election of Directors;
- i. Unfinished business;
- j. New business;
- k. Adjournment.

**Section 9.** Minutes. Minutes of all meetings shall be kept in a book available for inspection by the Developer, members or their authorized representatives, mortgagees of members, and Board members at any reasonable time. These minutes shall be retained for a period of not less than seven (7) years.

**ARTICLE IV**  
**BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

**Section 1.** Number. The affairs of this Association shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than seven (7) persons. The number of Directors on the Board of Directors shall always be an odd number. The first Board of Directors shall have three (3) members, who need not be members of the Association.

**Section 2.** Term of Office. At the first annual meeting following the cessation of the Class B Membership, the members shall elect two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years and one director for a term of three (3) years. The candidate receiving the largest number of votes shall serve as director for three (3) years, the two candidates receiving the second and third largest vote shall serve as directors for two (2) years; and the two candidates receiving the fourth and fifth largest vote shall serve as directors for one year. At each annual meeting thereafter the members shall elect the appropriate number of directors for a term of three (3) years.

**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.** Resignation. Directors (including affiliates of the Developer) shall have the absolute right to resign at any time and the remaining directors in office shall then fill the vacancies, provided that if all directors resign, a special meeting of members shall be called as soon as possible for the purpose of electing new directors, and the resignations of such directors shall not be effective until such election is held and new directors are elected; except that if no meeting is held or no directors are elected after two (2) attempts to call and hold such meeting, the resignations shall become effective simultaneously with the date and time of the scheduled second meeting, whether held or not or whether new directors are elected or not.

**Section 5.** 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.

**Section 6.** Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

**ARTICLE V**  
**NOMINATION AND ELECTION OF DIRECTORS**

**Section 1.** Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual

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 prior to each annual meeting of the members, to serve from the close of such annual meeting until the date of the next annual meeting and such appointment shall be announced at each annual meeting. 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. Such nominations may be made from among members or non-members.

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

## **ARTICLE VI**

### **MEETINGS OF DIRECTORS**

**Section 1.** Regular Meetings. Regular meetings of the Board of Directors shall be held as determined by the Board of Directors, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

**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 number of directors shall constitute a quorum for the transaction of business. Every act done or decision made by a majority of the directors present at duly held meetings at which a quorum is present shall be regarded as an act of the Board.

**Section 4.** Notices.

- a. To Members. Notice of each meeting of the Board must be posted in a conspicuous place in The Cove at least 48 hours in advance of a meeting, except in an emergency. In the alternative, notice may be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency.
- b. To Directors. Notice of each meeting shall be given to each Director at least 48 hours in advance of the meeting by either personal delivery, E-mail, or facsimile transmission. However, any notice to any Director required under these Bylaws or under

any provision of law may be waived if such Director signs a waiver of notice at any time, either before or after the time of the meeting. If a Director has not been given notice as required under these Bylaws, or under provisions of law, but the Director attends the meeting, the Director's attendance shall constitute a waiver of notice of such meeting and a waiver of all objections to the time and place of the meeting and the manner in which it was called or convened, except, when a Director states, at the beginning of such meeting, or promptly upon his arrival at the meeting, any objection to the transaction of business because the meeting was not lawfully called or convened. Except as otherwise set forth herein, or in the Declaration, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in either the notice of or a waiver of notice of any regular or special meeting.

**Section 5.** Open Meeting; Open Ballots. All meetings of the Board of Directors shall be open to all members, except as otherwise authorized by law. A Director may not vote by proxy or secret ballot at meetings of the Board.

**Section 6.** Action Without a Meeting. Anything to the contrary herein notwithstanding, and to the extent lawful, any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing setting forth the action so to be taken signed by all of the Directors, is filed in the minutes of the proceedings of the Board and a copy mailed to all members within seven (7) days from the date of such action. Such consent shall have the same effect as a unanimous vote. No prior notice of such intended action shall be required to be given to the Directors or to the members.

**Section 7.** Attendance via Telephone Conference Call. Except to the extent otherwise provided by law, any meeting of the Board of Directors may be attended by any or all of the Directors by means of a conference telephone (or similar communications equipment) through the use of which all Directors participating in the meeting can hear each other at the same time. Such attendance by any or all Directors shall constitute presence by each such Director in person at such meeting and such meeting shall constitute a valid meeting of the Board of Directors for all purposes of the laws and these Bylaws. Any action taken by the Board of Directors at such meeting shall constitute a valid action of the Board of Directors for all purposes of the law and these Bylaws.

**Section 8.** Presiding Officer. The presiding officer at Board of Directors' meetings shall be the President. In the absence of the President, the Vice President shall preside.

**Section 9.** Order of Business. The order of business at Board of Directors' meetings shall be:

- a. Calling of roll;
- b. Proof of due notice of meeting;
- c. Approval of the minutes of the last meeting;
- d. Reports of officers and committees;
- e. Election of officers;
- f. Unfinished business;
- g. New business;
- h. Adjournment.

**Section 10.** Notice of Assessments. Notice of any meeting where assessments against members are to be considered for any reasons shall specifically contain a statement that assessments will be considered and the nature of any such assessments; provided, however, that the foregoing shall not be applicable to the meeting of the Board to establish assessments prior to the conveyance of the first Lot by the Developer or the Builder to an end home buyer.

**Section 11.** Minutes. Minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by the Developer, members or their authorized representatives, mortgagees of members, and Board members at any reasonable time. A vote or abstention from voting on each matter voted upon by each Director present at a Board meeting shall be recorded in the minutes. These minutes shall be retained for a period of not less than seven (7) years.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

**Section I.** Powers. The Board of Directors shall have power to:

- a. adopt and publish rules and regulations governing the use of the Common Area, and the personal conduct of the members and their guests, thereon and to establish fines for the infraction thereof;
- b. Suspend the voting rights of a member as provided in Section 7 of Article II hereof;
- c. Suspend for up to sixty (60) days the right of a member or a Permitted User or both to use Common Area and levy a



reasonable fine not to exceed \$100 per violation against any member or a Permitted User or both for violation of a published rule or regulation; provided, however, that no such suspension or fine shall be imposed except in accordance with the procedures set forth in Section 617.305(2), Florida Statutes, or as otherwise required by law. For this purpose, the Board may from time to time appoint an Ad Hoc Disciplinary Committee to conduct a hearing regarding any such proposed suspension or fine.

- d. exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by any other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
- e. declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- f. employ a manager, an independent contractor, or other such employees as they deem necessary, and to prescribe their duties;
- g. accept such other functions or duties with respect to, including architectural control, in addition to maintenance responsibilities, as are determined from time to time to be proper by the majority of the Board of Directors; and
- h. delegate to, and contract with, a mortgage company or financial institution, responsibility for collection of the assessments of the Association.

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

- a. cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;
- b. supervise all officers, agents and employees of the Association and to see that their duties are properly performed;
- c. as provided in the Declaration, to:
  - (1) fix the amount of the annual assessment against each Lot

at least twenty (20) days in advance of each annual assessment period;

- (2) send written notice of each assessment to every Owner subject thereto at least twenty (20) days in advance of each annual assessment period; and
  - (3) foreclose the lien against any property for which assessments are not paid within sixty (60) days after the due date or to bring an action at law against the owner personally obligated to pay the same.
- d. issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment;
  - e. procure and maintain adequate liability and hazard insurance on property owned or controlled by the Association, or for which, in the opinion of a majority of the directors, it may be liable and should provide coverage;
  - f. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
  - g. cause the Common Area to be maintained;
  - h. cause the Surface Water or Stormwater Management Systems to be maintained, operated and repaired by the Association in accordance with permits issued by St. Johns River Water Management District by inspection reports required by such permits to be prepared and submitted to St. Johns River Water Management District.
  - i. cause to be performed all other obligations and responsibilities of the Association as set forth in the Declaration, the Articles of Incorporation of the Association and these Bylaws.

**ARTICLE VIII**  
**OFFICERS AND THEIR DUTIES**

**Section 1.** Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a 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 which shall follow each annual meeting of the members.

**Section 3.** Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year or until their successors are elected, whichever last occurs, unless any such officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

**Section 4.** Special Appointment. 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.

**Section 5.** Resignation and Removal. Any officer may be removed from office with or without cause by 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 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 by the Board. The officer appointed to such vacancy shall serve for the remainder of the 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:

**President**

The President shall preside at all meetings of the Board of Directors; see that resolutions and orders of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

**Vice President**

The Vice President shall act in the place and stead 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.

### Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board 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 required by the Board.

### Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such fund as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual compilation of the Association books to be made by an accountant at the completion of each fiscal year; and shall prepare an annual budget and 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.

## **ARTICLE IX**

### **Committees**

**Section 1.** Committees. The Board of Directors shall appoint an Architectural Review Board at the time and in the manner provided for in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall from time to time appoint an Ad Hoc Disciplinary Committee and such other committees as deemed appropriate in carrying out its purpose.

**Section 2.** Notices; Open Meetings. Meetings of the Architectural Review Board shall be noticed and open to all members in the same manner as Board of Director meetings. Members of the Architectural Review Board may not vote by secret ballot or proxy.

## **ARTICLE X**

### **OFFICIAL RECORDS**

The official records of the Association shall be maintained in accordance with Section 617.303(4), Florida Statutes and shall at all times within ten (10) business days after receipt of a written request and during reasonable business hours, be subject to inspection and copying by any member and Institutional Mortgagee. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member or Institutional Mortgagee at the principal office of the Association, where copies may be purchased at a reasonable cost.

**ARTICLE XI**  
**Rules and Regulations**

**Section 1.** Board May Adopt. The Board of Directors may adopt and amend, from time to time, reasonable rules and regulations governing the details of the use and operation of the Common Area.

**Section 2.** Furnishing Copies. A copy of the rules and regulations adopted from time to time by the Board of Directors, and any amendments to existing rules and regulations, shall be furnished to each member. No rule, regulation or amendment shall become effective until thirty (30) days after delivery to all members, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately.

**ARTICLE XII**  
**Budgets and Assessments**

**Section 1.** Budget. As provided in the Declaration, the Board of Directors shall prepare and adopt a budget for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for the Association; provided, however, that the initial budget shall be established as provided in Section 5 of this Article. The budget shall comply with the requirements of Section 617.303(6), Florida Statutes, and other requirements as provided by law. The budget may be adopted by the Board of Directors without the approval of the members, except as otherwise provided in the Declaration, Articles or these By-Laws.

**Section 2.** Budget Elements. The budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expenses classifications, including, if applicable, but not limited to the following:

- a. Association Expenses Collectible by Assessments
  - (1) Administration of the Association
  - (2) Maintenance, including all maintenance obligations enumerated in the Declaration
  - (3) Taxes Upon Association Property
  - (4) Insurance
  - (5) Other Expenses
    - (a) Electricity
    - (b) Water and Sewer

- (c) Landscaping
- (d) Miscellaneous
- (6) Operating Capital
- (7) Miscellaneous Operating Expenses

**Section 3. Adoption.** A copy of a proposed annual budget of common expenses shall be mailed to all members not less than twenty (20) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting. The members shall be given written notice of the time and place of the meeting of the Board of Directors which will consider the budget, and such meeting shall be open to the members. The budget adopted by the Board of Directors cannot require annual assessments against the members in any fiscal year or calendar year exceeding one hundred ten percent (110%) of such assessments for the previous year without the approval of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for that purpose. The provisions of this Section shall not be applicable to the initial budget adopted by the Board of Directors.

**Section 4. 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 upon the property against which the assessment is made.

**Section 5. Initial Budget.** The initial budget of the Association shall be adopted prior to the conveyance of the first Lot by the Declarant or Builder to an end Home buyer and shall be adjusted according to the number of months remaining in the calendar year.

### **ARTICLE XIII CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: THE COVE HOMEOWNERS ASSOCIATION OF SEMINOLE COUNTY, INC., a Florida corporation not-for-profit 1999.

### **ARTICLE XIV AMENDMENTS**

**Section 1.** These By-Laws may be amended, at a regular or special meeting of the members, by vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration while either of such entities has an interest, shall have the right to veto any of the above while there is a Class B membership.

**Section 2.** In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

**ARTICLE XV  
FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**ARTICLE XVI  
Miscellaneous**

**Section 1.** Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, Articles of Incorporation or these By-Laws.

**Section 2.** Financial Reporting. The Association shall prepare an annual financial report, in compliance with Section 617.303(7), Florida Statutes, within sixty (60) days after the close of each fiscal year. A written notice shall be sent to each member advising that a copy of the annual financial report is available upon request at no charge to the member.

The foregoing were adopted as the By-Laws of THE COVE HOMEOWNERS ASSOCIATION OF SEMINOLE COUNTY, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on September 22, 1999.

THE COVE HOMEOWNERS ASSOCIATION  
OF SEMINOLE COUNTY, INC.

By: Stuart Kramer  
Stuart Kramer, President

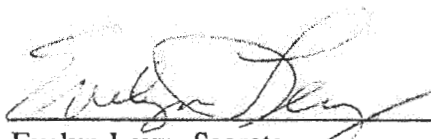
**CERTIFICATION**

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of THE COVE HOMEOWNERS ASSOCIATION OF SEMINOLE COUNTY, INC., a Florida not-for-profit corporation; and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 22nd day of September, 1999.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed the seal of said Association this 22 day of September, 1999.



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Evelyn Levy, Secretary

[AFFIX CORPORATE SEAL]