

PREPARED BY AND RETURN TO:

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CERTIFICATE OF AMENDMENT

The Undersigned, being the duly elected and acting President of BANYAN TRACE MASTER ASSOCIATION, INC., a Florida corporation not for profit (hereinafter the "Association"), does hereby certify that the following resolution was duly adopted by the Board of Directors, and on March 28, 2007, at a meeting of the members when a quorum was present, after due notice, also was approved and adopted by the vote indicated, for the purposes of amending the Declaration of Covenants, Conditions and Restrictions for Banyan Trace and the Bylaws of the Association, as originally recorded in Official Records Book 3687, at Page 266, *et seq.*, Public Records of Lee County, Florida.

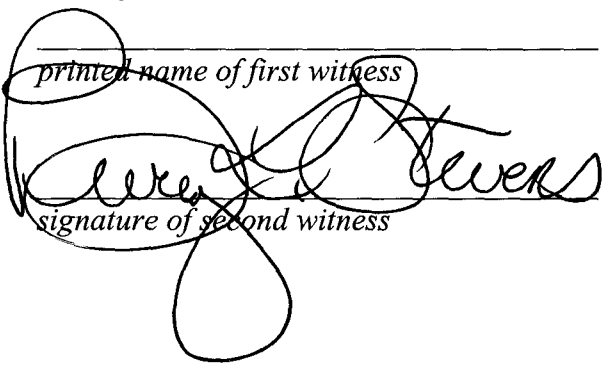
1. The following resolution was approved by the owners of at least sixty-six and two-thirds percent (66 2/3%) of the total voting interests:

RESOLVED: That the Declaration of Covenants, Conditions and Restrictions for BANYAN TRACE be and are hereby amended, and the amendment(s) are adopted in the form attached hereto as Exhibit "A" and made a part hereof.

2. The following resolution was approved by the owners of at least sixty-six and two-thirds percent (66 2/3%) of the total voting interests:

RESOLVED: That the Bylaws of Banyan trace Master Association, Inc. be and are hereby amended, and the amendment(s) are adopted in the form attached hereto as Composite Exhibit "B" and made a part hereof.


signature of first witness
JAMES M. COSTELLO


printed name of first witness

signature of second witness

Dated: May 14th, 2007

**BANYAN TRACE MASTER
ASSOCIATION, INC.**

By: 
Terry Thomas, President

Beverly L. Stevens

printed name of second witness

STATE OF FLORIDA)
) §
COUNTY OF LEE)

The foregoing Certificate of Amendment was acknowledged before me this 12th day of May, 2007, by Terry Thomas, as President of BANYAN TRACE MASTER ASSOCIATION, INC., a Florida corporation, on behalf of the corporation. He [/] is personally known to me, or [] provided identification of _____.

(Seal)



BEVERLY L. STEVENS
Commission DD 646861
Expires March 10, 2011
Bonded Thru Troy Fain Insurance 800-386-7019

[Signature] (sign)
Notary Public: State of Florida At Large

Exhibit "A"

**BANYAN TRACE MASTER ASSOCIATION, INC.
Amendments to Declaration of Covenants,
Conditions and Restrictions for Banyan Trace**

Additions are noted by underline; deletions are noted by ~~strikethrough~~.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

Section 1: Membership. [unchanged]

Section 2: Initial Control. The affairs of the Association shall be managed by a Board of Directors. ~~The initial Board of Directors shall consist of three (3) Directors, all of whom shall be appointed by the Declarant.~~

~~After Declarant relinquishes control (the "Turnover"), the~~ The Board shall consist of one Director for each separate Condominium located within the Banyan Trace Project (the "Property"), a total of seven (7) Directors.

Section 3: Turnover. [unchanged]

Section 4: Voting. The Association shall have ~~two (2) classes~~ one (1) class of voting members as follows: made up of the Owners of each Condominium Unit in the seven condominiums comprising the Banyan Trace project.

~~Class A. Class A members shall be the Condominiums. Each Condominium shall be entitled to one vote. Class A members shall be entitled to vote only after relinquishment of control by Declarant as provided in Section 3 above.~~

~~Class B. The Class B member shall be the Declarant. Class B shall be the sole Class entitled to vote until Declarant relinquishes control as provided in Section 3 above. Upon relinquishment of control by the Declarant, the Class B membership shall cease.~~

Exhibit "B"**BANYAN TRACE MASTER ASSOCIATION, INC.
Amendments to Bylaws of the Association**

Additions are noted by underline; deletions are noted by ~~strikethrough~~.

3. MEMBER VOTING. Members shall be entitled to one vote for each ~~Lot~~ Unit owned. When more than one person holds an ownership interest in any ~~Lot~~ Unit, all such persons shall be Members. The vote for such ~~Lot~~ Unit, however, shall be exercised as such members shall determine among themselves, and in no event shall more than one vote be cast with respect to any one ~~Lot~~ Unit. If the term "Lot" shall be used elsewhere in this document, the same shall be interpreted to include the term "Unit" as defined in the Declaration.

5. BOARD**5.1. Number of Members of the Board.**

5.1.1 The affairs of the Association shall be managed by a Board comprised of ~~three (3)~~ seven (7) Members: one Member elected from each of the seven Condominiums within the Banyan Trace community. As long as the Developer is entitled to appoint to appoint all Members of the Board pursuant to the Articles, the number of Members of the Board will be determined, and may be changed from time to time, by the Developer by written notice from the Board. In absence of such notification, there shall be three (3) Members of the Board.

5.2. Election of Members of the Board. Election of Members of the Board to be elected by the Members of the Association shall be conducted in the following manner:

5.2.1 ~~At any time after the Developer no longer has the right to appoint one or more Members of the Board or upon the earlier voluntary relinquishment by the Developer of its right to appoint any or all Members of the Board, the existing~~ The Board shall appoint a ~~nominating search~~ committee composed of Members. The Board shall send a notice to all Members advising of the impending election of the Members to the Board, the names and addresses of the Members of the ~~nominating search~~ committee, ~~and the date the committee will make decisions concerning nominations for election to the Board, which date shall be no less than fifteen (15) days after the date of the notice and such other information as may be required under the Florida Condominium Act.~~ Members may then submit names in writing of the proposed Members of the Board to Members of the ~~nominating search~~ committee by Notices of Intent as described in Fla. Stat. §718.112(d)3. In all other respects, the submission of candidates for elections to the Board of Directors shall be in conformity with the Florida Condominium Act and the procedures set forth in Chapter 61B of the Florida Administrative Code (Division of Condominiums, Land Sales and Mobile Homes).

5.2.2. The ~~nominating search~~ committee shall ~~make as many nominations~~

~~for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled (see subsection 5.1.2). Such nominations may be made from among Members or non-Members as the committee in its discretion shall determine. exist to encourage Members to stand for election to the Board of Directors, but shall in no event create a slate of candidates, pursuant to Florida Administrative Code §61B-23.0021(3).~~

5.2.3. All elections to the Board shall be made by written ballot which shall conform to the requirements of Florida Administrative Code §61B-23.0021 and Fla. Stat. §718.112(d):

- ~~_____ (a). indicate the number of vacancies to a filled;~~
- ~~_____ (b). set forth the names of those nominated by the nominating _____~~
- ~~_____ committee;~~
- ~~_____ (c). contain a space for write in vote by the Members; and~~
- ~~(d). contain a requirement that the Member must cast the same number of votes as the number of vacancies on the Board. For example, if the Member has one (1) vote and there are five (5) nominees and three (3) vacancies, the Member must vote for no more and no less than three (3) nominees or the ballot will not be counted. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting). The Secretary shall include with the ballot a brief summary and description of each Person nominated by the Board.~~

**BYLAWS OF
BANYAN TRACE MASTER ASSOCIATION, INC.**

1. GENERAL.

1.1. Identity. These are the Bylaws of Banyan Trace Master Association, Inc. (the "Association"), a corporation not-for-profit formed under the laws of the State of Florida. The Association has been organized for the purposes stated in the Articles of Incorporation (the "Articles"), and the Declaration of Covenants, Conditions and Restrictions for The Clubhouse Villas at Banyan Trace, a Condominium (the "Declaration"). The Association shall have all of the powers provided in these Bylaws, the Articles, the Declaration (collectively, the "Governing Documents"), and any other statute or law of the State of Florida or any other power incident to any of the above powers.

1.2. Principal Office. The principal office of the Association shall be at such place as the Board may determine from time to time.

1.3. Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.4. Seal. The seal of the Association shall have inscribed upon it Banyan Trace Master Association, Inc., the year of its incorporation and the words "Corporation Not-For-Profit". The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the Association.

1.5. Inspection of Books and Records. The records of the Association shall be open to inspection by any member of the Association, upon request, during normal business hours or under other reasonable circumstances. The records of the Association shall include current copies of the Declaration, the Articles, the Bylaws, any Rules and Regulations of the Association, any contracts entered into by the Association, and the books, records and financial statements of the Association. The Association shall be required to make available to perspective purchasers of any Property Unit, current copies of the Governing Documents and the most annual financial statement of the Association.

1.6. Definitions. Unless the context otherwise requires, all terms used in these Bylaws shall have the same meaning as are attributed to them in the Declaration and the Articles.

2. MEMBERSHIP IN GENERAL.

2.1. Qualification. The qualification of Members, the manner of their admission to membership, changes in membership, and the termination of such membership, shall be as set forth in the Declaration and the Articles.

2.2. Member Register. The Secretary of the Association shall maintain a register in the office of the Association showing the names and addresses of the members of the Association. Each member shall at all times advise the Secretary of any change of address, of any change of ownership of the member's Property Unit, and of any change in the number of Property Units. The Association shall not be responsible for reflecting any changes until notified of such change in writing.

3. MEMBERS VOTING. Members shall be entitled to one vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be Members. The vote for such Lot, however, shall be exercised as such members shall determine among themselves, and in no event shall more than one vote be cast with respect to any one Lot.

4. MEMBERSHIP MEETINGS.

4.1. Who may Attend. Any person entitled to cast the votes of the member, and in the event any Lot is owned by more than one Person, all co-owners of the Lot may attend any meeting of the Members. However, the votes of any Member shall be cast in accordance with the provisions of Section 3 above. Any Person not expressly authorized to attend a meeting of the Members, as set forth above, may be excluded from any meeting of the Members, by the presiding officer of the meeting.

4.2. Place. All meetings of the Members shall be held at the principal office of the Association or at any other location as designated by the Board and stated in the notice of meeting.

4.3. Quorum Requirements. Except as set forth hereinafter or unless otherwise so provided, at any regular or special meeting of the Members, the presence in person of Members entitled to cast a majority of the votes of the entire Membership at the time of such vote shall constitute a quorum. If any meeting of the Members cannot be organized because a quorum is not present, a majority of the votes of the Members present may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called. Such an adjourned meeting may be held without notice thereof as provided in subsection 4.4, provided that notice is given by announcement at the meeting at which such adjournment is taken. If, however, such an adjourned meeting is actually attended, in person or by proxy.

4.4. Notices. Written notice stating the location, day and hour of any meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each Member not less than five (5) days nor more than sixty (60) days before the date of the meeting, by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The notice of any meeting at which

members of the Board are to be elected shall include the names of all those who are nominees at the time the notice is given to the Members. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Member at the Member's address as it appears on the records of the Association, unless such Member shall have filed a written request with the Secretary of the Association stating that notices to him be mailed to some other address. All notices shall be dated and shall be mailed to the Members as soon after the date of the notice as is practical. The date of the notice shall be the date used for the purposes of determining Members entitled to notice of, or to vote at, any meeting of the Members of the Association, or in order to make a determination of the Members for any other purpose. The Board shall not be required to take into account any changes in Membership occurring after that date but may, in their sole and absolute discretion, do so. If the Lot of a Member is owned by more than one person or by an entity, only one notice shall be required to be sent with respect to the Member, which shall be made to the person designated in the records of the Association.

4.5. Waiver of Notice. Whenever any notice is required to be given to any Member under the provisions of the Articles or these Bylaws, or as otherwise provided by law, a waiver in writing signed by the Person or Persons entitled to such notice whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting except when the Member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.6. Annual Meeting. The annual meeting for the purpose of electing Members of the Board and the transacting any other business shall be held at 10:00 AM on the 4th Monday of each January, or at such other time as shall be selected by the Board. If the Board fails to call the annual meeting by the end of January, then within thirty (30) days after the written request of any Member, officer or Member of the Board of the Association, the secretary shall call the annual meeting.

4.7. Special Meetings. Special meetings of the Members may be requested by written notice to the Secretary by any Member of the Board, the President, or any Member, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notices of any special meeting shall be given in accordance with subsection 4.4 to all of the Members within thirty (30) days after a special meeting is duly requested.

4.8. Adjournments. Any meeting may be adjourned or continued by a majority of the votes present at the meeting in person or by proxy, regardless of a quorum, or if no Member entitled to vote is present at a meeting, then any Officer of the Association may adjourn the meeting. If any meeting is adjourned or continued to another time or place,

it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to Members not present at the original meeting, without giving notice to the Members who were present at such meeting.

4.9. Organization. At each meeting of the Members, the President, or in his absence the Vice President, shall act as chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting shall act as Secretary of the meeting.

4.10. Minutes. The minutes of all meetings of the Members shall be kept in a book available for inspection by the Members or their authorized representatives, and the Members of the Board, at any reasonable time.

4.11. Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the Members may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those Members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If the Lots for which Member ship is established in the Association is owned by more than one Person or by an entity, the consent for such Lots need only be signed by one Person who would be entitled to cast the vote(s) for the Lots.

5. BOARD.

5.1. Number of Members of the Board.

5.1.1. The affairs of the Association shall be managed by a Board comprised of three (3) Members. As long as the Developer is entitled to appoint all Members of the Board pursuant to the Articles, the number of Members of the Board will be determined, and may be changed from time to time, by the Developer by written notice to the Board. In the absence of such notification, there shall be three (3) Members of the Board.

5.2. Election of Members of the Board. Election of Members of the Board to be elected by the Members of the Association shall be conducted in the following manner:

5.2.1. At any time after the Developer no longer has the right to appoint one

or more Members of the Board or upon the earlier voluntary relinquishment by the Developer of its right to appoint any or all Members of the Board, the existing Board shall appoint a nominating committee composed of Members. The Board shall send a notice to all Members advising of the impending election of the Members to the Board, the names and addresses of the Members of the nominating committee, and the date the committee will make decisions concerning nominations for election to the Board, which date shall be no less than fifteen (15) days after the date of the notice. Members may then submit names in writing of the proposed Members of the Board to Members of the nominating committee.

5.2.2. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled (see subsection 5.1.2). Such nominations may be made from among Members or non-Members as the committee in its discretion shall determine.

5.2.3. All elections to the Board shall be made by written ballot which shall:

- (a). indicate the number of vacancies to a filled;
- (b). set forth the names of those nominated by the nominating committee;
- (c). contain a space for write-in vote by the Members; and
- (d). contain a requirement that the Member must cast the same number of votes as the number of vacancies on the Board. For example, if the Member has one (1) vote and there are five (5) nominees and three (3) vacancies, the Member must vote for no more and no less than three (3) nominees or the ballot will not be counted. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting). The Secretary shall include with the ballot a brief summary and description of each Person nominated by the Board.

5.3. Term of Office. On the first occasion that the Members, other than the Developer, have the opportunity to elect any Members of the Board, the Members shall have the right to elect at least two (2) Members of the Board. The term of office of the Member of the Board receiving the highest number of votes shall be two (2) years and the term of office of the Member of the Board receiving the next highest number of votes at such meeting shall be one (1) year. One (1) Member of the Board shall hold office until the third annual meeting after his election, and the other Member of the Board shall hold office until the second annual meeting after his election. Each Member of the Board shall hold office until his successor has been elected or until his death, resignation,

removal or judicial adjudication of mental incompetence. Just prior to each annual meeting thereafter, new Members of the Board shall be elected to fill vacancies created by the death, resignation, removal, judicial adjudication of mental incompetence or expiration of the terms of past Members of the Board and the term of each such Member of the Board shall be two (2) years. On the first occasion that the Members, other than the Developer, have the opportunity to elect all Members of the Board, the new Members of the Board shall be elected to replace the Members of the Board appointed by the Developer as provided in these Bylaws. The term of office of the two (2) Members of the Board receiving the highest number of votes shall be two (2) years and the term of office of the other Member of the Board shall be one (1) year. It is the intention of this provision to create staggered terms so that at least one-third (1/3) of the Members of the Board shall be elected each year. The term of office of each Member of the Board elected to fill a vacancy created by the expiration of the term of office of the respective past Member of the Board shall be two (2) years. The term of office of each Member of the Board elected or appointed to fill a vacancy created by the resignation, death or removal of his predecessor shall be the balance of the unserved term of his predecessor. Any person serving as a Member of the Board may be re-elected, and there shall be no limitation on the number of terms during which he may serve.

5.4. Organizational Meeting. The newly elected Board shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the Members of the Board at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

5.5. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Members of the Board.

5.6. Special Meetings. Special meetings of the Board may be called by any Member of the Board, or by the President if not otherwise a Member of the Board, at any time.

5.7. Board Action Without a Meeting. Any action required to be taken at a meeting of the Members of the Board, or any action which may be taken at a meeting of the Members of the Board, may be taken without a meeting if a consent in writing setting forth the action so to be taken is signed by all Members of the Board and is filed in the minutes of the proceedings of the Board. Such consent shall have the same effect as a unanimous vote.

5.8. Notice of Meetings. Notice of meetings of the Board shall be given by the Secretary, or by any other officer or Member of the Board, stating the day, location and time of the meeting. Notice of such meeting shall be delivered to each Member of the Board either personally or by telephone or telegraph, at least twenty-four (24) hours before

the time at which such meeting is to be held, or by first-class mail, postage prepaid, at least three (3) days before the day on which such meeting is to be held. Notice of a meeting of the Board need not be given to any Member of the Board who signs a waiver of notice either before or after the meeting. Attendance of a Member of the Board at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place, the time or the manner in which the meeting has been called or convened, except when a Member of the Board states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in any notice or waiver of notice of such meeting.

5.9. Attendance at Board Meetings. All meetings of the Board shall be open to all Members. A Member of the Board may appear at a Board meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the Members of the Board and any Members present as in an open meeting.

5.10. Quorum and Manner of Acting. A majority of the Board shall constitute a quorum for the transaction of any business at a meeting of the Board. The act of the majority of the Members of the Board present at a meeting at which a quorum is present shall be the act of the Board unless the act of a greater number of Members of the Board is required by statute or the Governing Documents.

5.11. Adjourned Meetings. A majority of the Members of the Board present at a meeting, whether or not a quorum exists, may adjourn any meeting of the Board to another location and time. Notice of any such adjourned meeting shall be given to the Members of the Board who are not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Members of the Board. Any business that might have been transacted at the meeting as originally called may be transacted at any adjourned meeting without further notice.

5.12. Presiding Officer. The presiding officer of the meetings of the Board shall be the Chairman of the Board if such an officer is elected; and if none, the President of the Association shall preside if the President is a Member of the Board. In the absence of the presiding officer, the Member of the Board shall designate one of their Members to preside.

5.13. Minutes of Meetings. The minutes of all meetings of the Board shall be kept in a book available for inspection by the Members or Members of the Board.

5.14. Committees. The Board may by resolution appoint committees. Any

committee may exercise such powers, duties and functions as may be determined by the Board which may include any powers which may be exercised by the Board.

5.15. Resignation. Any Member of the Board may resign at any time by giving written notice of his resignation to the Secretary. Any resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of a resignation shall not be necessary to make it effective.

5.16. Removal of Members of the Board. Members of the Board may be removed as follows:

5.16.1. Any Member of the Board other than a Member appointed by the Developer may be removed by majority vote of the remaining Members of the Board if such Member has been absent for the last three consecutive Board meetings and/or adjournments and continuances of such meetings.

5.16.2. Any Member of the Board other than a Member appointed by the Developer may be removed with or without cause by a majority of the votes the Members cast at a special meeting of the Members called by Members having not less than 2/3rds of the votes of the entire Membership expressly for that purpose. The vacancy on the Board caused by any such removal may be filled by the Members at such meeting, or, if the Members shall fail to fill such vacancy, by the Board as in the case of any other vacancy on the Board.

5.17. Vacancies. Vacancies on the Board of any Member of the Board appointed by the Developer shall be filled by appointment by the Developer. Unless the vacancy is filled by the Members in accordance with subsection 5.16.2, vacancies on the Board of any Member of the Board elected by Members may be filled by a majority vote of the Members of the Board then in office, though less than a quorum, or by a sole remaining Member of the Board. If there are no Members of the Board in office, then a special election meeting of the Members shall be called to elect the Members of the Board to fill the vacancies.

5.18. Members of the Board Appointed by the Developer. Notwithstanding anything contained herein to the contrary, the Developer shall always have the right to appoint the maximum number of Members of the Board in accordance with the privileges granted to the Developer pursuant to the Articles. All Members of the Board appointed by the Developer shall serve at the pleasure of the Developer, and the Developer shall have the absolute right, at any time, and in its sole discretion, to remove any Member of the Board appointed by it, and to replace such Member with another person to serve on the Board. Replacement of any Member of the Board appointed by the Developer shall be made by written notice to the Association which shall specify the name of the person

designated as successor Member of the Board. The removal of any Member of the Board and the designation of his successor by the Developer shall become effective immediately upon delivery of such written notice by the Developer. The Developer may waive its right to appoint one or more Members of the Board which it has the right to appoint at any time upon written notice to the Association, and thereafter such Member (s) of the Board shall be elected by the Members.

5.19. Compensation. The Board shall not be entitled to any compensation unless the Members elect to pay them compensation and set the amount of such compensation at any meeting of the Members.

5.20. Power and Duties. The Board shall have the right to exercise all of the powers and duties of the Association, express or implied, existing under these Bylaws, the Articles, the Declaration, or as otherwise provided by statute or law. Such powers and duties of the Board shall include without limitation (except as limited elsewhere herein), the following:

5.20.1. The operation, care, upkeep and maintenance of the Common Areas, and any other portion of the Development determined to be maintained by the Association.

5.20.2. The determination of the expenses required for the operation of the Association.

5.20.3. The collection of Assessments for Common Expenses from Members required to pay same.

5.20.4. The employment and dismissal of personnel.

5.20.5. The adoption and amendment of Rules and Regulations covering the details of the operation and use of property owned and/or maintained by the Association .

5.20.6. Maintaining bank accounts on behalf of the Association and designating signatories required thereof.

5.20.7. Obtaining and reviewing insurance for property owned and/or maintained by the Association .

5.20.8. The making of repairs, additions and improvements to, or alterations of, property owned and/or maintained by the Association .

5.20.9. Borrowing money on behalf of the Association , provided, however, that the consent of the Members having at least two-thirds (2/3) of the votes of the entire

Member ship, obtained at a meeting duly called and held for such purpose in accordance with provisions of these Bylaws, shall be required for the borrowing of any sum.

5.20.10. Contracting for the management and maintenance of property owned and/or maintained by the Association . Authorizing a management agent or company to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of the Common Areas with such funds as shall be made available by the Association for such purposes. The Association and its Officers shall, however, retain at all times the power and duties granted by all Governing Documents, including but not limited to, the making of Assessments, promulgation of rules, and execution of contracts on behalf of the Association .

5.20.11. Exercising all powers specifically set forth in the Governing Documents and as otherwise provided by statute or law and all powers incidental thereto or implied therefrom.

5.20.12. Collecting delinquent Assessments by suit or otherwise, abating nuisances, and enjoining or seeking damages from the Members and/or Owners for violations of these Bylaws and the terms and conditions of the Declaration or of the Rules and Regulations of the Association .

6. TAXES AND INSURANCE.

6.1. Taxes. The Association shall pay all real and personal property taxes and assessments for any property owned or maintained by the Association as a Common Expense.

6.2. Insurance. The Association may, in its discretion, purchase insurance as a Common Expense as follows:

6.2.1. Hazard Insurance. Hazard Insurance protecting against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement and all other perils customarily covered for similar types of projects, including those covered by the standard all-risk endorsement, covering one hundred percent (100%) of the current replacement costs of all Common Areas and property owned by the Association , excluding land, foundations, excavations, and other items normally excluded from insurance coverage. The Association shall not use hazard insurance proceeds for any purpose other than repair, replacement or reconstruction of any damage or destroyed property without the approval of the Board.

6.2.2. Liability Insurance. Comprehensive General Liability Insurance

protecting the Association from claims for bodily injury, death or property damage providing for coverage of one million dollars (\$1,000,000) for any single occurrence and two million dollars (\$2,000,000) in the aggregate, or in such amounts as the Board, in its sole discretion, deems reasonable and necessary. If the Association is not able to obtain such insurance in the amounts stated, the Board shall obtain insurance in such lesser amounts as can be obtained.

6.2.3. Fidelity Bonds. Blanket Fidelity Bonds for anyone who handles or is responsible for funds held or administered by the Association, covering the maximum funds that could reasonably be in the custody and control of the Association or any managing agent.

6.2.4. Officers and Directors Insurance. Officer and Director liability insurance and liability insurance for Members of committees and Boards appointed by the Board, if available, and for Members of the Association, if available, as shall be determined by Board to be required or beneficial for the protection of the Members of the Board, the officers of the Association, the Members of committees and Boards appointed by the Board, and the Members of the Association.

6.2.5. Other Insurance. Such other forms of insurance and coverages and in such amounts as the Board shall determine to be required or beneficial for the protection or preservation of the Common Areas and any improvements now or hereafter located thereon or in the best interests of the Association.

6.2.6. Cancellation Notice. To the extent possible, all insurance purchased by the Association must include a provision requiring as much advance written notice as is possible to the Association before the insurance can be canceled or the coverage reduced for any reason.

6.2.7. Deductible. Any deductible or exclusion under the policies shall be a Common Expense and shall be approved by the Board.

7. INDEMNIFICATION.

7.1. Indemnification of Officers, Members of the Board or Agents. The Association shall indemnify any Person who was or is a party or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Member of the Board, employee, Officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Association; and, with respect to any criminal

action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; or matter as to which such Person shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in view of all the circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Association ; and with respect to any criminal action or proceeding, that he had no reasonable cause to believe that his conduct was unlawful.

7.1.1. To the extent that a Member of the Board, officer, employee or agent of the Association is entitled to indemnification by the Association in accordance with this Section 7, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

7.1.2. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of any undertaking by or on behalf of the Member of the Board, Officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article.

7.1.3. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of Members or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this Article shall continue as to a Person who has ceased to be a Member of the Board, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

7.1.4. The Association shall have the power to purchase and maintain insurance on behalf of any Person who is or was a Member of the Board, Officer, employee or agent of the Association , or is or was serving at the request of the Association as a Member of the Board, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, as arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

8. OFFICERS.

8.1. Positions and Qualifications. The Officers of the Association shall include a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Board and may be pre-emptively removed from office with or without cause by vote of the Board at any meeting by concurrence of a majority of the Members of the Board. Any person may hold two or more offices except that the President shall not also be the Secretary. The Board may, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be appropriate to manage the affairs of the Association. Each Officer shall hold office until his successor shall have been elected, qualified, or until his death, resignation or removal.

8.2. Resignation. Any officer of the Association may resign at any time by giving written notice of his resignation to any Member of the Board, the President or the Secretary. Any resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

8.3. Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these Bylaws for the regular election or appointment of such office.

8.4. The President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of an association or corporation including, but not limited to, the power to appoint committees to assist in the conduct of the affairs of the Association.

8.5. The Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as may be prescribed by the Board.

8.6. The Secretary. The Secretary shall be responsible for preparing and keeping the minutes of all proceedings of the Board and the Members. He shall be responsible for attending to the giving and serving of all notices to the Members and the Members of the Board and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal. He shall keep the records of the Association, except those of the Treasurer, and shall perform or direct performance of all other duties incident to the office of Secretary of the Association, and as may be required by the Board or the President.

8.7. The Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of the indebtedness. He shall oversee the keeping of books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board for examination at reasonable times. He shall cause a Treasurer's Report to be submitted to the Board at reasonable intervals and shall perform or cause to be performed all other duties incident to the office of Treasurer. He shall collect, or direct collection of, all Assessments and shall report promptly to the Board the status of collections.

8.8. Compensation. The Officers of the Association shall not be entitled to compensation unless the Board specifically votes to compensate them. However, neither this provision, nor the provision that Members of the Board will not be compensated unless otherwise determined by the Members, shall preclude the Board from employing a Member of the Board or an Officer as an employee, of the Association and compensating such employee, nor shall they preclude the Association from contracting with a Member of the Board for the management of the Common Areas or any portion thereof, or for the provision of services to the Association, including, but not limited to, engineering, architectural, planning, landscape planning, accounting or legal services, and in either such event to pay such Member of the Board a reasonable fee for such management or provision of services.

9. FINANCES AND ASSESSMENTS.

9.1. Adoption of the Budget.

9.1.1. By November 30th of each year, or as soon thereafter as is reasonably possible, the Board shall adopt a budget for the next fiscal year, necessary to defray the Common Expenses of the Association for such fiscal year as set out in the Declaration. The Common Expenses of the Association shall include all expenses of any kind or nature whatsoever anticipated to be incurred, by the Association for the next fiscal year. In the event the Board fails to adopt an annual budget for any year, the prior year's budget shall remain in effect until a new budget is adopted or the existing budget is amended or revised.

9.1.2. If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the Common Expenses of the Association for the fiscal year in which the adopted budget applies, the Board may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption of an amended budget.

9.2. Assessments and Assessment Roll.

9.2.1. Pursuant to the terms of the Declaration, the Board shall fix and determine the amount and frequency of the Members' Assessments for Common Expenses. Such Assessments shall be due not more frequently than monthly and shall each be in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Any Periodic Assessments for Common Expenses, whether quarterly, monthly, or otherwise, shall be equal unless the Board determines unequal Assessments are required to provide funds in advance for the expenses of the Association . As soon as practicable after the determination of the Assessments for Common Expenses, the Association shall notify each Member , in writing, of the amount, frequency and due date of such Members' Assessments, provided, however, that no Assessments shall be due in less than ten (10) days from the date of such notification.

9.2.2. In the event the expenditure of funds by the Association is required that cannot be paid from the Assessments for Common Expenses, the Board may make Special Assessments in the manner as set out in the Declaration.

9.2.3. The Association shall maintain an Assessment roll for each Member , designating the name and current mailing address of the Member , the amount of each Assessment payable by such Member , the dates and amounts in which the Assessments come due, the amounts paid upon the account of the Member , and the balance due.

9.3. Depositories. The funds of the Association shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the Board from time to time. Funds shall be withdrawn only upon checks and demands for money signed by such officers, Members of the Board or other persons as may be designated by the Board.

9.4. Application of Payments and Commingling of Funds. All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one fund, as determined by the Board. Reserve Funds shall be deposited in separate interest bearing accounts.

10. PARLIAMENTARY RULES. Roberts' Rules of Order (latest edition) shall govern the conduct of the meetings of Members when not in conflict with the Governing Documents.

11. AMENDMENTS.

11.1. Initiation. A resolution to amend these Bylaws may be proposed by any Member of the Board, or by Members holding not less than ten percent (10%) of the votes of the entire Member ship of the Association .

11.2. Notice. 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.

11.3. Adoption of Amendments.

11.3.1. As long as the Developer appoints a majority of the Members of the Board, the Developer shall have the right to unilaterally amend these Bylaws without the joinder or approval of any Member of the Board or any Member. No amendment to these Bylaws shall be effective without the written approval of the Developer as long as the Developer owns any portion of the Property.

11.3.2. A resolution for the adoption of the proposed amendment shall be adopted by Members having not less than a majority of the votes of the entire Membership of the Association.

11.4. No amendment shall make any changes in the qualification for Membership nor the voting rights or property rights of Members without approval by all of the Members. As long as the Developer owns any portion of the Property, no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, the Developer, unless the Developer shall join in the execution of the amendment.

11.5. Execution and Recording. No modification of, or amendment to, these Bylaws shall be valid unless recorded in the Public Records of Lee County, Florida.

12. RULES AND REGULATIONS. The Board may, from time to time, adopt or amend previously adopted Rules and Regulations concerning the use of the Common Areas and concerning the use, operation and maintenance of other portions of the Property in order to further implement and carry out the intent of the Governing Documents. The Board shall make available to any Member, upon request, a copy of the Rules and Regulations adopted from time by the Board.

13. MISCELLANEOUS.

13.1. Tenses and Genders. The use of any gender or of any tense in these Bylaws shall refer to all genders or to all tenses, wherever the context so requires.

13.2. Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

13.3. Conflicts. In the event of any conflict between the terms of any applicable

Florida Statue, Declaration, Articles, Bylaws, and the Rules or Regulations of the Association the following order of priority shall apply: Florida Statute, Declaration, Articles, By-Laws and Regulations.

13.4. Captions. Captions are inserted herein only as a matter of convenience and for reference and in no way are intended to and shall define, limit or describe the scope of these Bylaws or the intent of any provisions hereof.

13.5. Waiver of Objections. The failure of the Board or any Officers of the Association to comply with any terms and provisions of the Governing Documents which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such defect shall be waived if it is not objected to by a Member within thirty (30) days after the Member is notified or becomes aware of the defect. Furthermore, if such defect occurs at a general or special meeting, the defect shall be waived as to all Members who received notice of the meeting and failed to object to such defect at the meeting.

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