

BY – LAWS  
OF  
ROYAL TRAILS PROPERTY OWNERS' ASSOCIATION, INC.  
(a corporation not for profit under the laws of the State of Florida)

ARTICLE I. NAME

This Association shall be known as ROYAL TRAILS PROPERTY OWNERS ASSOCIATION, INC. a non-profit Florida corporation hereinafter referred to as the "Association"

ARTICLE II. MEETINGS

Section 1. Annual Meeting: The Annual Meeting of the membership of this Association shall be held each year on such a date and at such time and place as the Board of Directors determines.

Section 2. Special Meeting: Special Meetings may be called at any time by: (A) the President. (B) a majority of the Board Members. (C) by the written request of Members entitled to cast 50% of all votes eligible to be cast by members. The agenda at Special Meetings shall be confined to the subject matter for which the meeting was called.

Section 3. Notice for Annual Meeting: At least thirty (45) days notice in writing shall be required to hold the Annual Meeting referred to in Section 1. The Written notice called for shall be mailed to each member of the Association at his usual place of residence and shall contain an enumeration of items of business to be transacted at such meeting.

Notice for Special Meeting: Two (2) days notice, via email, website, telephone, fax, or a sign in a conspicuous location shall be considered the required noticed in order to hold a Special Meeting of the Association.

Section 4. Order of Business at annual meeting:

- A. Roll Call verifying quorum.
- B. Reading of Notice of meeting.
- C. Reading of minutes of previous meeting
- D. Report of President
- E. Report of Treasure
- F. Report of Secretary
- G. Report of Committees
- H. Election of Directors
- I. Transaction of other business mentioned in the Agenda
- J. Adjournment

Section 5. Voting. Every member of the Association in good standing shall have such right to vote as the same is specifically set forth in Article III of the Articles of Incorporation of this Association. All such persons qualified to vote as therein provided, shall have the right and be entitled to vote upon every proposal properly submitted to a vote of the members in any meeting of the Association. Voting may be of actual presence of the member of the Association at such meeting, or by absentee ballot.

Section 6. Quorum. 25% of the members shall constitute a quorum for the election of the Board of Directors at the Annual Meeting.

All other business will be transacted in accordance with FL Statute 720, FL Statute 617, The Articles of Incorporation, The Declaration of Restrictions an the By-Laws. If less than Quorum is attained, the Board of Directors can adjourn the meeting and reschedule the time and place.

### ARTICLE III BOARD OF DIRECTORS

Section 1. Number and Term of Directors. The business, property, and affairs of this Association shall be managed by a Board of Directors composed of not less than three (3) nor more than five(5) persons, one of whom shall be a member of this Association. The number of Directors may be changed from time to time but shall never be less than three (3) . Each Director so elected shall hold office for the term for which he is elected and until his successor is elected and qualified.

Section 2. Classification of Directors. Directors shall be elected by the members for a term of one year, and Directors may succeed themselves.

Section 3. Qualification. At least one member of the Board of Directors shall be a citizen of the United States of America.

Section 4. Duties of the Board. The Board of Directors shall transact all business of the Association. It shall determine the policies and in general assume responsibility for the guidance of the affairs of the Association and amend the By-Laws in accordance with the Florida Statute 617 and The Articles of Incorporation.

Section 5. Time of Meeting. Annual Meetings of the Board of Directors shall be held in the first month after the end of the Associations fiscal year or at such time thereafter as the Board of Directors may fix and at other times upon the call of the President, or by a majority of the Directors. Notice of each Annual Meeting shall be given by the Secretary/ Treasurer to each Director not less than thirty (30) days before the meeting unless each Director shall waive notice thereof, before, at or after the meeting. Notice shall contain enumeration of the items of the business to be transacted at such meetings.

Section 6. Vacancies. Vacancies in the Board of Directors other than as provided in the Section 8 (d) of this Article, shall be filled by election by the remaining Directors. Each person so elected to fill a vacancy shall remain a Director until his successor has been elected by a vote of the membership at the next annual meeting.

Section 7. Power to Elect Officers. The Board of Directors at their annual meeting, shall elect a President, one or more Vice-Presidents, a Secretary and a Treasurer. The Board of Directors shall have the power to appoint such other officers and employees as the Board may deem necessary for the transaction of the business of the Association. The Board shall have the power to fill any vacancy in any office, occurring for any reason whatsoever. Any member of the Board may serve as an officer.

Section 8. Election of Directors. The election of Directors shall be conducted in the following manner;

(a) Election of Directors shall be held at the Annual members' meeting.

(b) A nominating committee of not less than three (3) and no more than five (5) members shall be designated by the President not less than forty five (45) days prior to the Annual Meeting of the Association. This nominating committee shall be charged with the duty of nominating one person for each Director sought to be elected, provided, however, that additional nominations shall be received from the floor prior to the actual election held in the Annual Meeting.

(c) The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. One vote for each lot a Property Owner in good standing (assessment paid to date) owns. There shall be no cumulative voting.

(d) Any director may be removed by concurrence of fifty one percent (50+1) of the votes of the membership present at a Special Meeting of the members called for such purpose in accordance with FL ST 617.0808 so long as the number of members present at this meeting is at or greater than fifty one percent (51+1) of the total membership of the association. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

(e) The term of each Director's service shall extend until the next Annual Meeting of the members and subsequently until his successor has been elected and qualified or until he is removed in the manner elsewhere provided.

Section 9. Regular Meetings. The Regular Meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of Regular Meetings shall be given to each Director, personally or by mail, telephone, telegraph or email at least fifteen (15) days prior to the day named for such meeting.

Section 10. Special Meetings. The Special Meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3rd) of the Directors. Not less than two (2) days notice of the meeting shall be given personally or by mail, telephone, telegraph or email which notice shall state the time, place and purpose of the meeting.

Section 11. Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

Section 12. Quorum. A quorum at a Directors meeting shall consist of a majority of the entire Board of Directors as stated in FL Statute 617.

Section 13. Adjourned Meeting. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting. No future notice need be given of an adjourned meeting.

Section 14. The presiding officer of Directors, meeting shall be the Chairman of the Board if such an officer has been elected; and if not, the President shall preside. In the absence of the Presiding officer the Directors present shall designate one of their numbers to preside.

Section 15. The Order of Business at a Directors meeting shall be:

(a) Call of Roll

Section 15. The Order of Business at a Directors meeting shall be:

- (a) Call of Roll
- (b) Proof of due notice of meeting.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of officers.
- (f) Unfinished business.
- (g) New Business.
- (h) Adjournment.

Section 16. Director, Fees. The Directors shall not be entitled to any fees or compensation for their services as Directors. They may receive compensation for any services, which they perform for the Association outside the scope of their position as a Director of the Association.

Section 17. Removal of Officers. Any officer may be removed by the Board of Directors whenever, in the judgment of the Board the best interests of the Association will be served thereby, by a two-thirds (2/3rds) vote of the Board of Directors.

Section 18. Annual Reports. The President and Treasure shall present their respective reports of the operation of the Association for the preceding year, at the Annual Meeting of the membership. At the discretion of the President, he may present the treasurer's report.

#### ARTICLE IV OFFICERS

Section 1. Officers. The Executive Officers of the Association shall be a President, who shall be a Director, three Vice-Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of directors, and such Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time determine upon. Any person may hold two (2) or more offices except that the same person shall not hold the office of President and Vice-President, provided, however, that the President shall not also be the Secretary or an Assistant Secretary and the President nor the Presidents immediate family shall be the Treasurer. Any officer may be removed peremptorily by a vote of two-thirds (2/3rds) of the Directors present at any duly constituted meeting.

Section 2. President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he, in his discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

Section 3. Vice-Presidents. The Vice-Presidents shall assist the President generally and exercise and perform such other duties as shall be prescribed by the Directors.

Section 4. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notice to the members and Directors and other notices required by law. He shall have the custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President. The Assistant Secretary, if any, shall

perform the duties of the Secretary when the Secretary is absent, and shall otherwise assist the Secretary.

Section 5. Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent, and shall otherwise assist the Treasurer.

Section 6. Compensation. No compensation shall be made to any officer of the Association except with the approval of the majority of the Board of Directors, reflected by a vote taken at a duly constituted Board of Directors meeting. The compensation contemplated herein is services rendered by him in the office, which he is holding, and being compensated for services rendered outside the scope of the office, and on behalf of the Association.

## ARTICLE V COMMITTEES

Section 1. Nominating Committee. The President shall appoint a Chairman of the Nominating Committee and the Chairman shall select at least two (2) and no more than four (4) others to serve with him on the committee. A list of five (5) nominations for the ensuing year shall be given to the Board of Directors at a Special Meeting called for this purpose. Additional nominations for officers may be made from the floor at this same meeting.

Section 2. Architecture and Design Committee. The members of the Board of Directors shall constitute the Architectural and Design Committee, or they may appoint a three (3) member committee. The duties of this committee are set out in Article V of the Declaration of Restrictions. This Committee will define in a written document the definitions and the enforcement of these restrictions.

## ARTICLE VI FISCAL YEAR

The fiscal year of the Association shall run from May 1 of one year to the last day of the following April.

## ARTICLE VII PARLIAMENTARY RULES

“Robert’s Rules of Order” (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Restrictions, Articles of Incorporation or these By-Laws.

## ARTICLE VIII

### AMENDMENTS

Amendments. These By-Laws may be amended only by a majority vote of the Board of Directors at any duly constituted meeting thereof, except that the majority of the membership can amend the By-Laws and those amendments can only be changed by a vote of the majority of the membership. (Fifty percent plus One)

## ARTICLE IX

### ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation Of Assessments. Each Owner of any lot or living unit, by signing an Agreement for Deed or by Acceptance of a Deed therefore, whether or not it shall be so expressed in any such Agreement for Deed or Deed, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as provided by the Board of Directors of the Association. Those annual and special assessments which become due after the Owner has accepted a Deed to the lot or living unit, together with such interest thereon and costs, shall be a continuing lien upon the property against which each assessment is made. Each and every assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, enforcement of restrictions, safety, and welfare of the residents in the Properties and in particular for the construction, reconstruction improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon the Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of Association. If assessments which are levied by the Association after the owner has acquired fee simple title to the lot or living unit are not paid on the date when due (being dates specified by the Association's Board of Directors) then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the Owner, his heirs, devisee, personal representatives, successors in title and assigns.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eight (8%) percent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the Owner personally obligated to pay the same or foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the cost of the action.

If assessments which are levied by the Association prior to the time that the owner acquires fee simple title to the lot or living units from the ( while the Agreement for Deed is executory) are not paid on the date when due ( being at times specified by the Association's Board of Directors), then such assessments shall accrue and be payable at time of transfer of title from the owner to the new owner.

Section 4. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgages or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessment thereafter becoming due nor from the lien or any such subsequent assessment

Section 5. Exempt Property. The following property subject to this Declaration shall be exempted from the assessment, charge and lien created herein; (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to the public use; (b) all Common Properties as defined in Article 1 Section 1; hereof; (c) all properties exempted from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemption. Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

Section 6. Basis and Maximum of Annual Assessments will be based on FL Statute 720. Assessments will be set according to a fixed budget of expected spending for the next twelve (12) months. Any extra monies will be added to the next years budget.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual annual assessment at a greater or lessor amount in accordance to FL Statute 720 and FL Statute 617, using the budget process.

Section 7. Special Assessments for Capital Improvements. In addition to the monthly assessments authorized by Section 6 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority who are consenting in person or by ballot by mail at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance, setting forth the purpose of the meeting.

Section 8. Date of Commencement of Annual Assessments: Due dates. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement for the particular section of unit in which the individual lot and living unit are located. The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement.

The due date of any special assessment under Section 7 hereof shall be fixed in the resolution authorizing such Assessment.

Section 9. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period of at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessment applicable there to which shall be kept in the office of the Association and shall be open for inspection by any owner either in person or by receiving an email from the Board or its assignees. This is at the discretion of the Board of Directors.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any reasonable time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

## ARTICLE X

Whenever the provisions of these By-Laws, the Articles of Incorporation or Declaration of Restrictions shall conflict, then the declaration shall prevail, and in the event of a conflict between the By-Laws and Articles of Incorporation the Articles of Incorporation shall prevail.