

**BYLAWS
OF
VANDERBILT LAKES COMMONS ASSOCIATION, INC.**

1. **GENERAL.** These are Bylaws of Vanderbilt Lakes Commons Association, Inc., hereinafter the "Association" or "VLCA", a not for profit corporation organized under the laws of Florida as a community association for the purpose of maintaining, repairing, replacing, landscaping, insuring (to the extent available), protecting and operating the front entrance/guard gate area of the Vanderbilt Lakes Community, the preserves, Winthrop Circle (excluding landscaping), the lakes and to perform all obligations of SFWMD under the permit.

(A) The "Vanderbilt Lakes Community" shall mean the geographic area lying in Lee County, Florida and comprised of all the real property described in the following Plats all of which are recorded in the Public Record of Lee County, Florida:

**Plat Book ____, Pages __ through __
Plat Book ____, Pages __ through __
Plat Book 39, Pages 40 through 44
Plat Book 42, Pages 88 through 92
Plat Book 60, Pages 48 through 49**

1.1 Principal Office. The initial principal office of the Association shall be at 4985 Tamiami Trail E., Naples, FL 34113. The Board reserves the right to change and/or amend the office of the Association.

1.2 Seal. The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "corporation not for profit". The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

2. **MEMBERS.** The members of the VLCA shall be Vanderbilt Community Services Association, Inc., (hereinafter VCSA), Vanderbilt Lakes II Homeowners Association, Inc., (hereinafter VLII) and Bermuda Gardens Condominium Association, Inc., (hereinafter BG). The Members shall herein be referred to as Member Association(s). The individual homeowners and/or unit owners of the above noted associations are not members of VLCA.

2.2 Voting Interests. The Member Associations are entitled to weighted votes which are a percentage of the total possible votes which shall not exceed 100% and shall in all instances be cast by their respective appointed/elected Directors in the following amounts:

- a. VLII 25%
- b. VCSA Single Family 37.7%
- c. VCSA Multi-Family 20.3%
- d. BG 17%

2.3 Approval or Disapproval of Matters. Whenever the decision or approval is required upon any matter, whether or not the subject of an Association meeting, the decision or other response may be expressed by the Director(s) authorized to cast the vote of the Member Association at a meeting.

2.4 Termination of Membership. The termination of membership in the Association does not relieve or release any former Member Association from liability or obligation incurred under or in any way connected with the Association during the period of its membership, nor does it impair any rights or remedies the Association may have against any former member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. Membership shall only be terminated by amendment of these Bylaws.

2.5 Formation. VLCA was specifically created pursuant to a Settlement Agreement between VCSA and VL II, a copy of which is attached hereto, and shall be deemed the controlling document of this Association as would the recorded declaration of a Homeowners Association. In the case of a conflict between these By-Laws and the Settlement Agreement, the Settlement Agreement shall prevail.

3. MEMBERS' MEETINGS. As all business shall be conducted by the Board of Directors and the Directors vote on all matters on behalf of their respective Member Associations or constituencies thereof, **there shall be no members' meetings.**

4. BOARD OF DIRECTORS. The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Articles and Bylaws, shall be exercised by the Board.

Number and Terms of Office.

A. Initial Board of Directors. The initial Board of Directors shall be as provided in the Articles of Incorporation.

B. Subsequent Board of Directors. After the initial Board of Directors the Board shall be increased to four (4) and shall remain four (4) thereafter. On or before March 30, 2008 the initial Directors shall resign and be replaced as follows:

- a. VLII shall appoint one (1) Director.
- b. BG shall appoint one (1) Director.
- c. VCSA shall appoint one (1) Director from the Single Family Homes.
- d. VCSA shall appoint one (1) Director from the Multi-Family homes.
 - i. The first Director from the Multi-Family Homes shall be appointed for a term which shall end at the VCSA annual meeting held in 2010. Thereafter, the Multi-Family homeowners shall elect their Board member to VLCA at the VCSA 2010 annual meeting and thereafter on an annual basis.

C. Each Director shall serve until her or her successor is duly elected or appointed by his or her respective Member Association. In order to be valid a Member Association must notify the Association in writing of a change of its respective Director.

4.2 Qualifications. Each Director must be a residential Lot or Unit owner, primary occupant or the spouse of a residential Lot or Unit owner or primary occupant. In the case of a Lot or Unit owned by a corporation, any officer is eligible for election to the Board of Directors. If a Lot or Unit is owned by a partnership, any partner is eligible to be a Director. If a Lot or Unit is held in trust, the trustee, grantor or settlor of the trust, or any one of the beneficial owners residing in the Lot or Unit is eligible to be appointed or elected to the Board of Directors. In the event that a property/unit owner should own both a single family home and a multifamily unit, said individual, corporation, or trust may not hold more than one seat or represent more than one of the underlying associations on the Board of VLCA.

4.3 Nominations and Elections. Each Member Association may elect or appoint its respective Director as it shall determine from time to time except that the VCSA Multi-Family homeowners shall always elect their representative. The VCSA Multi-Family representative shall serve for a term of one year commencing with the 2010 election, or if replaced by a special vote of the VCSA Multi-Family members.

4.4 Resignation; Vacancies on the Board. Any Director may resign at any time by giving written notice to the Association, and unless otherwise specified therein, the resignation shall become effective upon receipt. If the office of any Director becomes vacant for any reason, a successor shall be elected or appointed by its respective Member Association. The successor so appointed or elected shall fill the remaining unexpired term of the Director being replaced. If for any reason there shall arise circumstances in which no Directors are serving and the entire Board is vacant, the members shall elect/appoint successors at a special meeting.

4.5 Removal of Directors. Any Director may be removed at will, with or without cause, by its Member Association.

4.6 Annual Organizational Meeting. An organizational meeting of the Board of Directors shall be held every year at such place and time as may be fixed and announced by the Directors. The purpose of the organizational meeting shall be to elect officers.

4.7 Directors Meetings; Notice to Directors. Meetings of the Board may be held at such time and place in Florida, as shall be determined from time to time by the President or by a majority vote of the Directors. Notice of meetings shall be given to each Director, personally or by mail, telephone, or electronic transmission at least seven (7) days before the meeting.

4.8 Notice to Owners. Meetings of the Board of Directors shall be open to all owners in the Vanderbilt Lakes Community except for meetings between the Board and its attorney with respect to proposed or pending litigation where the discussion would otherwise be governed by the attorney-client privilege, and notices of all Board meetings, together with an agenda, shall be posted conspicuously in the community at least forty-eight (48) continuous hours in advance of each Board meeting, except in an emergency. Notice of any Board meeting at which rules

affecting the use of a parcel or special assessments are to be considered shall specifically contain a statement that rules or special assessments will be considered and the nature of the rule or assessments and shall be mailed, delivered or electronically transmitted and posted at least 14 days in advance to each of the underlying member associations. The meetings shall be open to all of the homeowners/unit owners in the Vanderbilt Lakes Community. The Board of Directors of the VLCA shall adopt rules governing public participation at all public meetings

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver is deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.10 Quorum of Directors. A quorum at a Board meeting shall be attained by the presence in person of Directors holding at least a majority of the total weighted votes. Directors may participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.11 Vote Required. The acts approved by the majority of the total weighted votes of the Directors shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the governing documents or by applicable statutes. No action may be taken by or on behalf of VLCA that has not been approved by at least a majority of the total weighted votes of the Directors. All such votes shall take place at a properly noticed Board meeting. A Director who is present at a meeting of the Board is deemed to have voted in favor of every action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes of each meeting. Directors may not vote by proxy or secret ballot at Board meetings, except that secret ballots may be used in the election or removal of officers. The foregoing notwithstanding the Board may take action in writing and in lieu of a meeting if the action is approved by 100% of the total weighted votes. In the event of an emergency or unscheduled meeting requiring immediate action by the Board, a director shall be permitted to attend and vote at such a meeting by telephone or electronic means.

4.12 Adjourned Meetings. A majority of the weighted votes Directors present at any meeting of the Board of Directors may adjourn the meeting to be reconvened at a specified later time. When the meeting is reconvened, provided a quorum is present, any business that might have been transacted at the meeting originally called may be transacted.

4.13 The Presiding Officer. The President of the Association, or in his absence, the Vice-President, is the presiding officer at all meetings of the Board. If neither officer is present, the presiding officer shall be selected by majority vote of the Directors present.

4.14 Directors' Fees and Reimbursement of Expenses. Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and proper out-of-pocket expenses related to the proper discharge of their respective duties.

4.15 Committees. The Board of Directors may appoint from time to time such standing or temporary committees, as the Board may deem necessary and convenient for the efficient and effective operation of the Association. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee.

5. OFFICERS.

5.1 Officers and Elections. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary, all of whom must be Directors and all of whom shall be elected annually by a majority of the weighted votes of the Board of Directors. Any officer may be removed as an officer with or without cause at any meeting by vote of a majority of the weighted votes of the Directors. Any officer so removed shall return all books, records and property of the Association to the Association within seventy-two (72) hours of their removal. Any person except the President may hold two (2) or more offices. The Board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one (1) Vice-President. No person shall by virtue of holding a particular office be authorized to act on behalf of or otherwise legally obligate the Association unless so directed by the Board.

5.2 President. The President shall preside at all meetings of the members and Directors; shall be *ex-officio* a member of all standing committees; shall have general and active management of the business of the Association; and shall see that all orders and resolutions of the Board are carried into effect. The President shall execute bonds, mortgages and other contracts and documents requiring the seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.3 Vice-Presidents. The Vice-Presidents, in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall assign.

5.4 Secretary. The Secretary shall attend meetings of the Board of Directors and all meetings of the members and shall cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for the purpose, and shall perform like duties for standing committees when required. The Secretary shall give, or cause to be given, proper notice of all meetings of the members, and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. The Secretary shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the governing documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one has been designated.

5.5 Treasurer. The Treasurer shall have the custody of Association funds and securities, and be responsible for the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer is responsible for the deposit of all monies

and other valuable effects in the name and to the credit of the Association in such depositories as are selected by the Board of Directors. The Treasurer shall oversee the disbursement of Association funds, keeping proper vouchers for such disbursements, and shall render to the President and Directors, at meetings of the Board, or whenever they may require it, a full accounting of all transactions and of the financial condition of the Association. The Treasurer shall prepare an annual budget of estimated revenues and expenses to present to the Board of Directors for approval. Any of the foregoing duties may be performed by an Assistant Treasurer, if one is elected.

5.6 Compensation of Officers. No compensation shall be paid to any officer for services as an officer of the Association.

6. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions.

6.1 Depository. The Association shall maintain its funds in such federally insured accounts at financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities and other similar investment vehicles.

6.2 Accounts of the Association. The Association shall maintain its accounting books and records according to generally accepted accounting principles. There shall be an account for each residential unit. Such accounts shall designate the name and mailing address of each residential unit, the amount and due date of each assessment or charge against the residential unit, amounts paid, date of payment and the balance due.

6.3 Budget. The Treasurer shall prepare and the Board of Directors shall adopt a budget of Association estimated revenues and expenses for each coming fiscal year. Once adopted, the Association shall provide to each member a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The proposed budget shall be detailed and shall show the amounts budgeted by accounts and revenue and expense classifications. The estimated surplus or deficit as of the end of the current year shall be shown and all fees or charges for recreational amenities shall be set out separately.

(A) All expenses of the VLCA shall be shared as follows:

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|----|---------|-------|
| 1. | VLII | 25.0% |
| 2. | VCSA SF | 37.7% |
| 3. | VCSA MF | 20.3% |
| 4. | BG | 17.0% |

As a budget example:

If the VLCA Budget is: \$100,000.00

VLII shall pay \$25,000

VCSA SF shall pay \$37,700

VCSA MF shall pay \$20,300

BG shall pay \$17,000

VLII shall not pay 25% of VCSA's contribution to the VLCA budget and Bermuda Gardens shall not pay 17% of VCSA's contribution to the VLCA budget. However, VLII and Bermuda Gardens shall continue to pay 25% and 17% respectively of the remainder of the VCSA budget after deducting VCSA's portion paid to VLCA.

6.4 Reserves. The Board of Directors may establish in the budget one (1) or more restricted reserve accounts for capital expenditures and deferred maintenance. Contingency reserves for unanticipated operating expenses shall be included, if at all, in the operating portion of the budget. These funds may be spent for any purpose approved by the Board. The purpose of reserves is to provide financial stability and to avoid the need for special assessments. The annual amounts proposed to be so reserved shall be shown in the annual budget.

6.5 Assessments; Installments. VLCA payments shall be due and payable from each Member Association on a semi-annual basis as established by the Board of Directors.

6.6 Special Assessments. Special assessments may be imposed, upon a majority vote of the total weighted vote of the Board of Directors when necessary to meet unusual, unexpected, unbudgeted or non-recurring expenses. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 4.8 above; and the notice to the Member Associations that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7 Fidelity Bonds. The President, Treasurer, and all other persons who are authorized to sign checks, shall be bonded in such amounts as may be acquired by law or otherwise determined by the Board of Directors. The premiums on such bonds are a common expense.

6.8 Financial Reports. Not later than ninety (90) days after the close of each fiscal year, the Board shall cause to be prepared a financial report similar to a report as prescribed in 720.303, Florida Statutes. The Association shall provide each member association with a copy of the financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The individual homeowners/unit owners of the underlying associations may request or inspect a copy of the financial report from their respective Associations as noted in Section 2 above.

6.9 Audits. A formal, certified audit of the accounts of the Association, if required by law, by vote of a majority of the weighted votes of the Directors, shall be made by a certified public accountant, and a copy of the audit report shall be available to all members.

6.10 Application of Payments and Commingling of Funds. All monies collected by the Association may be co-mingled in a single fund or divided into two (2) or more funds, as determined by the Board of Directors. Regardless of any restrictive endorsement all payments on account shall first be applied to late fees, interest, costs, attorney fees, other charges, fines and then to regular or special assessments.

6.11 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of

each calendar year and end on December 31 that same calendar year.

7. **RULES AND REGULATIONS; USE RESTRICTIONS.** The Board of Directors may, from time to time by weighted majority vote (except as restricted below in Section 7(A)), adopt, rescind and amend from time to time rules and regulations governing the use, maintenance, access, management and control of the geographic areas under its authority and the operation of the Association. Copies of such rules and regulations shall be furnished to each Member Association. No single officer or Director by virtue of holding a position as an officer or Director, shall be vested with the authority to act on behalf of the Association in any manner, including but not limited to the creation, amendment or the enforcement of rules and regulations.

- (A) Initial Front Gate Access Rules shall be:
- i. Guards in the gatehouse
 - ii. VLCA to have a master list of smart passes or an access control system.
 - iii. Vendor time limits
 - iv. Call ahead and allowed list

The Initial Front Gate Access Rules will be effective for two (2) years from VLCA's first Board meeting which shall occur no later than 60 days from the date of incorporation of VLCA, after which time the Board can amend the Initial Front Gate Access Rules by majority of the total weighted vote of the Directors. For the first two (2) years the Initial Front Gate Access Rules shall be subject to modification only by the affirmative weighted vote of 75% or more of the total weighted voting interests.

(B) **Enforcement of Rules and Regulations.** Each Member Association agrees to jointly and severally enforce all rules and regulations of VLCA against its own members. The VLCA however is authorized to bring actions in its own name to enforce its rules and regulations against the Member Associations and/or against any Owner, tenant, resident, guest or invitee within the Vanderbilt Lakes Community. In any such action the prevailing party shall be entitled to recover its attorney's fees and costs.

8. **AMENDMENT OF BYLAWS.** Amendments to these Bylaws shall be proposed and adopted in the following manner.

8.1 **Proposal.** Amendments to these Bylaws shall be proposed by at least two of the Directors and shall be submitted to a vote of the all Directors not later than 90 days after the amendment has been proposed.

8.2 **Vote Required:** Except as otherwise required by Florida law or as provided elsewhere in these Bylaws, these Bylaws may be amended if the proposed amendment is approved by the affirmative vote of at least 75% of the total weighted voting interests of the Directors. The vote shall occur at a properly noticed Board meeting.

8.3 **Effective Date:** An amendment shall become effective upon the recording of a copy in the Public Records of Lee County, Florida. The amendment shall be attached to a certificate signed by the President or Vice President with the formalities of a deed. The certificate shall

reference by instrument number these Bylaws.

9. MISCELLANEOUS.

9.1 Gender; Number. Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

9.2 Severability. If any portion of these Bylaws is void or become unenforceable, the remaining provisions shall remain in full force and effect.

9.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws, the Association's Articles of Incorporation, and/or the Rules and Regulations adopted by the Board of Directors, the Settlement Agreement of January 10, 2008, shall control over the Articles, Bylaws and Rules and Regulations, and there after, the provisions of the Articles of Incorporation shall prevail over the provisions of these Bylaws and the Rules and Regulations and the Bylaws shall prevail over the Rules and Regulations.

9.4 Recording The Settlement Agreement of January 10, 2008, the Articles of Incorporation and these Bylaws shall be recorded in the public records of Lee County, Florida and shall run to the land described above.

9.5 Notwithstanding any use of the word Association or the context of the the word Association as used in the Articles of Incorporation, the By Laws or other documents, VLCA is not a Condominium Association which is governed by F. S. 718 and VLCA is not a Homeowners Association which is governed by F. S. 720. The sole purpose of VLCA is to implement and oversee the terms and conditions of the Settlement Agreement between the parties executed on January 10, 2008.