

**AMENDED AND RESTATED BY-LAWS
OF
MAHOGANY RUN ASSOCIATION, INC.**

Article I - General Provisions

These are the By-Laws of Mahogany Run Association, Inc., hereinafter the "Association", a corporation not for profit organized under the laws of the State of Florida. This is a Homeowner's Association as defined by §617.301, Florida Statutes.

- 1.1 Principal Office. The principal office of the Association shall be c/o Wyndemere Homeowners' Association, Inc., 98 Wyndemere Way, Naples FL., 34105.
- 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 "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 Association where a seal may be required.
- 1.3 Fiscal Year. The fiscal year of the Association shall be the calendar year.

Article II – Definitions

The following definitions shall apply to the terms used in the Articles of Incorporation and these By-Laws:

- 2.1 "Mahogany Run" shall mean and refer to that land on which all of the residential Parcels within Mahogany Run and all of the Association facilities and structures shall be located.
- 2.2 "Association" shall mean Mahogany Run Association, Inc., a Florida not-for-profit corporation, which is responsible for the operation of Mahogany Run whose voting members are made up of Owners in Mahogany Run.
- 2.3 "Association Property" shall mean and refer to all lands owned by the Association, together with certain non-residential improvements and amenities located thereon, sometimes called the "Common Properties", as well as all personal property of the Association. At the date of adoption of the By Laws, there is no Association Property.
- 2.4 "Board" shall mean and refer to the Board of Directors of this Association.
- 2.5 "By-Laws" shall mean and refer to these By-Laws of the Association.
- 2.6 "Common Properties" shall mean and refer to those portions of the Property legally described on Exhibit A-1 hereto and which are intended to be devoted to the common use and enjoyment of the Owners, but whose maintenance is payable jointly (subject to the provisions of this Declaration), in equal proportion by the Owners, including, but not limited to easements and roads as necessary and/or required. At the date of adoption of these By-Laws, the Association has no common properties.
- 2.7 "Declaration" shall mean and refer to the Declaration of Restrictive Covenants and Easements of Mahogany Run.
- 2.8 "Parcel" shall mean each lot on the plat of Mahogany Run as attached hereto as Exhibit B.

2.9 "Member" or "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Parcel, but notwithstanding any applicable theory of the mortgage, shall not mean or refer to any holder of a mortgage encumbering a Parcel unless and until such holder has acquired title thereto pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

Article III - Membership

3.1 Qualifications. Every Owner shall be a Member of the Association, and no Owner shall have more than one membership in the Association in respect to any Parcel. Membership in the Association shall not be assignable, except to the successor-in-interest of the Owner's Parcel, and every membership of any Owner in the Association shall be appurtenant to and inseparable from ownership of his Parcel. Ownership of such Parcel shall be the sole qualification for membership of an Owner in the Association.

3.2 Voting Interests. When a vote of the Members is required herein or by law, each Member shall be entitled to one (1) vote in the affairs of the Association for each Parcel owned. The term "a majority of the voting interests" in cases of Membership votes shall mean the number of votes equal to one-half (1/2) of the total votes at any Member's meeting in which there is a quorum, plus one vote.

3.3 Members' Meetings; Voting.

(a) Annual Meeting. There shall be an annual meeting of the Members in each calendar year. The annual meeting shall be held in Collier County, Florida, at a day, place and time designated by the Board, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the Members.

(b) Special Members' Meeting. Special meetings of the Members must be held whenever called by the President or by a majority of the Board and may also be called by Members having at least sixty-six and two-thirds percent (66-2/3%) of the votes of the entire membership. Such request shall be in writing, shall state the purpose or purposes of the meeting, and shall be signed by all the Members making the request. Business at any special meeting shall be limited to the items specified in the request and contained in the note of meeting.

(c) Notice of Meetings. Notice of all Members' meetings must state the time, date, and place of the meeting and shall incorporate an identification of agenda items. The notice must be mailed to each Member at the address which appears on the books of the Association, or may be furnished by personal delivery. The Member bears the responsibility for notifying the Association of any change of address. The notice must be mailed or delivered at least fourteen (14) days prior to the date of the meeting. Notice of any meeting may be waived in writing by any Member.

(d) Quorum. A quorum at a Members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast at least thirty percent (30%) of the votes of the entire membership.

(e) Vote Required. The acts approved by a majority of the votes cast at a meeting in which a quorum has been attained shall be binding upon all Owners for all purposes, except where a higher vote is required by law or by any provision of the condominium documents.

(f) Proxy Votes. A proxy may be given by any person entitled to vote, but shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting. No proxy shall be valid for a period longer than ninety (90) days after the date of the

first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the vote for the unit, specify the date, time and place of the meeting for which it is given and the original must be delivered to the Secretary of the Association at least forty-eight (48) hours before the appointed time of the meeting or adjournment thereof. Holders of proxies need not be Members. No proxy shall be valid if it names more than one person as the holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy.

(g) Adjourned Meetings. Any duly called meeting of the Members may be adjourned to a later time by vote of the majority of the voting interest present, regardless of whether a quorum has been attained. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance.

(h) Order of Business. The order of business at Members' meetings shall be substantially as follows:

- (i) Call of the Roll or Determination of Quorum;
- (ii) Reading or Disposal of Minutes of Last Members' Meeting;
- (iii) Reports of Officers;
- (iv) Reports of Committees;
- (v) Election of Directors (Annual Meeting Only);
- (vi) Unfinished Business;
- (vii) New Business;
- (viii) Adjournment.

(i) Minutes. Minutes of all meetings of Members and of the Board shall be kept in a businesslike manner and available for inspection by Members or the authorized representatives and Board members at all reasonable times and for a period of seven (7) years after the meeting.

(j) Parliamentary Rules. "Roberts' Rules of Order" (latest edition) shall govern the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with these By-Laws. The presiding officer may appoint a Parliamentarian whose decision or questions of parliamentary procedure shall be final. Any questions or point of order not raised at the meeting to which it relates shall be deemed waived.

(k) Member's Participation. Members shall have the right to participate in meetings of Members with reference to all designated agenda items. However, the Association shall adopt reasonable rules governing the frequency, duration, and manner of Member participation. Any Member may tape record or videotape a meeting of the Members, subject to reasonable rules to be followed.

(l) Action by Members Without Meeting. Except for the holding of the annual meeting and the election of Directors and unless otherwise provided herein, any action required or permitted to be taken at a meeting of the Members may be taken by mail without a meeting if written consents, setting forth the action to be taken, are signed by the Members having not less than the minimum number of votes that would be necessary to take such action at a meeting, or sixty percent (60%) of the total votes of the entire membership, whichever is greater, unless a lesser vote is required by law. If the requisite number of written consents are received by the Secretary of the Association within thirty (30) days of mailing notice of the proposed action to the Members, a resolution passed by the Board on the action so authorized shall be of full force and effect as if a full membership meeting had been held. Within ten (10) days after adopting the

resolution, the Board shall send written notice of the action taken to all Members. Nothing in this paragraph shall be construed in derogation of Members' rights to call a special meeting of the membership, as elsewhere provided in these By-Laws. If the vote is obtained by polling the Owners by mail, the Owners list on record with the Secretary of the Board at the time of mailing the voting material shall be the list of qualified voters.

Article IV - Board of Directors

4.1 Number of Directors and Terms of Service. The Association shall be governed by the Board consisting of three (3) Directors. The Directors of the Association shall have a fiduciary relationship to the Members. The term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and taken office, or until he is removed in the manner elsewhere provided.

4.2 Selection of Directors. All Members of the Association, and their spouses, shall be eligible to serve on the Board, and a Member may nominate himself as a candidate for the Board at a meeting where the election is to be held. The Directors must be elected by a plurality of the votes cast by the eligible voters.

4.3 Organizational Meeting of Directors. The annual organizational meeting of the Board shall be held not later than March 15, of each year, at which time the newly-designated Directors shall elect officers and conduct such other business as they may deem appropriate. At the organizational meeting the Board may adopt a resolution authorizing the President or other executive officer to spend Association funds during the summer months and shall place reasonable limitations on that authority. Written notice of the annual organizational meeting shall be sent to each Member at least fourteen (14) days in advance of the annual organizational meeting.

4.4 Regular Meetings. Regular meetings of the Board may be held at such time and place in Collier County, Florida, 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 or telegram, at least seven (7) days prior to the day named for such meeting.

4.5 Special Meetings. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of at least two (2) Directors. Not less than forty-eight (48) hours notice, except in an emergency, of a special meeting shall be given to each Director, personally or by telephone, telegram or Wyndemere television, which notice shall state the time, date, place and purpose of the meeting. Business conducted as special meetings shall be limited to matters stated in the notice of meeting.

4.6 Notice to Members. All meetings of the Board of the Association shall be open to attendance by all Members of the Association and notices of all Board meetings shall be posted in a conspicuous place on the Association property or the TV on the Wyndemere TV Channel at least forty-eight (48) hours in advance, except in an emergency. Notice shall include a general outline of the agenda for the meeting. Notice of any Board meeting where assessments are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of the assessments. In the alternative, if notice is not posted in a conspicuous place in Mahogany Run or on the Wyndemere TV Channel, notice of each board meeting must be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency. The right to attend does not include the right to participate unless permitted by the Board.

4.7 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.

4.8 Quorum of Directors. A quorum at a Board meeting shall be attained by the presence in person of at least a majority of the Directors. 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.

4.9 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board, except as otherwise provided below. Directors may not vote by proxy at Board meetings.

4.10 Presumption of Assent. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest.

4.11 Adjourned Meetings. The majority of the Directors present at any meeting of the Board, regardless of whether a quorum has been attained, may adjourn the meeting from time to time.

4.12 Removal, Filling of Vacancies. Any Director may be removed with or without cause by a vote of two-thirds of the Owners at a meeting called for that purpose. All vacancies shall be filled by a majority vote of the Board of said Association.

4.13 Resignation. Any Director may resign by written notice to the Association, which resignation shall take effect upon receipt, unless another date is specified in the notice. Any Director who is absent from three (3) consecutive meetings of the Board shall be deemed to have tendered his resignation as of the date of the third meeting, and the remaining Board members shall be notified in writing and shall appoint a replacement. The replacement shall not be the same person who was just removed.

4.14 Powers. The property and business of the Association shall be governed by the Board, which may exercise all corporate powers not prohibited by law, the Articles of Incorporation, the Declaration or these By-Laws. The powers of the Board shall specifically include, but not be limited to, the following:

(a) To levy and collect fees and assessments in accordance with the provisions of the Declaration, the Articles of Incorporation, and these By-Laws, and to establish the time and manner within which payment of same are due;

(b) To use and expend the fees and assessments collected for those purposes set forth in the Articles of Incorporation, the Declaration and as may be permitted by law;

(c) To perform all functions set forth in the Declaration, the Articles of Incorporation, and as may be permitted by law, and in conjunction with the foregoing, to purchase the necessary equipment, furnishings, fixtures, accessories and tools necessary or incidental to the maintenance of the Association Property;

(d) To collect delinquent fees and assessments by suit or otherwise;

(e) To employ such personnel as may be necessary or incidental in order to carry out the purposes and functions of the Association;

(f) To enter into such contracts and bind the Association thereby as the Board may deem reasonable in order to carry out the powers and functions of the Board.

- (g) To make reasonable rules and regulations for the use of Association Property and for the operation of the Association;
- (h) To grant easements across Association Property for access, support, air space, encroachments, utilities, and such other easements or actions as the Association deems necessary.

4.15 Limitation on Powers. The Board may not purchase any land, nor make any material alterations of or substantial additions to the Association Property or the facilities located thereon (costing more than \$10,000.00 in the aggregate in any twelve month period) nor borrow in excess of \$10,000 without the consent of two-thirds vote of the membership.

4.16 Compensation. Directors and officers shall not receive compensation for their services as such, but may, at the discretion of the Board, receive reimbursement for so-called "out-of-pocket" expenses incurred in the actual performance of their duties.

4.17 Order of Business. The order of business at all meetings of the Board shall be substantially as follows:

- (a) Roll call;
- (b) Proof of Notice of Meeting or Waiver of Notice;
- (c) Reading of minutes of last meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Unfinished business;
- (g) New business;
- (h) Adjournment.

4.18 Committees. The Board may, by resolution, designate such standing or temporary committees as it may deem advisable or as may be required herein. Each such committee shall have such authority as shall be specified in the resolution designating such committee. The Board shall have the power at any time to remove any individual serving on any such committee or committees, with or without cause, and to fill vacancies in and to dissolve such committee or committees. Each committee designated by the Board shall keep regular minutes of its meetings and shall report the same to the Board when required. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board or any individual executive Director of any responsibilities imposed by law.

4.19 Minutes and Inspection. Minutes of all meetings of the Board shall be kept in a business like manner in written form and shall be available for inspection by Members or their authorized representatives, and by Board Members at reasonable times. A vote or absenteeism from voting on each matter voted upon for each Director present at a Board meeting must be recorded in the minutes. The Association shall retain these minutes for at least seven (7) years.

4.20 Assessments. An Assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that Assessments will be considered and the nature of the Assessments.

Article V - Officers

The officers of the Association shall be a President, one or more Vice Presidents, a Secretary and Treasurer, all of whom shall be elected by the Board. Any two of said offices may be held by one person, except that the President shall not hold any other office. The Board may appoint such other officers as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and

perform such duties as shall be determined from time to time by the Board. The officers of the Association have a fiduciary duty to the Members.

5.1 Tenure of Officers. All officers of the Association shall hold office until their successors are elected and qualified. Any officer elected or appointed by the Board may be removed at any time, with or without cause, by the affirmative vote of the majority of the Directors. Any officer may resign at any time by giving written notice to the Association and unless otherwise specified therein, the resignation shall become effective upon receipt. Any vacancy occurring in any office of the Association shall be filled by the Board.

5.2 The President.

(a) The President shall preside at all meetings of the Directors; he shall have general and active management of the business of the Association; he shall see that all orders and resolutions of the Board are carried into effect; he shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Association, except where required or permitted by statute to be otherwise signed and executed, and where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Association.

(b) He shall have general supervisory control and direction of all the other officers of the Association and shall see to the best of his ability that their duties are performed properly;

(c) He shall submit a report of the operations of the Association for the fiscal year to the Board whenever called for by the Board and from time to time shall report to the Board all matters within his knowledge which the best interest of the Association may require to be brought to their notice;

(d) He shall hold an ex-officio position of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of the president of a corporation.

5.3 The Vice-President. The Vice-President, or if there be more than one, the Vice-Presidents, according to the order of their election appointment, shall be vested with all powers and duties required to perform the duties of the President in his absence, and such other duties as may be prescribed by the Board.

5.4 The Secretary.

(a) The Secretary shall be responsible for the keeping of the minutes of the meetings of the Board in one or more books provided for that purpose;

(b) He shall see that all notices are duly given in accordance with these By-Laws, or as required by statute;

(c) He shall be the custodian of the records and of the seal of the Association and shall see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws or as required by statute;

(d) He shall keep a register of the post office address of each Member;

(e) In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be prescribed by the President or the Board.

5.5 The Treasurer.

(a) The Treasurer shall be responsible for keeping full and accurate accounts of receipts and disbursements in books belonging to the Association and shall cause all monies and other valuable effects to be deposited or kept in the name and to the credit of the Association in such depositories as may be designated by the Board;

(b) He shall oversee the disbursement of funds of the Association, take proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the Association;

(c) He shall be the chairman of the Budget Committee, if any;

(d) He may be required to give the Association a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration of the Association in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the Association. The Association shall pay all premiums for issuance of the bond; and

(e) In general, he shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be prescribed by the President of the Board.

Article VI - Assessments and Fees

6.1 Method of Establishing Assessments. In accordance with Section 10.5 of Article X below, before the first day of December of each year, the Board shall consider and adopt an annual operating budget in amounts believed to be sufficient to enable the Association to perform its functions for the ensuing year. Based upon the amount of money determined to be needed for the operation of the Association, the Board shall assess against each Owner its proportionate share of the budget.

6.2 Payment of Annual Assessments. Annual assessments shall be billed in quarterly installments payable in advance on the first day of January, April, July and October of each year.

6.3 Limitation on Change of Assessments. The Board shall not increase the Common Assessments (as defined in the Declaration) by more than twenty percent (20%) over and above the Common Assessments (as defined in the Declaration) for the preceding year without the approval of fifty one percent (51%) of the votes of the entire membership.

6.4 Collection of Assessments. The Board shall be authorized to adopt and promulgate rules and regulations for the collection of all assessments, and the determination and collection of assessments against the Members shall be subject to the following provisions:

(a) Late Assessments. Assessments and installments thereof not paid within thirty (30) days from the date when they are due shall bear interest at the highest lawful rate (~~18%~~) from the date due until paid. Assessments and installments thereof paid on or before ten (10) days after the date due shall not bear interest, but there shall be a late charge of \$2.00 per day up to a maximum of \$20.00 for any sums not paid within ten (10) days of the date due. The Association has a continuing lien on each Parcel for any unpaid Assessments of such Parcel with interest, and for

reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The lien shall be evidenced by the recording of a claim of lien in the Public Records of the County, stating the description of the Parcel, the name of the record owner, the name and address of the Association, the amount due and the due dates. The claim of lien shall not be released until all sums secured by it (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until it is barred by law. The claim of lien shall secure (whether or not stated therein) all unpaid assessments, interest thereon, and costs and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a final judgment of foreclosure thereof. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association may bring an action in its name to foreclose a lien for unpaid Assessments in the manner in which a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien.

(b) No Member may exempt itself from liability for its assessment hereunder by waiver of the use and enjoyment of any of the Association property.

(c) Enforcement of Assessments. In the event an Assessment is not paid within thirty (30) days of the date same shall be due and payable, the Association, through the Board, may proceed to enforce and collect said Assessments from the delinquent Owner in any manner provided for by the Act, the Declaration and these By-Laws. Each Owner shall be individually responsible for the payment of Assessments against his Parcel and for the payment of reasonable attorneys' fees and costs incurred by the Association in the collection of sums due and enforcement of any lien held by the Association.

Article VII - Use Restrictions .

7.1 Declaration. The Declaration of General Covenants, Conditions and Restrictions of Mahogany Run shall govern the use of the Association Property and the conduct of the Members and their respective Owners, occupants and/or guests.

7.2 Promulgation of Rules. In addition to the Declaration, reasonable regulations concerning the use of Association Property may be made and amended from time to time by the Board. Copies of such regulations and amendments thereto shall be made available to all Owners in Mahogany Run.

Article VIII - Insurance

8.1 Required Coverage. The Board shall obtain and maintain at all times the insurance listed below. The named insured on all insurance policies upon the Association Property shall be the Association individually and as agent for each Member and their respective Owners, without naming them.

(a) Liability Insurance: Public liability insurance covering all of the Association Property and insuring the Association, the Members, and their respective Owners as their interests appear, in such amounts as the Board may determine from time to time, provided that the minimum amount of coverage shall be One Million Dollars (\$1,000,000.00). Premiums for such insurance shall be chargeable as an expense of the Association and shall be assessed against and paid by each of the Members as provided for in Article VI hereof. The Association shall not be responsible for purchasing liability insurance to cover accidents occurring outside the Association Property;

(b) Such other insurance as the Board of the Association shall determine from time to time to be desirable. Premiums for such insurance shall be an expense of the Association and shall be assessed against and paid by each of the Members as provided for in Article VI hereof.

8.2 Distribution of Proceeds. If a loss occurs for which the proceeds of insurance policies are received, payments under the policies shall be disbursed and expended in the following manner:

(a) To the Association;

(b) If the damage for which proceeds are paid is to be repaired or reconstructed, the Association shall pay the proceeds to defray the costs thereof as elsewhere provided. Any proceeds remaining after the defraying of such costs shall be distributed to the Association to be used for the benefit of the Members;

(c) If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the Members.

8.3 Parcels and Homes. Each Owner shall obtain insurance coverage at their own expense upon their own property and for their own personal liability.

8.4 Reconstruction or Repair After Casualty. If any part of the Association Property shall be damaged by casualty, a decision as to whether or not it shall be reconstructed or repaired shall be made by the Board in accordance with the provisions of Article X of the Declaration. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair, and if the Board has determined to proceed to reconstruct and repair, the Board may make a special assessment against each Owner in order to obtain the funds sufficient for the payment of such costs. Such special assessments shall be assessed against each Owner as provided for in Section 6.1 of Article VI above.

Article IX - Notices

9.1 Method. Except as otherwise required, notices to Directors and each Member shall be in writing and delivered personally or mailed to the Directors and each Member at their addresses appearing on the records of the Association. Notice by mail shall be deemed to be given at the time when the same shall be deposited properly addressed with sufficient first class postage in the U.S. mails. Notice to Directors may also be given by telegram, telephone, or in person.

9.2 Waiver. Whenever any notice is required to be given, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Article X - Finances

10.1 Fiscal Year. The Association shall operate on a fiscal year beginning on the first day of January and ending on the 31st day of December of each year. The Board is expressly authorized to change to a different fiscal year basis whenever deemed expedient for the best interest of the Association.

10.2 Checks. All checks or demands for money and notes of the Association shall bear those signatures as set from time to time by the Board.

10.3 Annual Financial Statement. The Board shall provide an internally prepared Annual Financial Report to each Member within sixty (60) days after the end of each fiscal year as to the total fees and assessments and other income and as to the method of disbursement of said funds. The financial report must consist of either:

- (a) Financial Statements printed in conformity with generally accepted accounting principals; or
- (b) A financial report of actual receipts and expenditures, cash basis, which report must show:
 - (i) The amount of receipts and expenditures by classification; and
 - (ii) The beginning and ending cash balances of the Association.

10.4 Depository. The Association shall maintain its accounts in such 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.

10.5 Budget. The Treasurer shall prepare or cause to be submitted to the Board, not later than December 1 of each year, a proposed budget for the next year. The proposed budget shall be detailed and shall show the amounts budgeted for income and expense by accounts. The Board shall, not later than December 31 of each year, adopt an annual budget for the next fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting at which the budget will be considered shall be mailed to or served on each Director not less than fourteen (14) days prior to that meeting.

10.6 Reserves. In addition to the operating expenses provided in the budget, the Board may establish one or more reserve accounts for contingencies, operating expenses, repairs, improvements or deferred maintenance. The purpose of the reserves is to provide financial stability and to minimize the need for special assessments. The amounts proposed to be so reserved shall be shown in the annual budget. These funds may be spent for any purpose approved by the Board.

10.7 Special Assessments. Special assessments may be imposed by the Board when necessary to meet unusual, unexpected, emergency, or non-recurring expenses, or for such other purposes as are authorized by the Articles of Incorporation or these By-Laws. Special assessments are due on the day specified in the resolution of the Board approving such assessments. The notice of any assessments must contain a statement of purpose(s) of the assessment and the funds collected must be spent for the stated purpose(s) or credited to the Members.

Article XI - Official Records

From the inception of the Association, the Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

- (a) A photocopy of the recorded Declaration and all amendments thereto;
- (b) A photocopy of the recorded By-Laws and all amendments thereto;
- (c) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;

- (d) A copy of the current Rules and Regulations of the Association;
- (e) A book or books containing the minutes of all meetings of the Association, of the Board, and the Owners, which minutes shall be retained for a period of not less than seven (7) years.
- (f) A current roster of the Owners, their mailing addresses, Parcel identifications, voting certifications, and if known, telephone numbers.
- (g) All current insurance policies of the Association; which must be maintained for seven (7) years;
- (h) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Owners have an obligation or responsibility; bids received by the association for work to be performed;
- (i) Bills of sale or transfer for all property owned by the Association;
- (j) Accounting records for the Association according to good accounting practices. All accounting records shall be maintained for a period of not less than seven (7) years. The accounting records shall include, but not be limited to:
 - (i) Accurate, itemized, and detailed records for all receipts and expenditures.
 - (ii) A current account and a quarterly statement of the account for each Parcel designating the name of the Owner, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.
 - (iii) All audits, review, accounting statements, and financial reports of the Association.
 - (iv) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year.
- (k) Ballots, sign-in sheets, voting proxies and all other papers relating to elections, which shall be maintained for a period of one (1) year from the date of the meeting to which the document relates.
- (l) All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

The official records of the Association shall be maintained in the Collier County. The official records of the Association shall be open to inspection by any Association member or the authorized representative of such member at all reasonable times. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover minimum damages for the Association's willful failure to comply as set by §617.303, Florida Statutes as it may be amended from time to time. The right to inspect the records includes the right to make or obtain copies, at a reasonable expense, if any of the Association member.

ARTICLE 101, 1000

Article XII - Amendment of By-Laws

Amendments to these By-Laws shall be proposed and adopted in the following manner:

12.1 Proposal. Amendments to these By-Laws may be proposed by the President or by any two (2) Directors.

12.2 Procedure. Upon any amendment or amendments to these By-Laws being proposed, the appropriate notices and copies of the text of the proposed amendments shall be mailed to all Directors with notice of meeting at which the proposed amendments will be voted on.

12.3 Vote Required. Except as otherwise provided, these By-Laws may be amended by concurrence of a majority of the votes of the entire membership at any meeting called for that purpose. The text of any proposed amendment shall be contained in the notice of such meeting.

12.4 Certificate; Recording. A copy of each amendment shall be attached to a certificate that the amendment was duly adopted, which certificate shall be executed by officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

Article XIII - Compliance and Defaults; Remedies

In addition to any other remedies provided by law, the Board, pursuant to §617.305(2), Florida Statutes, may levy reasonable fines against Members, Owners, or their family members, guests, tenants or invitees who commit violations of the rules, regulations, and maintenance policy or who condone such violations by their family members, guests, tenants or invitees. The fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed \$50.00 per violation per day, with a maximum fine of \$10,000.00. In addition thereto, any person found guilty of such violations shall reimburse the Association for all costs and attorneys fees incurred in any proceeding relating to this violation before the Board, any administrative tribunal or court of competent jurisdiction including any fees incurred on appeal.

Article XIV - Miscellaneous

14.1 Gender. Whenever the masculine or singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

14.2 Severability. Should any portion hereof be void or become unenforceable, the remaining provisions of the instruments shall remain in full force and effect.

14.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws and the Articles of Incorporation, the provision of the Articles of Incorporation shall prevail over the provisions of the By-Laws.

The foregoing constitute the Amended and Restated By-Laws of Mahogany Run Association, Inc., and were adopted by the Board at its meeting held on February 10, 2000.

Attest

Marilyn Kacy
Secretary

By: Sharon B. Hoffman
Sharon B. Hoffman, President
(SEAL)



Kristine D. Hughes
Commission # CC 804124
Expires Jan. 24, 2003
Bonded thru
Atlantic Bonding Co., Inc.

Kristine Hughes

**MAHOGANY RUN ASSOCIATION, INC.
MAINTENANCE POLICY**

HOUSE PAINTING POLICY

All homes within the Mahogany Run section of the Wyndemere Country Club (including trim) shall be painted on a regular basis, as necessary, in colors that are approved for Mahogany Run by the Wyndemere Architectural Review Committee (ARC) and the Board. In the event of a dispute between Mahogany Run and a homeowner concerning the timing of the painting and/or the paint colors selected, the decision of the Architectural Review Committee shall be final. The colors to be used on all homes in the Mahogany Run neighborhood shall be white, light beige, light gray or light cream. Trim colors must be submitted to the Board and the Architectural Review Committee for approval.

ROOF POLICY

The roof of each home within the Mahogany Run section of the Wyndemere Country Club shall be of similar tile composition to those presently installed and shall be pressure cleaned on a frequent basis in order to prevent mildew and dark stains.

DRIVEWAY POLICY

All driveways shall be attractively maintained and stained in the original color scheme and of similar paver block material.

MAILBOXES

All mailboxes will be of uniform height, style and color as determined by the Wyndemere Architectural Review Committee and the Board. They shall not be adorned with decorations, decals or other artwork except during holidays and only of temporary duration.

LANDSCAPING EXTERIOR DECORATIONS POLICY

All trees shall be attractively pruned and/or trimmed, as necessary, so that they do not impede the growth of grass or bushes. Trees should also be thinned and/or pruned on a regular schedule so that they do not cause a potential problem in high wind. All exterior decorations, including lawn or tree decorations must be in conformity with the Mahogany Run neighborhood and approved by the Board.

ENFORCEMENT POLICY

In the event a homeowner does not comply with the Maintenance Policies cited above, the Board shall provide written notice of the violation, giving the owner thirty (30) days in which to cure the violation. If the owner fails to cure the violation, then the Board shall give notice to the owner of a hearing to be set within thirty days from the date on which the notice was sent by certified mail. At the hearing the owner shall have the right to appear and defend the charges against him. If the Board, after the hearing, determines that the owner has failed to comply with

the Maintenance Policies set forth hereinabove, the Board may elect to impose a fine against the Owner pursuant to 2.2 (b) of Article II of the Declaration in order to bring the owner's property into compliance with the policies described herein. In that connection the Board shall recover attorneys fees and costs incurred in connection with the hearing, any administrative hearing or any court proceeding (including appellate proceedings) brought by the Board or by the Owner.

NAPLES/91472 v.05