

**BY-LAWS OF SAVANNA CLUB  
HOMEOWNERS' ASSOCIATION, INC.**

**1     Identification of Association.**

These are the By-Laws of SAVANNA CLUB HOMEOWNERS' ASSOCIATION, INC. ("Association"), as duly adopted by its Board of Directors. The Association is a corporation not-for-profit, organized pursuant to Chapter 617, Florida Statutes, for the purpose of managing, operating, and administering the development known as Savanna Club (the "Development")

- 1.1     The office of the Association shall be for the present at 3492 Crabapple Dr., Port St. Lucie, Fl. 34952, and thereafter may be located at any place designated by the Board of Directors\* (the "Board").
- 1.2     The fiscal year of the Association shall be the calendar year.
- 1.3     The seal of the corporation shall bear the name of the corporation, the word "Florida" and the words "Corporation Not-For-Profit".

**2     Definitions.**

All terms shall have the meanings set forth in the Articles of Incorporation of the Association ("Articles").

**3     Membership/Members' Meetings; Voting and Proxies.**

- 3.1     The qualification of "Members", the manner of their admission to "Membership", their voting rights and the termination of such Membership shall be as set forth in Article 5 of the Articles and Article III, Section 3.1 of the Declaration.
- 3.2     The Members shall meet annually (the "Annual Members' Meeting") at the office of the Association, or at such other location within Savanna Club as designated by the Board, at such date and time in the month of March of each year as the Board may determine. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (subject to the provisions of Article 14 of the Articles) and transact any other business authorized to be transacted by the Members.
- 3.3     Special meetings of the Membership shall be held at any place within St. Lucie County, Florida, whenever called by the President or Vice President or by a majority of the Board. A Special meeting must be called by the President or Vice President upon receipt of a written request from one-third (1/3) of the Voting Members.

- 3.4 A written notice of all Special meetings of the Members shall be mailed or hand delivered to each Member at his/her last known address as it appears on the books of the Association not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Evidence of compliance with such notice requirement shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the Association. The notice shall state the time and place that the Special meeting of Members is to take place, and the object for which the meeting is called. The notice shall be signed by an officer or agent of the Association. Notice of any meeting may be waived by any Voting Member before, during or after such meeting or by the person entitled to vote pursuant to a proxy. Said waiver shall be in writing and shall set forth the waiver of written notice by the Voting Member. Notice of the Annual Members' Meeting shall be provided in accordance with Section 4.2 below.
- 3.5 The Membership may, at the discretion of the Board, act by written agreement in lieu of a Membership meeting as per Section 617.0701, Florida Statutes, as amended or renumbered from time to time; except with respect to the election of Directors which is addressed in Section 4 below. The decision of the majority of the Membership (as evidenced by written response to be solicited in the notice) shall be binding on the Membership, provided a quorum of the Membership submits a response.
- 3.6 A quorum of the Membership shall consist of thirty percent (30%) of the Voting Members. A Voting Member may join in the action of a meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such parties for the purpose of determining a quorum unless otherwise provided by law. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the voting rights present in person or represented by written "Proxy" (as hereinafter defined) shall be required to decide the question. However, if the question is one upon which, by express provision of the Declaration, Articles of Incorporation or the By-Laws, requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such questions.
- 3.7 If any meeting of the Membership cannot be organized because a quorum is not in attendance, the Voting Members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board.
- 3.8 Minutes of all meetings shall be kept in a businesslike manner and available for inspection by the members and "Directors" at all reasonable times.

- 3.9 Voting Members may cast their votes in person or by Proxy (except for in the election of directors as more specifically addressed in Section 4 below). "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted by a Voting Member to vote for him/her in his/her place and stead. Proxies shall be in writing, shall provide the date, time and place of the meeting and must be signed, dated and shall be valid only for the particular meeting designated therein and any adjournments thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. A Proxy must be filed with the Secretary before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.
- 3.10 At any time prior to a vote upon any matter at a meeting of the Membership, any Voting Member may demand the use of a secret written ballot for the voting on such matter by such Voting Member, although such demand shall not invalidate any vote cast pursuant to the use of a Proxy (unless voting by Proxy for such matter is not permitted pursuant to these By-Laws or by applicable law as amended from time to time).
- 3.11 No Voting Member shall be allowed to exercise his/her vote if his/her voting rights or the voting rights for the Lot have been suspended pursuant to applicable law as amended from time to time.
- 3.12 The order of business at Annual Members' Meeting, and as applicable at other Members' Meetings, shall be:
1. Election of chairman of the meeting.
  2. Election of inspectors of elections.
  3. Election of directors.
  4. Calling of the roll and certifying of proxies.
  5. Proof of notice of meeting or waiver of notice
  6. Reading and disposal of any unapproved minutes.
  7. Report of officers.
  8. Reports of committees.
  9. Unfinished business.
  10. New business.
  11. Adjournment

#### 4 Board of directors', Elections and Board Meetings.

- 4.1 The form of administration of the Association shall be by a Board of five (5) Directors. Eligibility for the Board is set forth in Sections 10.1 and 14 of the Articles of Incorporation and shall also be as provided by applicable law as amended from time to time. Unless otherwise provided by applicable law as amended from time to time, a person delinquent in the payment of any fee, fine or other monetary obligation to the Association as of the deadline to submit a notice of intent to be a candidate is not eligible for Board

membership. Additionally, unless otherwise provided by applicable law as amended from time to time, a person who has been convicted of any felony in Florida or in a United States District or Territorial Court, or has been convicted of any offense in another jurisdiction which would be considered a felony if committed in Florida, is not eligible for Board membership unless such felon's civil rights have been restored for at least five (5) years as of the deadline to submit a notice of intent to be a candidate. The foregoing shall not in any way modify or restrict the right of Developer and Developer's successors and assigns to appoint a Director as set forth in Section 14 of the Articles of Incorporation and in Section 4.5(c) below.

- 4.2 The election of Directors shall be held at the Annual Members' Meeting. Directors shall be elected by written secret ballot. Proxies shall in no event be used in electing Directors. Additionally, nominations shall not be taken from the floor at the Annual Members' Meeting. No quorum is required for the election of Directors, provided, however, at least thirty percent (30%) of all of the Voting Members must cast an election ballot for a valid election. The Annual Members' Meeting and election procedure shall be as follows:
- (a) Not less than sixty (60) days before the Annual Members' Meeting, the Association shall mail or deliver to each Member a first notice of the date of the election, which notice shall state that persons desiring to be a candidate for the Board of Directors must submit a written notice of intent to be a candidate to the Association not less than forty (40) days before the date of the Annual Members' Meeting.
  - (b) A candidate may submit an information sheet, no larger than 8 ½ x 11" with printing only on one side of the paper, about himself/herself to the Association, and such information sheet must be submitted not less than thirty-five (35) days before the date of the Annual Members' Meeting. Any information sheets timely submitted to the Association must be included with the mailing or delivery of the election ballot, if applicable, with the costs of mailing or delivering and copying to be borne by the Association. The Association shall not be liable for the contents of any information sheet prepared by any candidate. The Association may print or duplicate the information sheets on both sides of the paper.
  - (c) Not less than fourteen (14) days before the Annual Members' Meeting, the Association shall mail or deliver a second notice of the Annual Members' Meeting to all Members.
  - (d) In the event there are the same or fewer number of candidates as vacancies to be filled an election shall not be necessary and any eligible candidates who timely submitted a notice of intent to be a candidate shall be deemed elected at the Annual Members' Meeting. In the event there are fewer candidates than vacancies to be filled, such remaining vacancies shall be filled by appointment by the

remaining directors, even if less than a quorum, at a Board meeting subsequent to the Annual Members' Meeting.

- (e) In the event there are more candidates than vacancies to be filled an election of Directors shall be required and the second notice of Annual Members' Meeting shall include any information sheets timely submitted to the Association by eligible candidates, and an election ballot. The election ballot shall list all eligible candidates in alphabetical order, by surname. The second notice of Annual Members' Meeting and any document sent with the second notice of Annual Members' Meeting shall not contain any communication by the Board of Directors which endorses, disapproves, or otherwise comments on any candidate. Votes may be cast for each or fewer than as many candidates as vacancies being filled. However, cumulative voting is prohibited. Balloting shall be as follows:

(i) Accompanying the election ballot shall be an outer envelope, and a smaller inner envelope. The exterior of the outer envelope shall indicate the name of the Voting Member and the address of the Lot, and shall contain a signature space for the Voting Member. The completed election ballot shall be placed in the inner smaller envelope. The inner envelope shall be placed within the outer larger envelope which shall be sealed. The Voting Member shall sign the exterior of the outer envelope in the space provided for such signature. The envelope shall either be mailed or hand delivered to the Association at the address of the Association. Upon receipt of each election ballot by the Association, it shall immediately be placed in a locked ballot box or other locked place until the date of the Annual Meeting and no election ballot may be rescinded or changed.

(ii) On the day of the Annual Meeting, the election ballots shall be turned over to the election committee which shall consist of not less than three (3) persons appointed by the Board of Directors. The election committee shall not consist of any candidates, nor the spouse, child, sibling or parent of any candidate, nor shall any officer or Director (or the spouse of an officer or Director) serve on the election committee.

(iii) Additional election ballots shall be available at the Annual Members' Meeting for Voting Members who have not cast their votes. These ballots shall be placed in an inner and outer envelope in the manner described above and the outer envelope must indicate the name of the Voting Member, the address of the Lot and be signed by the Voting Member.

(iv) At the Annual Members' Meeting, the signature and Lot identification on the outer envelopes shall be checked against a

list of Voting Members by the election committee. Any exterior envelope not signed by the Voting Member shall be marked "disregarded" or with words of similar import and any ballot contained therein shall not be counted. Then, in the presence of the persons in attendance, all inner envelopes shall be removed from the outer envelopes and placed in a receptacle. Upon the commencement of the opening of the outer envelopes, the polls shall be closed, and no more ballots shall be accepted. The inner envelopes shall then be opened by the election committee. Any inner envelope containing more than one ballot shall be marked "disregarded", or with words of similar import, and any ballots contained therein shall not be counted. The ballots shall then be removed and scanned for errors, including, without limitation, voting for more candidates than vacancies being filled. Any ballots containing errors shall also be marked "disregarded", or with words of similar import, and shall not be counted. The remaining ballots shall then be either hand counted by the election committee or counted through the use of a voting machine designed for that purpose in the presence of any persons in attendance. Elections shall be decided by a plurality of those ballots cast.

- (f) If two or more candidates receive the same number of votes which would result in one or more candidates not serving, then the Association shall conduct a runoff election in accordance with the following procedure:
  - (i) Within seven (7) days of the date of the election at which the tie vote occurred, the Board shall mail or deliver a Notice of Runoff Election to the Members. The only candidates eligible for the runoff election are the candidates who received the tie vote at the previous election. The notice shall inform the voters of the date scheduled for the runoff election to occur, shall include a ballot conforming to the requirements of this Section 4, and shall include copies of any candidate information sheets previously submitted by those candidates to the Association. The runoff election must be held not less than twenty-one (21) days, nor more than thirty (30) days, after the date of the election at which the tie vote occurred.
- (g) The first and second Annual Members' Meeting notices shall be signed by an officer or agent of the Association. Evidence of compliance with the first and second Annual Members' Meeting notice requirements shall be made by an affidavit executed by the person providing the notices and filed upon execution among the official records of the Association.

- 4.3 Subject to Section 4.5 below and the rights of the “Developer” as set forth in the Articles and as set forth in section 4. 5(c) below, vacancies on the board occurring prior to the expiration of a Director’s term of office shall be filled by person(s) selected by the remaining Directors, even if such remaining Director(s) are less than a quorum. Such person shall be a Director and have all the rights, privileges, duties and obligations as a Director elected at the Annual Members’ Meeting and shall serve for the balance of the term prescribed in Section 4.4 of these By-Laws.
- 4.4 The term of each Director’s service shall be a staggered two year term.
- 4.5 (a) A director elected by the Membership may be removed from office upon the affirmative vote or the agreement in writing of a majority of the Voting Members as provided by applicable law as amended from time to time.
- (b) Vacancies created by the removal or recall of one (1) or more Directors shall be filled as provided by applicable law as amended from time to time.
- (c) A Director designated by the Developer as provided in the Articles may be removed only the Developer in its sole discretion and without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy on the Board as to a director designated by it, and the Developer shall notify the board as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor Director, and of the commencement date for a term of such successor Director.
- 4.6 The organizational meeting of the newly elected Board shall be held within ten (10) days of its election at such place and time as shall be fixed by the directors at the meeting at which they were elected. Notice of the organizational meeting must be posted on the Association Property at least forty eight (48) hours in advance or must otherwise be provided in accordance with applicable law, as amended from time to time.
- 4.7 Regular meetings of the Board may be held at such time and place as shall be determined from time to time by majority of Directors. Special meeting of the Board may be called at the discretion of the President or the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.
- 4.8 Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail. Telephone or telegraph at least forty-eight (48) hours prior to the day specified for such meeting. Notice of any meeting where assessments

against Members are to be considered by any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessment. Any director may waive notice of the meeting before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director.

- 4.9 A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically provided otherwise in the Declaration, Articles or elsewhere herein. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted. In case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board.
- 4.10 The presiding officer at Board meetings shall be the President. In the absence of the President, the Directors present shall designate any one of their member to preside.
- 4.11 Directors shall not receive any compensation for their services.
- 4.12 Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times.
- 4.13 Meetings of the Board shall be open to all Members. Unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in the meeting, the Member shall not be entitled to participate in the meeting, but shall only be entitled to act as an observer. In the event a Member not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meetings or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

## 5 Powers and Duties of the Board of Directors.

All of the powers and duties of the Association shall be exercised by the Board. Such powers and duties of the Board shall be exercised in accordance with the Declaration and shall include, but not be limited to, the following:

- 5.1 Making and collecting Assessments against Members to defray the costs of "Association Expenses". These Assessments shall be collected by the Association through payments made directly to it by the Members as set forth in the Declaration.
- 5.2 Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board.
- 5.3 Maintaining, repairing and operating the Association Property and the Common Areas, and maintaining and operating the surface water management system including all lakes, retention areas, culverts, and related appurtenances, if any.
- 5.4 Reconstructing improvements after casualties and losses and making further authorized improvements on the Common Areas and the Recreation Areas.
- 5.5 Making and amending rules and regulations with respect to the use of the Association Property and the Common Areas.
- 5.6 Enforcing by legal means the provision of the Homeowners Documents.
- 5.7 Contracting for the management and maintenance of the Association Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessment, preparation of records, enforcement of rules and maintenance, repair and replacement of Association Property with funds that shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Declaration including but not limited to the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.
- 5.8 Paying taxes and assessments which are or may become liens against the Common Areas and lots owned by the Association, if any, and assessing the same against lots which are or may become subject of such liens.
- 5.9 Purchasing and carrying insurance for the protection of homeowners and the Association against casualty and liability which may occur on the Association Property and the Common Areas.
- 5.10 Paying costs of all power, water, sewer and other utility services rendered to the Association Property.
- 5.11 Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration and purposes of the Association and paying all salaries thereof.

- 5.12 Granting such permits, licenses, and easements over the common areas for utilities, roads, and other purposes reasonable necessary or useful for the proper maintenance or operation of the common areas.
- 5.13 Purchasing and carrying fidelity bonds on all officers and Directors who control or disburse funds of the Association in such amounts as are more fully described in the Declaration.
- 5.14 Notwithstanding anything in the foregoing Article 5, the Board shall perform any and all functions therein, provided any expenditure for such not exceed the following limits:

Any **new construction** project, in its entirety - \$200,000

For the purposes of this paragraph, "**new construction**" shall mean:

- Any construction, enhancement, or improvement project to association property or common areas that does not exist at the time such project is proposed

OR

- Any enhancement or improvement project to association property or common areas that upgrades or improves that which already exists.
- In any event "**new construction**" shall exclude normal maintenance, normal repair or reconstruction due to casualty or loss, provided such does not substantially upgrade or enhance that which existed when the item was newly constructed.

Any new construction expenditure which exceeds or is reasonably expected to exceed the above limits must be put to membership vote for approval of the membership prior to any contract signing or work commencement. Such membership vote shall be conducted in accordance with Article 3 of these By-Laws. In the event that an expenditure is disapproved by the membership, the Board shall be barred from proceeding with such expenditure.

## 6 Officers of the Association.

- 6.1 Executive officers of the association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer, a Secretary and, if the Board so determines, an Assistant Secretary and an Assistant Treasurer, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by majority vote of the Directors at any meeting of the Board. The Board shall, from time to time, elect such other

officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

- 6.2 The President, who shall be a Director, shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of a corporation not-for-profit including, but not limited to, the power to appoint committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. He shall preside at all meetings of the Board and the Membership.
- 6.3 In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First", "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.
- 6.4 The Secretary shall cause to be kept the minutes of all meetings of the Board and the Membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the Association and shall affix the same 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 of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.
- 6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall otherwise assist the Treasurer.
- 6.6 Officers shall not receive compensation for their services. The compensation, if any, of all other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director or an officer for the management of the Association.

## 7 Accounting Records; Fiscal Management.

- 7.1 The Association shall maintain accounting records according to good accounting practices which shall be open to inspection by Members or their authorized representatives at reasonable times. Authorization of a

representative of a Member must be in writing, signed by the Member giving the authorization and dated within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be prepared at least annually. Such records shall include: (a) a record of all receipts and expenditures; (b) an account for each lot which shall designate the name and address of the Owner, the amount of each Assessment charged to the lot, the amounts and due dates for each Assessment, the amounts paid upon the account and the balance due; and (c) an account indicating the Association Expenses allocated under the budget of the Association ("Budget") and the Association Expenses actually incurred during the course of the fiscal year.

- 7.2 (a) The Board shall adopt a Budget for the Association Expenses for each forthcoming fiscal year at a special meeting of the Board ("Budget Meeting") called for the purpose during the first two (2) weeks of November of every calendar year. Prior to the Budget Meeting a proposed budget shall be prepared by or on behalf of the Board and may include, but not be limited to, the following items, if applicable:

- (i) Administration of the Association
- (ii) Insurance and bonding fees
- (iii) Management fees
- (iv) Maintenance
- (v) Taxes upon Association property
- (vi) Other expenses
- (vii) Operating capital

Copies of the proposed Budget prepared prior to the Budget Meeting and notice of the exact time and place of the Budget Meeting shall be mailed to each Member at the Member's last known address as reflected on the books and records of the Association on or before thirty (30) days prior to said Budget meeting, and the Budget Meeting shall be open to all Membership.

- (b) In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Association Expenses which cover more than a calendar year; (iv) Assessments shall be made not less frequently than quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Association expenses and for all unpaid Association expenses previously incurred; (v) Association Expenses incurred in a calendar year shall be charged against income for the same calendar year, regardless

of when the bill for such Association Expenses is received. Assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting. The Association shall employ a method of accounting which shall conform to generally accepted accounting standards and principles.

- (c) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.
- (d) No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Association Expenses not included in the Budget or which shall exceed budgeted items, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from there being greater Association Expenses than income from Assessments, then such deficits shall be carried into the next succeeding year's Budget as deficiency or shall be the subject of a special Assessment to be levied by the Board.

7.3 (a) Should the Budget adopted by the Board at the Budget Meeting require Assessments against all the Membership as an amount which is less than one hundred fifteen percent (115%) of such Assessments for the prior year, the Budget shall be deemed approved by all Members. If, however, the Assessments required to meet the Budget exceed one hundred fifteen percent (115%) of such Assessments for the Membership for the preceding year (the "Excess Assessment"), then the provisions of Subsection 7.3(b) hereof shall be applicable. There shall be excluded in the computation of the Excess Assessment certain expenses (the "Excluded Expenses") as follows:

- (i) Expenses of the Association which are not anticipated to be incurred on a regular or annual basis; and
- (ii) Assessments for betterments to the Association Property

(b) Should the Excess Assessment be adopted by the Board then upon written application requesting a special meeting signed by ten percent (10%) or more of the Members and delivered to the Board within twenty (20) days after the Budget Meeting, the Board shall call a special meeting to be held upon not less than ten (10) days written notice to the Members, but within thirty (30) days of the delivery of such application to the Board. At said special meeting, the Members

may consider and enact a revision of the Budget. The enactment of a revision of the Budget shall require approval of not less than two-thirds (2/3) of the Members. If a revised Budget is enacted at said special meeting, then the revised Budget shall be the final Budget, or if a revised Budget originally adopted by the Board shall be a final Budget. If no written application is delivered as provided herein, then the Budget originally adopted by the Board shall be the final Budget.

7.4 Allocation of Association Expenses and Determination of Annual Assessment.

- (a) The Budget constitutes an estimate of the expenses of the Association. The Board shall allocate a portion of the Budget to each lot and the result shall constitute the Annual Assessment for such lot. Expenses of the Association which are applicable to more than one lot (such as administrative expenses) shall be allocated by the Board amongst the several lots to which such is applicable by multiplying such expenses by a fraction, the numerator of which is the number of lots to which such expense is being allocated and the denominator of which is the total number of lots in Savanna Club to which such expenses are applicable.
- (b) Notwithstanding the allocation to each lot of its Annual Assessment, a Member shall also be liable for any Special Assessments levied by the Board against his lots provided in the Declaration. The Association shall collect Annual and Special Assessments from a Member in the manner set forth in the Declaration.

8 Rules and Regulations.

- 8.1 The Board may adopt reasonable rules and regulations or amend or rescind existing rules and regulations governing the use and operation of the common elements, common areas, and recreation areas serving the Association providing such rules and regulations are not inconsistent with the Declaration.
- 8.2 Notice of the proposed adoption, amendment, modification, or rescission must be posted in a conspicuous place on the Association property, and a copy must be sent to each Member at least thirty (30) days before the proposed rule, regulation, amendment, modification or rescission becomes effective. In the case of an emergency, a proposed rule shall be effective immediately upon posting and delivery. Any mailing to a Member shall be sent to the last known address as shown on the books and records of the Association.
- 8.3 The Board may not unreasonably restrict any Member's right to peaceably assemble or the right to invite public officers or candidates to appear and speak in the common elements, common areas, and recreation areas.

8.4 Any rule or regulation created and imposed by the Board must be reasonably related to the promotion of health, happiness, and peace of mind of the Members and uniformly applied and enforced.

9 Parliamentary Rules.

9.1 The then latest edition of Robert's rules of Order shall govern the conduct of meetings of the Association when not in conflict with the Articles, these By-Laws, or the Declaration. In the event of such a conflict, the provisions of the Declaration shall govern.

10 Amendment of By Laws.

10.1 Proposal. Any amendment to these By Laws shall be proposed by the affirmative vote of a majority of the Directors present at a duly called meeting of the Board of Directors where a quorum is present, or by written petition to the Board of Directors signed by the Voting Members of one-fourth (25%) of the Lots, or by the written request of the Developer to the Board of Directors.

10.2 Procedure; Notice and Format. Upon any amendment to these By Laws being proposed as provided above, the proposed amendment shall be submitted by the Board of Directors to a vote of the Members not later than the next Annual Members Meeting, unless insufficient time to give proper notice remains before that meeting. An amendment may be considered at the Annual Member's Meeting or at a special meeting of the Membership. The Board of Directors shall cause notice of the Members' meeting at which a proposed amendment is to be considered. The full text of the amendment to the By Laws to be considered shall be included in such notice. New words shall be inserted in the text by underlining and words to be deleted shall be lined through with hyphens; however, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "SUBSTANTIAL REWORDING OF THE BY LAWS. SEE PROVISION \_\_\_\_ FOR PRESENT TEXT."

10.3 Vote Required. Except as otherwise provided by Florida law, or by specific provision of the Declaration, the articles of Incorporation of the Association or these By Laws, amendment of these By Laws shall require the affirmative vote of not less than a majority of the Members present, in person or by proxy, at the Annual Member's Meeting or at a special Meeting of the Membership

- 10.4 Certificate; Recording. A copy of each adopted amendment and any required joinders shall be attached to a certificate executed by an officer of the Association attesting to the fact that the amendment to the By Laws was duly adopted. The amendment shall be effective when the certificate and copy of the amendment (and any joinders) are recorded in the Public Records of St. Lucie County, Florida.
- 10.5 Provisos. Notwithstanding any provision contained in these By Laws to the contrary:
- A. No amendment shall operate to unlawfully discriminate against any Lot or class or group of Owners or Lots. A copy of any amendment shall be forwarded to each Member as soon after the recording thereof in the Pu
  - B. No amendment shall diminish or impair any of the rights, privileges, powers and/or options provided in these By Laws in favor of or reserved to record owner(s) of any mortgage(s) or impair the priority or validity of any mortgage(s) unless the particular mortgagee(s) shall join and consent in the execution of the amendment. The notice referred to and described in Section 10.2 above shall also be given to any mortgagee which has advanced funds, or is under contract to advance funds, to the Developer for the acquisition or construction of Savanna Club, and of which the Association has received written notice from the Developer (an "acquisition or Construction Mortgagee"). A copy of any amendment shall be furnished to (a) any Acquisition or Construction Mortgagee and (b) such Institutional Mortgagees as have made written request for copies of amendments to the By Laws, as soon after filing thereof in the public Records of St. Lucie County, Florida, as is practicable.
  - C. No amendment shall diminish or impair any of the rights, privileges, powers and/or options provided in these By Laws in favor of or reserved to the Developer, unless the Developer shall join and consent in the execution of the amendment. The notice referred to and described in Section 10.2 above shall also be given to the Developer. A copy of any amendment shall be furnished to the Developer as soon after recording thereof in the Public Records of St. Lucie County, Florida, as is practicable.
  - D. No amendment may be made to the By Laws which shall in any manner conflict with the terms, conditions, provisions, rights and obligations set forth in the declaration or the Articles of Incorporation of the Association.
  - E. An amendment to the By Laws to correct a scrivener's error, defect or omission need not to be submitted for a vote of the Members and

may be adopted by the affirmative vote of a majority of the entire Board of Directors.

11 Reserved Rights of Developer.

Notwithstanding the foregoing, or anything contained elsewhere in these By-Laws to the contrary, until the Transfer Date, Developer shall have the sole and exclusive control over all of the affairs and other matters of the Association and Developer shall have the sole and exclusive right to elect all officers and directors of the Association during the period of such control. During the period of control of Developer as aforesaid, all members of the Association, other than Developer, shall have a non-voting membership in the Association unless the provisions of the Paragraph are expressly waived in writing by Developer. Upon the assurance of the Transfer Date, Developer shall have the right to appoint a member to the Board of Directors for so long as Developer (which shall include its successors and assigns) holds title to any lot within any portion of Savanna Club.

12 Arbitration.

Internal disputes arising from the operation of the Association among Owners, the Board, or their agents and assigns may be resolved by voluntary binding arbitration. Any party to such an arbitration may seek enforcement of the final decision of the arbitrator in a court of competent jurisdiction.

13. Enforcement.

13.1 These By-Laws, together with the Declaration of Covenants and Restrictions Articles of Incorporation and any rules and regulations promulgated by the Association, may be enforced in the manner prescribed by the Homeowners Association Statute, as same may be amended from time to time. In addition to and cumulative with all other remedies provided to the Association under the Declaration, the Articles of Incorporation or these By-Laws, as well as any applicable statute, the Association may also suspend for a reasonable period of time, the rights of a member or a member's tenants, guests or invitees, or both, to use the common areas and facilities, and may levy reasonable fines against any member or any tenant, guest or invitee, jointly and severally, for any violation of any provision of this Declaration or the Rules and Regulations promulgated and amended from time to time by the Association, in the manner provided by applicable law as the same may be amended from time to time. No fine may exceed \$100.00 per violation, or such other ~~the~~ maximum amount established by the Board of Directors from time to time. A fine may be levied on the basis of each day of a continuing violation and there shall be no limit on the amount of an aggregate fine accumulating for each day of a continuing violation.

- (a) A fine may become a lien against a parcel/lot, and may be collected and foreclosed in the same manner as assessments pursuant to Article XI of the Declaration to the extent permitted by applicable law,

as the same may be amended from time to time. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the court and such fees and costs shall also be secured by the Association's lien. No fine or suspension may be imposed except in accordance with the procedural requirements set forth in the applicable statute, as same may be amended from time to time, and, if the applicable statute is silent on the procedural requirements for the imposition of fines or suspensions, same shall be established by the Board of Directors. Rules and regulations regarding the procedural implementation of the remedies provided for herein, specifically including, but not limited to, suspensions and fines, may be made and amended from time to time by the Board of Directors, but shall be subject to the requirements of the applicable Statute.

14 Restrictions.

14.1 No portion of the common areas of Savanna Club may be used for any religious service.

15 Electronic Notice. The Association may provide notice by electronic transmission for meetings of the Board of Directors, for meetings of committees and for meetings of the Membership; however, a Voting Member must consent in writing to receiving notice by electronic transmission.

The foregoing were adopted as the By-Laws of SAVANNA CLUB ASSOCIATION, INC., a corporation not for profit established under the laws of the State of Florida, at the first meeting of the Board of directors on the 4th day of October, 1984.