

AMENDED AND RESTATED BYLAWS
FOR
STONEBRIDGE COUNTRY CLUB COMMUNITY ASSOCIATION, INC.

Falk Law Firm, P.A.
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COUNTRY CLUB COMMUNITY ASSOCIATION, INC.**

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AMENDED AND RESTATED BYLAWS

STONEBRIDGE COUNTRY CLUB COMMUNITY ASSOCIATION, INC.

1. GENERAL: These are the Amended and Restated Bylaws of Stonebridge Country Club Community Association, Inc., hereinafter the “Association”, a corporation not for profit organized under the laws of Florida for the purpose of operating Stonebridge Country Club pursuant Chapter 720, Florida Statutes (the “Act”) and Chapter 617, Florida Statutes (the “Not for Profit Corporation Act”).

1.1 Principal Office. The principal office of the Association is 2100 Winding Oaks Way, Naples, FL 34109.

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 corporation where a seal may be required.

1.3 Logo. The logo of the Association shall be of a style and design approved by the Board of Directors.

1.4 Definitions. The definitions set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Stonebridge Country Club Community Association, Inc. (“Declaration”) shall apply to terms used in these Bylaws, unless otherwise provided in these Bylaws.

2. POWERS OF THE ASSOCIATION AND THE EXERCISE THEREOF: The Association shall have all powers granted to it by common law, Florida Statutes, the Declaration, Articles of Incorporations, these Bylaws and the Rules and Regulations (the Declaration, Articles, Bylaws and Rules and Regulations are collectively referred to herein as the “Governing Documents”).

3. MEMBERS:

3.1 Qualifications. Owners are Members of the Association.

3.2 Voting Interest. The Members are entitled to one vote for each Unit they own. Each Unit has one “Voting Interest”. There are 799 Units in Stonebridge Country Club and therefore there are a total of 799 Voting Interests in the Association. The individual(s) who may exercise voting rights are set forth in the Declaration.

3.3 Approval or Disapproval of Matters. Whenever the decision or approval of the Owner of a Unit is required upon any matter, whether or not the subject of an Association meeting, such decision or approval may be expressed by any person authorized to cast the vote of such Unit at an Association meeting as stated in Section 3.2 above, unless the joinder of all Owners is specifically required.

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3.4 Change of Membership. A change of membership in the Association shall be established by the new membership becoming effective as provided in 3.1 above. At that time the membership of the prior Owner shall be terminated automatically.

3.5 Termination of Membership. The termination of membership in the Association does not relieve or release any former Member from liability or obligation incurred under or in any way connected with the Association during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former Owner or Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

4. MEMBERS' MEETINGS; VOTING:

4.1 Annual Meeting. There shall be an Annual Meeting in each calendar year. The Annual Meeting shall be held in Collier County, Florida, at a time and location determined by the Board of Directors, on the first Tuesday after the 15th day of January or on a different date determined by the Board of Directors. The purpose of the Annual Meeting is to hear reports of officers, committees and others, elect Directors and transact any business that may be properly brought before the Annual Meeting.

4.2 Special Members' Meetings. Special Members' meetings must be held in Collier County, Florida, whenever called by the President or by a majority of the Directors and shall also be called if the Association receives a petition signed by Members having at least 10% of the Voting Interests. The business at any Special Members' meeting shall be limited to the items specified in the notice of meeting. Special Members' meetings shall occur in Collier County, Florida.

4.3 Notice of Meetings; Waiver of Notice. Notice of all Members' meetings must state the time, date, and place of the meeting, and include an agenda for the meeting. The notice of meeting must be sent to each Member at the address which appears on the books of the Association, or may be furnished by personal delivery. The Member is responsible for providing the Association with notice of any change of address. The notice of meeting must be mailed, delivered or electronically transmitted at least 10 days before the meeting. An affidavit of the officer or other person making such mailing shall be retained in the Association records as proof of mailing. A Member may waive notice of any meeting at any time, but only by written waiver, except that attendance at any meeting by a Member constitutes waiver of notice by that Member unless the Member objects to the lack of notice at the beginning of the meeting. Notice of meetings of the Board of Directors, meetings of a committee requiring notice in the same manner as meetings of the Board of Directors, and Annual and Special meetings of the Members, may be electronically transmitted to any Member who has provided a facsimile number or e-mail address to the Association to be used for such purpose, in the manner set forth in Section 617.0141 of the Not for Profit Corporation Act (except as limited by Florida law). Notice by electronic transmission is effective: when actually transmitted by facsimile telecommunication, if correctly directed to a number at which the Member has consented to receive notice; or when actually transmitted by electronic mail, if correctly directed to an electronic mail address at which the Member has consented to receive notice. Notice is also effective when posted on an electronic network that the Member has consented to consult, upon the later of: such correct posting; or the giving of a separate notice to the of such specific posting; or when correctly transmitted to the Member, if by any other form of electronic transmission consented to by the Member to whom notice is given. Consent by a Member to receive notice by electronic transmission shall be revocable by the Member by written notice to the Association. Any such consent shall be deemed revoked if: the Association is unable to deliver by electronic transmission 2 consecutive notices given by the Association in accordance with such consent; and such inability becomes known to the Secretary, Assistant Secretary or other authorized person

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responsible for the giving of notice. However, the inadvertent failure to treat such inability as a revocation does not invalidate any meeting or other action. The Member is responsible for providing the Association with notice of any change of mailing address, facsimile number or electronic mail address. As used in these Bylaws, the term “electronic transmission” means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient thereof and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, telegrams, facsimile transmission of images, and text that is sent via electronic mail between computers. An affidavit of the Secretary, an Assistant Secretary, or other authorized agent of the Association that the notice has been given by a form of electronic transmission is, in the absence of fraud, prima facie evidence of the facts stated in the notice.

4.4 Quorum. A quorum at a Members’ meeting shall be attained by the presence, either in person or by proxy, of Members entitled to cast at least 30% of the Voting Interests. After a quorum has been established at a Members’ meeting, the subsequent withdrawal of any Members, so as to reduce the number of Voting Interests represented below the number required for a quorum, shall not affect the validity of any action taken at the meeting before or after such persons leave.

4.5 Vote Required. The acts approved by a majority of the votes cast at a duly called meeting of the Members at which a quorum has been attained shall be binding upon all Members for all purposes, except where a greater or different number of votes is expressly required by law or by any provision of the Governing Documents.

4.6 Proxy Voting. To the extent lawful, any Member entitled to attend and vote at a Members meeting may establish his presence and cast his vote by proxy, whether mailed or electronically transmitted to the Association. A proxy shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting, and no proxy is valid for a period longer than 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 votes, specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Association at the mailing address specified in the notice of meeting or delivered in person by 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. The Association may conduct elections and other membership votes through an internet-based online voting system if a Member consents, in writing, to online voting and all requirements in Section 720.317 of the Act are met. In addition, to the extent not in conflict with Section 720.317 of the Act, if authorized by the Board of Directors and subject to such guidelines and procedures as the Board of Directors may adopt, Members and proxy holders who are not physically present at a meeting may, by means of remote communication: participate in the meeting; and be deemed to be present in person and vote at the meeting if: the Association implements reasonable means to verify that each person deemed present and authorized to vote by means of remote communication is a Member or proxy holder; and the Association implements reasonable measures to provide such Members or proxy holders with a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to communicate and to read or hear the proceedings of the meeting substantially concurrent with the proceedings. If any Member or proxy holder votes or takes other action by means of remote communication, a record of that Member’s participation in the meeting must be maintained by the Association.

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4.7 Adjourned Meetings. Any duly called meeting of the Members may be adjourned to be reconvened at a specific later time by vote of a majority of the Voting Interests present in person or by proxy (the Members shall vote on the date, time and location of the reconvening of the meeting), 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, provided a quorum is then present, in person or by proxy.

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

- (A) Call of the roll or determination of quorum.
- (B) Reading or disposal of minutes of the last Members' meeting
- (C) Reports of Officers, if any
- (D) Reports of Committees, if any
- (E) Unfinished Business
- (F) New Business
- (G) Adjournment

4.9 Minutes. Minutes of all meetings of Members and of the Board of Directors shall be kept in a businesslike manner and available for inspection by Members or their authorized representatives and Directors at reasonable times and for a period of 7 years after the meeting. Minutes must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each Director present at a Board of Directors meeting must be recorded in the minutes.

4.10 Action by Members Without a Meeting. 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 at which all Members entitled to vote on such action were present and voted. Action by Members without a meeting shall be undertaken in the manner required by the Not for Profit Corporation Act. Nothing in this paragraph shall be construed in derogation of Members' rights to call a special Members' meeting, as provided for elsewhere in these Bylaws.

4.11 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall guide the conduct of Association meetings when not in conflict with the law or the Governing Documents. The presiding officer may appoint a Parliamentarian whose decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

5. BOARD OF DIRECTORS: The administration of the affairs of the Association shall be by the Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Governing Documents, shall be exercised by the Board of Directors, subject to approval or consent of the Members only when such is specifically required.

5.1 Number and Terms of Service. The affairs of the Association are managed by a Board of Directors consisting of 9 Directors. Each year at the Annual Meeting, the Members shall elect 3 Directors. All Directors serve 3 year terms. A Director's term will end at the annual election at which his successor is to be duly elected, unless he sooner resigns, or is recalled as provided in 5.5 below. Directors shall be elected by the Members as described in Section 5.3 below, or in the case of a vacancy, as provided in Section 5.4 below.

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5.2 Qualifications. Directors must be Members, except that if a Unit is owned by a corporation, partnership, trust or other entity, any officer, director, partner, manager, managing member, or trustee, as the case may be, shall be eligible to serve as a Director. A person who is delinquent in the payment of any fee, fine or other monetary obligation to the Association on the day that he or she could last nominate himself or herself or be nominated for the Board of Directors may not seek election to the Board of Directors, and his or her name shall not be listed on the ballot. A person serving as a Director who becomes more than 90 days delinquent in the payment of any fee, fine or other monetary obligation to the Association shall be deemed to have abandoned his or her seat on the Board of Directors, creating a vacancy on the Board of Directors to be filled according to law. The term “any fee, fine or other monetary obligation” means any delinquency to the Association with respect to any Unit. 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, may not seek election to the Board of Directors and is not eligible for Board membership unless such felon’s civil rights have been restored for at least 5 years as of the date on which such person seeks election to the Board of Directors. The validity of any action by the Board of Directors is not affected if it is later determined that a person was ineligible to seek election to the Board of Directors or that a Director is ineligible for Board of Directors membership. A Director charged by information or indictment with a felony theft or embezzlement offense involving the Association’s funds or property is removed from office. The Board of Directors shall fill the vacancy according to general law until the end of the period of the suspension or the end of the Director’s term of office, whichever occurs first. However, if the charges are resolved without a finding of guilt or without acceptance of a plea of guilty or nolo contendere, the Director shall be reinstated for any remainder of his or her term of office. A Member who has such criminal charges pending may not be appointed or elected to a position as a Director. Within 90 days after being elected or appointed to the Board of Directors, each Director shall certify in writing to the Secretary that he or she has read the Declaration, Articles of Incorporation, Bylaws and current written rules and policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the Members. Within 90 days after being elected or appointed to the Board of Directors, in lieu of such written certification, the newly elected or appointed Director may submit a certificate of having satisfactorily completed the educational curriculum administered by an education provider approved by the Division of Florida Condominiums, Timeshares and Mobile Homes (“Division”) within one year before or 90 days after the date of election or appointment. The written certification or educational certificate is valid for the uninterrupted tenure of the Director on the Board of Directors. A Director who does not timely file the written certification or educational certificate shall be suspended from the Board of Directors until he or she complies with the requirements set forth above. The Board of Directors may temporarily fill the vacancy during the period of suspension. The Association shall retain each Director’s written certification or educational certificate for inspection by the Members for 5 years after the Director’s election. However, the failure to have such written certification or educational certificate on file does not affect the validity of any Board of Directors’ action. Any Director who has 3 consecutive unexcused absences from Board meetings shall be suspended from the Board of Directors.

5.3 Nomination and Elections of Directors. The Nominating Committee shall coordinate the annual election of the Board of Directors, including recruitment of potential candidates. A Nominating Committee shall make nominations for election to the Board of Directors. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and at least three (3) Members of the Association who are not members of the Board of Directors or candidates. The Nominating Committee shall be appointed by the Board of Directors not less than one hundred and twenty (120) days prior to each Annual Meeting of the Members and shall serve for a term of one (1) year

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or until their successors are appointed. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event fewer than the number of positions to be filled. The Nominating Committee shall recommend, at least thirty (30) days prior to the Annual Meeting, the names of candidates selected by a majority vote of the Nominating Committee to be submitted to the Members for election to the Board of Directors. Eligible persons seeking election to the Board of Directors shall submit their required notice of intent, along with the required background information, by the deadline established by the Nominating Committee. Eligible persons seeking election shall be certified by the Secretary or any other officer that they are qualified to be candidates. Members who are entitled to cast at least 10% of the Voting Interests may also nominate candidates for election to the Board of Directors by petition signed by such Members and filed with the Association at least forty five (45) days prior to the Annual Meeting. If the number of candidates does not exceed the number of vacancies, an election shall not be required, but the Association shall hold the Annual Meeting. The candidates shall become members of the Board of Directors effective upon the adjournment of the Annual Meeting. However, if an election is not required and a quorum is not attained at the Annual Meeting, the candidates shall become members of the Board of Directors effective upon the Board of Directors announcing the names of the candidates who were nominated or nominated themselves.

If the number of candidates exceeds the number of vacancies, the names of any such nominees, after having been certified by the Secretary or any other officer that they are qualified for election, and have been nominated in accordance with the provisions of these Bylaws, shall be included in any proxy or sealed ballot mailed to the Members. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and solicit votes. Nominations from the floor at the Annual Meeting are prohibited.

Unless the Nominating Committee determines that Directors shall be elected by a proxy vote, Directors shall be elected by secret ballot (using a double envelope system) or by means of remote communication in accordance with the Act and these Bylaws. After indicating the name(s) of the candidate(s) for which the Member has voted, the ballot must be placed in an inner envelope with no identifying markings and mailed or delivered to the Association in an outer envelope bearing identifying information reflecting the name of the Member, the Unit for which the vote is being cast, and the signature of the Member casting that ballot. If the eligibility of the Member to vote is confirmed and no other ballot has been submitted for that Unit, the inner envelope shall be removed from the outer envelope bearing the identification information, placed with the ballots which were personally cast, and opened when the ballots are counted. If more than one ballot is submitted for a Unit, the ballots for that Unit shall be disqualified. Any vote by ballot received after the closing of the balloting may not be considered. Directors shall be elected by a plurality of the votes cast. In the election of Directors, there shall be appurtenant to each Unit as many votes for Directors as there are Directors to be elected, but no Unit may cast more than one vote for any candidate, it being the intent hereof that voting for Directors shall be non-cumulative. The candidates who are elected shall become members of the Board of Directors effective upon the adjournment of the Annual Meeting. Any challenge to the election process must be commenced within 60 days after the election results are announced.

5.4 Vacancies on the Board of Directors. If the office of any Director becomes vacant for any reason, other than recall by the membership at a Members' meeting, a majority of the remaining Directors, though less than a quorum, shall promptly choose a successor to fill the remaining unexpired term. If the Association fails to fill vacancies on the Board of Directors sufficient to constitute a quorum, or if no Director remains on the Board of Directors, the vacancy may be filled by the Members (via a Special

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Members' meeting) or any Member may apply to the Circuit Court for the appointment of a receiver to manage the Association's affairs, in the manner provided by Florida law.

5.5 Recall of Directors. Any or all Directors may be recalled and removed from office with or without cause by a majority of the Voting Interests, either by a written petition, or at any meeting called for that purpose, in the manner required by Section 720.303(10) of the Act.

5.5.1 Recall of Directors by Meeting. A special meeting of the Members to recall a member or members of the Board of Directors may be called by at least 10% of the Voting Interests, giving notice of the meeting as required for a Members' meeting, and the notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for the purpose of a recall. The Board of Directors shall duly notice and hold a Board of Directors meeting within 5 full business days after the adjournment of the Member's meeting. At the meeting, the Board of Directors shall: certify the recall, in which case the Director(s) subject to the recall shall be recalled effective immediately and shall turn over to the Board of Directors within 5 full business days any and all Association records and property in his or their possession; or proceed as set forth in Section 5.5.3 below.

5.5.2 Recall of Directors by Written Agreement or Written Ballots. Directors may be recalled by an agreement in writing or by written ballot without a Members' meeting. The written agreement or the written ballots, or a copy thereof, shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48, Florida Statutes and the Florida Rules of Civil Procedure. The Board of Directors shall duly notice and hold a Board of Directors meeting within 5 full business days after receipt of the written agreement or written ballots. At the meeting, the Board of Directors shall: certify the written agreement to recall the Director(s), in which case such Director(s) shall be recalled effective immediately and shall turn over to the Board of Directors within 5 full business days any and all Association records and property in their possession; or proceed as set forth in Section 5.5.3 below.

5.5.3 Recall Arbitration. If the Board of Directors determines not to certify the written agreement or written ballots to recall Director(s) or does not certify the recall by a vote at a meeting, the Board of Directors shall, within 5 full business days after the meeting, file with the Division a Petition for Arbitration (binding arbitration) pursuant to the applicable procedures in Sections 718.112(2)(j) and 718.1255, Florida Statutes and the rules adopted thereunder. For the purposes of this section, the Members who voted at the meeting or who executed the agreement in writing shall constitute one party under the Petition for Arbitration. If the arbitrator certifies the recall as to any Director(s), the recall will be effective upon mailing of the final order of arbitration to the Association. The Director(s) so recalled shall deliver to the Board of Directors any and all Association records in their possession within 5 full business days after the effective date of the recall.

5.5.4 Failure of Board of Directors to Hold Board of Directors Meeting. If the Board of Directors fails to duly notice and hold a Board of Directors meeting within 5 full business days after service of an agreement in writing or within 5 full business days after the adjournment of the Members' recall meeting, the recall shall be deemed effective and the Director(s) so recalled shall immediately turn over to the Board of Directors all Association records and property. If the Board of Directors fails to duly notice and hold the required meeting or fails to file the required Petition for Arbitration, the Unit Owners' representative may file a Petition for Arbitration pursuant to Section 718.1255, Florida Statutes challenging the Board of Directors' failure to act. The Petition for Arbitration must be filed within 60 days after the expiration of the applicable 5 full business day period. The review of a Petition for Arbitration in that case shall be limited to the sufficiency of service on the Board of Directors and the facial validity of the written

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agreement of ballots filed. A Director who has been recalled may file a Petition for Arbitration pursuant to Sections 718.112(2)(j) and 718.1255, Florida Statutes challenging the validity of the recall. The Petition for Arbitration must be filed within 60 days after the recall is deemed certified. The Association and the Unit Owners' representative shall be named as the respondents.

5.5.5 Timing of Acceptance of Recall Petition. The Division may not accept a recall petition for filing when there are 60 or fewer days until the scheduled reelection of the Director sought to be recalled or when 60 or fewer days have not elapsed since the election of the Director sought to be recalled.

5.5.6 Filling Vacancies Caused by Recall. If a vacancy occurs on the Board of Directors as a result of a recall and less than a majority of the Directors are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining Directors. If vacancies occur on the Board of Directors as a result of a recall and a majority or more of Directors are removed, the vacancies shall be filled by Members voting in favor of the recall; if removal is at a meeting, any vacancies shall be filled by the Members at the meeting. If the recall occurred by agreement in writing or by written ballot, Members may vote for replacement Directors in the same instrument in accordance with procedural rules adopted by the Division.

5.6 Resignation of Director. A Director may resign at any time by delivering written notice to the Board of Directors or the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

5.7 Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within 10 days after the election. The organizational meeting may be held immediately following the election, in which case the noticing of the meeting may be effectuated by the Board of Directors existing prior to the election.

5.8 Other Meetings. Meetings of the Board of Directors shall be held in Collier County, Florida. Notice of meetings shall be given to each Director, personally or by mail, telephone, telegram or other form of electronic transmission at least 48 hours prior to the day named for such meeting. If notice is transmitted by facsimile, notice shall be effective if correctly directed to a number at which the Director has consented to receive notice. If notice is transmitted by electronic mail, notice shall be effective if correctly directed to an email address at which the Director has consented to receive notice.

5.9 Notice to Owners. A meeting of the Board of Directors occurs whenever a quorum of the Board of Directors gathers to conduct Association business. All meetings of the Board of Directors shall be open to Members except for meetings: between the Board of Directors and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege; or held for the purpose of discussing personnel matters. Notice of all Board of Directors meetings shall be posted conspicuously in Stonebridge Country Club for at least 48 continuous hours in advance of each Board of Directors meeting, except in an emergency. In the alternative to the posting requirements discussed above, notice of each Board of Directors meeting must be mailed or delivered to each Member at least 7 days before the meeting, except in an emergency. As an alternative to posting or mailing meeting notices, the Board of Directors may provide the Members with a schedule of regular meetings, or provide notice by posting and repeatedly broadcasting the notice on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted

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physically in Stonebridge Country Club, the notice must be broadcast at least 4 times every broadcast hour of each day that a posted notice is otherwise required. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. An Assessment may not be levied at a Board of Directors meeting unless the notice of the meeting includes a statement that Assessments will be considered and the nature of the Assessments. Members have the right to speak with reference to any matter that is placed on the Board of Directors meeting agenda. The Association may adopt reasonable, written rules expanding the rights of Members to speak and governing the frequency, duration, and other manner of Member statements, (including a sign-up sheet requirement), which rules must be consistent with the minimum requirements of the Act.

5.10 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. If all Directors are present at a meeting, no notice to Directors shall be required.

5.11 Quorum and Participation in Meetings. A quorum at a Board of Directors meeting shall exist when at least a majority of all Directors are present at a duly called meeting. Directors may participate in any meeting of the Board of Directors, by a conference telephone call or similar communicative arrangement whereby all persons present can hear all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

5.12 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum exists 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. Directors may not vote by proxy or by secret ballot at Board of Directors meetings, except that secret ballots may be used in the election of officers. Directors may use e-mail as a means of communication, but may not cast a vote on an Association matter via e-mail. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: the Director objects, at the beginning of the meeting or promptly upon his or her arrival, to holding the meeting or transacting specified affairs at the meeting; or the Director votes against or abstains from the action taken.

5.13 Adjourned Meetings. A majority of the Directors present at any meeting of the Board of Directors, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a specific time and date.

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

5.15 Compensation of Directors and Officers. 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 relating to the proper discharge of their respective duties.

5.16 Committees. In addition to the ARC and the Standing Committees described below, the Board of Directors may appoint from time to time such committees as it deems necessary and convenient for the efficient and effective operation of the Association. Except for the ARC, committees shall act solely in an advisory capacity to the Board of Directors and management and shall have no authority to act on

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behalf or bind the Association or the Members. Meetings of the ARC and meetings of any committee when a final decision will be made regarding the expenditure of association funds, shall be open to attendance by any Member and posted in the same manner as required in Section 5.9 above for Board of Directors meetings, except for such committee meetings between the committee and the Association's attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Each year after the Annual Member's Meeting, the President, subject to the approval of the Board of Directors, shall designate the Chairman (who shall be a Director) and the members of each of the Standing Committees. The Standing Committees include:

(A) Finance Committee. The Finance Committee shall:

(1) Oversee and advise the Board of Directors on all matters pertaining to Association finance, including but not limited to:

- (i) Annual operating and capital budgets for approval of the Board of Directors.
- (ii) Monthly, quarterly and annual financial statements, issuing a condensed quarterly operating statement to the Members
- (iii) Insurance
- (iv.) Tax returns and tax payments
- (v) Any other financial information/financial statements deemed appropriate or requested by the Board of Directors

(2) Assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan as it relates to all financial matters.

(3) With Board approval, employ at the expense of the Association such clerical aid and assistance as may be necessary to handle the accounts.

(B) Grounds, Facilities and Security Committee:

(1) With Management, develop and maintain realistic standards to provide guidance in regard to the committee's goals and objectives as set forth herein, and recommend to the Board of Directors adoption of the standards and annual updates.

(2) Provide Management with member feedback regarding matters of common property landscaping, including prioritization of approved future projects, maintenance and repair of all buildings, both interior and exterior, and security.

(3) Recommend to the Board of Directors and Management modifications, as appropriate, to the community security program.

(4) Manage the Crisis Response ad hoc Committee as they report to the Board of Directors through this committee.

(5) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

(6) Advise the Board as to any material alteration or substantial improvement to the Common Property.

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(C) House & Member Services Committee:

(1) With Management, develop and maintain realistic standards to provide guidance in regard with House & Member Services goals and objectives as set forth herein and recommend to the Board of Directors adoption of the standards and annual updates.

(2) Provide Management with member feedback regarding the food and beverage operations, social activities and entertainment within the community.

(3) Advise Management, and the Board of Directors when appropriate, on matters concerning the food and beverage operations, social activities and entertainment within the community.

(4) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

(D) Golf & Green Committee:

(1) With Management, develop and maintain realistic golf course maintenance and operational standards to provide guidance in regard to the Golf goals and objectives as set forth herein, and recommend to the Board of Directors adoption of the standards and annual updates.

(2) Advise Management, and the Board of Directors when appropriate, on matters regarding:

i. Programming of golf events for members and guests

ii. Promulgation of the golf playing rules

iii. Maintenance of the golf handicap program

iv. Maintenance and playing condition of the golf course

(3) Provide management with member feedback regarding all golf operations and programs, the playing condition of the golf course and lakes.

(4) Where appropriate, assist the Strategic Planning Committee and management in updating and implementing elements of the Strategic Plan.

(E) Communications & Information Technology Committee:

(1) Maintain and enhance the quality and quantity of communications and information services hardware and software to the Stonebridge Community.

(2) With Management, develop and support strategies to enhance communication across the disciplines and overall general communication among current and potential members.

(3) Promote increased communication with our membership.

(4) Provide Management with member feedback regarding expectations and experience of communication vehicles.

(5) Monitor external Communication and technology trends and confer with Management regarding new or upgraded systems/apps/social media outlets.

(6) When appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of Strategic Plan.

(F) Grievance Committee:

(1) Investigate all written complaints relative to any member's conduct and present its findings and recommended action to the Board of Directors.

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(2) Participate in all grievance hearings conducted by the Hearing Committee appointed by the Board of Directors. (Said hearings shall be closed to the public.)

(3) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

(4) Consist of five Members, three of whom shall be members of the Board of Directors.

(G) Legal and Governance Committee:

(1) Review on a regular basis the Governing Documents, with the assistance of outside counsel, as needed, to evaluate operational efficiency and effectiveness and recommend improvements and modifications of same; communicate recommended changes to the Board of Directors for review and approval and assist Management to disseminate to the Members for approval, as needed.

(2) Engage the designated outside counsel with the approval of the Board of Directors on legal matters pertaining to the operation of the Association.

(3) Review any proposed Association policy changes for consistency with Florida Statutes and the Governing Documents. If needed, work with the policy change requestor to adjust the proposed policy language to comply with Florida Statutes and/or Governing Document.

(4) Act as the focal point for all Good Governance issues for the Association.

(5) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

(H) Tennis and Fitness Committee:

(1) With Management, develop and maintain realistic standards to provide guidance in regard to the Tennis and Fitness goals and objectives and recommend to the Board of Directors adoption of the standards and annual updates.

(2) Advise Management, and the Board of Directors when appropriate, on matters regarding:

i. Tennis program and facilities

ii. Fitness program and facilities

iii. Club swimming pool.

(3) Provide Management with member feedback regarding the tennis and fitness programs and facilities and the club swimming pool.

(4) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

(I) Strategic Planning Committee:

(1) Conduct annual review of the Association Strategic Plan (SP) and action plans and recommend updates, as needed, to the Board of Directors to maintain the SP as a “living document”.

(2) Conduct annual review of Association Vision and Mission statements to ensure that they continue to reflect current strategic direction and recommend updates, as needed, to the Board of Directors.

(3) Recommend to Board regular surveys of members, monitoring their results, to ensure that strategic direction and SP address the goals and objectives of members.

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(4) Recommend to Board regular communications to members of all aspects of strategic planning and changes in mission, vision or strategic direction.

(5) Monitor external environment for changes in trends that might affect strategic direction of Association and other similar organizations and communicate these changes to the Board.

(J) Community Standards Committee:

(1) Conduct necessary inspections, initiate and implement appropriate enforcement to consistently maintain the established community standards.

(2) Where appropriate, assist the Strategic Planning Committee and Management in updating and implementing elements of the Strategic Plan.

5.17 Emergency Powers. The Board of Directors, in response to damage caused by an event for which a state of emergency is declared pursuant to Section 252.35, Florida Statutes, in the area encompassed by the Association, may exercise the following powers:

(A) Conduct Board of Directors meetings and membership meetings after notice of the meetings is given in as practicable a manner possible, including via publication, radio, United States mail, the Internet, public service announcements, and conspicuous posting on the Common Area or any other means the Board of Directors deems reasonable under the circumstances.

(B) Cancel and reschedule any Association meeting.

(C) Designate assistant Officers persons who are not Directors. If the executive Officer is incapacitated or unavailable, the assistant Officer has the same authority during the state of emergency as the executive Officer he or she assists.

(D) Relocate the Association's principal office or designate an alternative principal office.

(E) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(F) Implement a disaster plan before or immediately following the event for which a state of emergency is declared, which may include, but is not limited to, shutting down or off elevators, electricity, water, sewer, security systems or air conditioners for Association buildings.

(G) Based upon the advice of emergency management officials or upon the advice of licensed professionals retained by the Board of Directors, determine any portion of the Common Area unavailable for entry or occupancy by Owners, family members, tenants, guests, agents, or invitees to protect the health, safety, or welfare.

(H) Based upon advice of emergency management officials or upon the advice of licensed professionals retained by the Board of Directors, determine whether the Association property can be safely inhabited or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the Declaration.

(I) Mitigate further damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the Common Area.

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(J) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the Declaration or other recorded Governing Documents, levy Special Assessments without a vote of the Owners.

(M) Without Owners' approval, borrow money and pledge Association assets as collateral to fund emergency repairs and carry out the duties of the Association if operating funds are insufficient. This paragraph does not limit the general authority of the Association to borrow money, subject to such restrictions contained in the Declaration or other recorded Governing Documents.

The authority granted under this Section 5.17 and Section 720.316 of the Act shall be limited to that time reasonably necessary to protect the health, safety, and welfare of the Association and the Owners and their family members, tenants, guests, agents, or invitees, and to mitigate further damage and make emergency repairs.

6. OFFICERS:

6.1 Officers and Elections. The executive officers of the Association shall be a President, Vice President, Treasurer and a Secretary, all of whom shall be Directors. All officers shall be elected annually by the Board of Directors. The Board of Directors may remove any officer at any time with or without cause. Any person may hold 2 or more offices, except that the President shall not simultaneously serve as the Secretary or the Treasurer. The Board of Directors may, from time to time, appoint such other officers, and designate their powers and duties, as the Board of Directors deems appropriate to manage the affairs of the Association. If the Board of Directors so determines, there may be more than one Vice-President. An officer may resign at any time by delivering written notice to the Board of Directors or the Association. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Board of Directors accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date of the pending vacancy. An officer charged by information or indictment with a felony theft or embezzlement offense involving the Association's funds or property is removed from office. The Board of Directors shall fill the vacancy according to general law until the end of the period of the suspension or the end of the officer's term of office, whichever occurs first. However, if the charges are resolved without a finding of guilt or without acceptance of a plea of guilty or nolo contendere, the officer shall be reinstated for any remainder of his or her term of office. A Member who has such criminal charges pending may not be appointed or elected to a position as an officer.

6.2 President. The President shall be the Chief Executive Officer of the Association and shall:

- (A) Act as presiding officer at all meetings of Members of the Association and of the Board of Directors.
- (B) Call special meetings of the Board of Directors.
- (C) Sign, with the Secretary or Treasurer, if the Board of Directors so required, all checks, contracts, promissory notes, leases, subleases, and other instruments on behalf of the Association, except those, which the Board of Directors specifies, may be signed by other persons.

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(D) With the Vice-President, Secretary and Treasurer, as well as any other members or outside professionals as may be of assistance, carry out the Board's policy regarding evaluation and compensation of the General Manager.

(E) Perform all acts and duties usually required of a chief executive to ensure that all orders and resolutions of the Board of Directors are carried out.

(F) Act as an ex-officio member of all committees, and render an annual report at the Annual Meeting of the Members.

6.3 Vice-President. The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. The Vice President also shall assist the President generally, and exercise other powers and perform other duties as shall be prescribed by the Board of Directors.

6.4 Secretary. The Secretary shall have the following duties and responsibilities:

(A) Attend all regular and special meetings of the Members and the Board of Directors and keep all records and minutes of proceedings thereof or cause the same to be done.

(B) Have custody of the corporate seal and affix the same when necessary or required.

(C) Attend to all correspondence on behalf of the Board of Directors, prepare and serve notice of meetings, and keep membership books.

(D) Have custody of the minutes book of the meetings of the Board of Directors and Members, and act as transfer agent of the corporate books.

6.5 Treasurer. The Treasurer shall:

(A) Receive monies as shall be paid into his or her hands for the account of the Association and disburse funds as may be ordered by the Board of Directors, taking proper vouchers for disbursements, and be custodian of all contracts, leases, and other important documents of the Association which he or she shall keep safely deposited.

(B) Supervise the keeping of accounts of all financial transactions of the Association in books belonging to the Association, and deliver the books to his successor.

(C) Prepare and distribute to all of the members of the Board of Directors prior to each annual meeting, and whenever else required, a summary of the financial transactions and condition of the Association from the preceding year.

(D) Make a full and accurate report on matters and business pertaining to his or her office to the Members at the Annual Meeting, and make all reports required by law.

(E) Be the Chairman of the Finance Committee.

The Treasurer may have the assistance of an accountant or auditor, who shall be employed by the Association. In the event the Association enters into a management agreement, it shall be proper to delegate any or all of the Treasurer's functions to the management agent as deemed appropriate by the Board of Directors.

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

7.1 Depository. The Association shall maintain its funds in such financial institutions authorized to do business in the State of Florida as shall be designated from time to time by the Board of Directors. Funds may be deposited in checking and savings accounts, certificates of deposit, U.S. Treasury bills and money market accounts with an investment firm or firms, all in accordance with resolutions of the Board of Directors. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board of Directors.

7.2 Budget. The Board of Directors shall adopt a budget of common expenses for each fiscal year. The proposed budget shall reflect the estimated revenues and expenses for that year by categories, as well as the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities.

7.3 Reserves for Capital Expenditures and Deferred Maintenance. In addition to annual operating expenses, the proposed budget may include reserve accounts for capital expenditures and deferred maintenance with respect to the Common Area. Unless the Members vote to provide reserve accounts, reserves which the Board of Director includes in the Association's budget shall be deemed "non-statutory".

7.4 Assessments. Regular annual Assessments based on the adopted budget shall be paid either quarterly or annually, as determined by the Board of Directors. Failure to send or receive notice of Assessments shall not excuse the obligation to pay. If an annual budget has not been adopted at the time the first installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last installment and shall be continued at such rate until a budget is adopted and pro rata Assessments are calculated, at which time any overage or shortage shall be added or subtracted from each Unit's next due installment.

7.5 Special Assessments. Special Assessments may be imposed by the Board of Directors to the extent permitted by the Declaration. A Special Assessment may not be levied at a Board of Directors meeting unless a written notice of the meeting is provided to each Member at least 14 days before the meeting, which notice includes a statement that Special Assessments will be considered at the meeting and the nature of the Special Assessments. Written notice of any meeting at which Special Assessments will be considered must be mailed, delivered, or electronically transmitted (to the extent permitted by law) to the Members and posted conspicuously in Stonebridge Country Club or broadcast on closed-circuit television not less than 14 days before the meeting.

7.6 Fidelity Bonds. The Association shall maintain insurance or a fidelity bond for all persons who control or disburse Association funds. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this Section 7.6, the term "persons who control or disburse Association funds" includes, but is not limited to, persons who are authorized to sign checks on behalf of the Association, and the President, Secretary and Treasurer. The Association shall bear the cost of any insurance or bond.

7.7 Financial Reporting. Within 90 days after the end of the fiscal year, the Association shall prepare and complete, or contract with a third party for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the Association or received from the third party, but not later than 120 days after the end of the fiscal year, the

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Association shall mail or hand deliver to each Member a copy of such report or a written notice that a copy of the report is available upon request at no charge to the Member. The financial report shall be prepared in accordance with Section 720.303(7) of the Act. If approved by a majority of the Voting Interests present at a properly called Members' meeting, the Association shall prepare or cause to be prepared a financial report that is less rigorous than otherwise required by the Act. If approved by a majority of the Voting Interests, the Association shall prepare or cause to be prepared a financial report that is more rigorous than otherwise required by the Act.

7.8 Fiscal Year. The fiscal year shall be October 1st through September 30th unless modified by the Board of Directors.

8. RULES AND REGULATIONS: The Board of Directors may, from time to time, adopt and amend Rules and Regulations subject to any limits contained in the Declaration. Written notice of any meeting at which Rules and Regulations that regulate the use of Units may be adopted, amended, or revoked must be mailed, delivered, or electronically transmitted (to the extent permitted by law) to the Members and posted conspicuously in Stonebridge Country Club or broadcast on closed-circuit television not less than 14 days before the meeting.

9. COMPLIANCE AND DEFAULT; REMEDIES: In addition to the remedies provided elsewhere in the Declaration, the following provisions shall apply:

9.1 Obligations Of Members; Remedies At Law Or In Equity; Levy of Fines and Suspension Of Use Rights.

(A) Each Member and the Member's tenants, guests and invitees, are governed by, and must comply with the Act and the Governing Documents. Actions at law or in equity, or both, to redress the alleged failure or refusal to comply with the Governing Documents may be brought by the Association or by any Member against:

- (1) The Association;
- (2) A Member;
- (3) Any Director or officer who willfully and knowingly fails to comply with the provisions of the Act and the Governing Documents; and
- (4) Any tenants, guests, or invitees occupying a Unit or using the Common Area.

The prevailing party in any such litigation is entitled to recover reasonable attorney's fees and costs. This section does not deprive any person of any other available right or remedy. Certain disputes must be submitted to dispute resolution procedures conducted by the Division as more particularly set forth in Section 720.311 of the Act.

The procedures set forth below are supplemented by the "Grievance Process" adopted by the Board of Directors and any other applicable Rules and Regulations.

(B) The Association may levy reasonable fines against any Member or any Member's tenant, guest or invitee for the failure of the Owner of a Unit or its occupant, licensee, or invitee to comply with any provision of the Governing Documents. The fine shall be in an amount deemed necessary by the Board of Directors to deter future violations, but in no event shall any fine exceed the maximum amounts allowed by law. Fines shall not be secured by a lien against a Unit unless permitted by the Act.

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(C) The Association may suspend, for a reasonable amount of time, the right of a Member, or a Member's tenant, guest or invitee, to use the Common Area and facilities, for the failure of the Owner of the Unit or its occupant, licensee or invitee to comply with any provision of the Governing Documents. Suspension of such use rights may not prohibit an Owner or tenant of a Unit from having vehicular and pedestrian ingress to and egress from the Unit, including, but not limited to, the right to park. However, the Association may deactivate the gate entry mechanism (e.g., access sticker, code or transponder) otherwise provided to Owners and require entry to Stonebridge Country Club in the same manner as a non-Owner.

(D) A fine or suspension pursuant to subsections (B) and (C) above levied by the Board of Directors may not be imposed unless the Board of Directors first provides at least 14 days' notice to the Owner and, if applicable, any occupant, licensee or invitee of the Owner to be fined and opportunity for hearing before a committee of at least 3 Members appointed by the Board of Directors who are not officers, Directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, Director or employee (the "Hearing Committee"). If the Hearing Committee, by majority vote, does not approve the fine or suspension, the proposed fine or suspension may not be imposed. The role of the Hearing Committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board of Directors. If the proposed fine or suspension levied by the Board of Directors is approved by the Hearing Committee, the fine payment is due 5 days after the date of the hearing of the Hearing Committee at which the fine is approved.

(E) If a Member is more than 90 days delinquent in paying any fee, fine or other monetary obligation due to the Association, the Association may suspend the rights of the Member, or the Member's tenant, guest, or invitee, to use the Common Area and facilities until the fee, fine or other monetary obligation is paid in full. The foregoing does not apply to that portion of the Common Area used to provide access or utility services to the Unit. A suspension may not prohibit an Owner or tenant of a Unit from having vehicular and pedestrian ingress to and egress from the Unit, including, but not limited to, the right to park. The Association may deactivate the gate entry mechanism (e.g., access sticker, code or transponder) otherwise provided to Owners and require entry to Stonebridge Country Club in the same manner as a non-Owner. The notice and hearing requirements under subsection (D) above do not apply to a suspension imposed under this subsection (E).

(F) The Association may suspend the voting rights of a Unit or Member for the nonpayment of any fee, fine or other monetary obligation due to the Association that is more than 90 days delinquent. The suspension ends upon full payment of all obligations currently due or overdue the Association. A Voting Interest or consent right allocated to a Unit or Member which has been suspended by the Association shall be subtracted from the total number of Voting Interests in the Association, which shall be reduced by the number of suspended Voting Interests when calculating the total percentage or number of all Voting Interests available to take or approve any action, and the suspended Voting Interests shall not be considered for any purpose, including but not limited to, the percentage or number of Voting Interests necessary to constitute a quorum, the percentage or number of Voting Interests required to conduct an election, or the percentage or number of Voting Interests required to approve an action under the Act or pursuant to the Governing Documents. The notice and hearing requirements under subsection (D) above do not apply to a suspension imposed under this subsection (F).

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(G) All suspensions imposed pursuant to subsections (E) and (F) above must be approved at a properly noticed meeting of the Board of Directors. Upon approval, the Association must notify the Owner, and, if applicable, the Unit's occupant, licensee or invitee by mail or hand-delivery.

(H) The suspensions permitted by subsections (C), (E) and (F) above apply to a Member and, when appropriate, the Member's tenants, guests or invitees, even if the delinquency or failure that resulted in the suspension arose from less than all of the multiple Units owned by such Member.

9.2 Availability of Remedies. Each Member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of violations regardless of the harshness of the remedy utilized by the Association and regardless of the availability of other legal remedies. It is the intent of all Members to give the Association methods and procedures which will enable it to operate on a businesslike basis, to collect those monies due it and to preserve the majority's right to enjoy the community free from unreasonable restraint and annoyance.

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

10.1 Proposal. Amendments to these Bylaws may be proposed by the Board of Directors.

10.2 Procedure. If the Board of Directors proposes an amendment that must be approved by the Members, it shall be submitted to a vote of the Members not later than the next Annual Meeting for which proper notice can be given. If the proposed amendment does not require membership approval, the Board of Directors may adopt it at a duly noticed and posted Board of Directors' meeting.

10.3 Amendments Adopted by the Board of Directors. The Board of Directors may amend these Bylaws in its sole and absolute discretion from time to time if such amendment is:

(A) Necessary to bring any provisions hereof into compliance with any applicable governmental statute, rule or judicial determination.

(B) Necessary to enable any reputable title insurance company to issue title insurance coverage on the Units.

(C) Required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Units.

(D) Necessary to enable any governmental agency or reputable provide insurance company to insure mortgage loans on the Units; or

(E) For any other purpose, provided the amendment has no material and adverse effect upon the rights of any Member (unless the Member consents to the amendment).

10.4 Vote Required for Member Approved Amendment. Other than those amendments that may be adopted by the Board of Directors, as set forth in Section 10.3 above, amendments must be approved by a majority of the Voting Interests who are present (in person or by proxy) and voting at any Annual or Special Members' meeting at which a quorum has been established, provided that prior notice of the

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proposed amendment has been given to the Members. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

10.5 Certificate; Recording. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Bylaws, which certificate shall be in the form required by law and shall be executed by the President or Vice-President 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.

11. ELECTION OF NEIGHBORHOOD COMMITTEES:

11.1 Neighborhood Committees and Neighborhood Meetings. The Neighborhood Committees shall annually convene meetings for the purpose of electing successor Neighborhood Committees. The presence in person or by proxy of 30% of the Members who reside in a Neighborhood at its Neighborhood Meeting shall constitute a quorum. The number of members on each Neighborhood Committee shall not be less than 3 nor more than 5. A Neighborhood Committee shall advise the Board of Directors on matters affecting that Neighborhood. The Neighborhood Committee shall be advisory only and shall have no power to act on behalf of the Association, the Members, or Owners of Units in that Neighborhood.

11.2 Neighborhood Budget. Each Neighborhood Committee shall, a minimum of 90 days prior to the beginning of each fiscal year, submit a budget for Neighborhood Expenses to the Board of Directors.

12. OFFICIAL RECORDS.

12.1 Maintenance of Official Records. The Association shall maintain all of the following items, if applicable, that are required to be maintained as “official records” pursuant to Section 720.306 of the Act:

(A) Copies of any plans, specifications, permits and warranties related to improvements constructed on the Common Areas or other property that the Association is obligated to maintain, repair or replace.

(B) A copy of the Association’s Bylaws and each amendment thereto.

(C) A copy of the Articles of Incorporation and of each amendment thereto.

(D) A copy of the Declaration and each amendment thereto.

(E) A copy of the current Rules and Regulations.

(F) The minutes of all meetings of the Board of Directors and the Members, which minutes must be retained for at least 7 years.

(G) A current roster of all Members and their mailing addresses and Unit identifications. The Association shall also maintain the electronic mailing addresses and the numbers designated by Members for receiving notice sent by electronic transmission of those Members consenting to receive notice by electronic transmission. The electronic mailing addresses and numbers provided by Owners to receive

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notice by electronic transmission shall be removed from the Association's records when consent to receive notice by electronic transmission is revoked. However, the Association is not liable for an erroneous disclosure of the electronic mail address or number for receiving electronic transmission of notices.

(H) All Association insurance policies or a copy thereof, which policies must be retained for at least 7 years.

(I) A current copy of all contracts to which the Association is a party, including, without limitation, any management agreement, lease or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of 1 year.

(J) The Association's financial and accounting records, kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least 7 years. The financial and accounting records must include:

(1) Accurate, itemized and detailed records of all receipts and expenditures.

(2) A current account and a periodic statement of the account for each Member, designating the name and current address of each Member who is obligated to pay Assessments, the due date and amount of each Assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due.

(3) All of the Association's tax returns, financial statements and financial reports.

(4) Any other records that identify, measure, record, or communicate financial information.

(K) A copy of the disclosure summary described in Section 720.401(1) of the Act.

(L) All other written records of the Association not specifically included in the foregoing which are related to the Association's operations.

Except as otherwise provided above and by the Act, all official records must be retained in the State of Florida for at least 7 years. The Association may elect to maintain records in excess of the time periods required by the Act if deemed desirable by the Board of Directors.

12.2 Access to Official Records. The Association's official records are open to inspection by any Owner for inspection and copying within 45 miles of Stonebridge Country Club or within Collier County within 10 business days after receipt of a written request by the Board of Directors or its designee. The Association may comply with this requirement by having a copy of the official records available for inspection or copying in Stonebridge Country Club, or at the Association's option, by making the official records available electronically via the Internet or by allowing the official records to be viewed in electronic format on a computer screen and printed upon request. If the Association has a copy machine available where the records are maintained, it must provide Owners with copies on request during the inspection if the entire request is limited to no more than 25 pages. The Association shall allow a Member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the Association providing the Member or his or her authorized representative

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with a copy of such records. The Association may not charge a fee to a Member or his or her authorized representative for the use of a portable device. The Board of Directors may adopt reasonable Rules and Regulations regarding the frequency, time, location, notice, records to be inspected and manner of inspections, but may not require an Owner to demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit an Owner's right to inspect records to less than one 8-hour business day per month. The Association may impose fees to cover the costs or providing copies of the official records, including the costs of copying and the costs required for personnel to retrieve and copy the records if the time spent retrieving and copying the records exceeds 1/2 hour and if the personnel costs do not exceed \$20.00 per hour. Personnel costs may not be charged for records requests that result in the copying of 25 or fewer pages. The Association may charge up to 25 cents a page for copies made on the Association's copier. If the Association does not have a copy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the Association may have copies made by an outside duplicating service and may charge the actual cost of copying, as supported by vendor invoice. The Association shall maintain an adequate number of copies of the Governing Documents, to ensure their availability to Members and prospective Members. The Association's failure to provide access to official records within 10 business days after receipt of a written request submitted by certified mail, return receipt requested, creates a rebuttable presumption that the Association willfully failed to comply with Section 720.303(5) of the Act. A Member who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with Section 720.303(5) of the Act. The minimum damages are \$50.00 per calendar day up to 10 days, the calculation to begin on the 11th business days after receipt of the written request.

12.3 Official Records Exempt from Inspection and Copying. The following records shall not be accessible to Members or Owners:

(A) Any record protected by the lawyer-client privilege as described in Section 90.502, Florida Statutes and any record protected by the work-product privilege, including, but not limited to, a record prepared by an Association attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.

(B) Information obtained by the Association in connection with the approval of the lease, sale or other transfer of a Unit.

(C) Personnel records of Association or management company employees, including, but not limited to, disciplinary, payroll, health and insurance records. For purposes of this subsection (C), the term "personnel records" does not include written employment agreements with an Association or management company employee, or budgetary or financial records that indicate the compensation paid to an Association or management company employee.

(D) Medical records of Owners or community residents.

(E) Social security numbers, driver's license numbers, credit card numbers, electronic mailing addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses for an Owner other than as provided for Association notice requirements, and other personal identifying information of any person (excluding the person's name, Unit designation, mailing address, property

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address, and any address, e-mail address or facsimile number provided to the Association to fulfill the Association's notice requirements. Notwithstanding the restrictions in this subsection (E), the Association may print and distribute to Owners a directory containing the name, Unit address and all telephone numbers of each Owner. However, an Owner may exclude his or her telephone numbers from the directory by so requesting in writing to the Association. An Owner may consent in writing to the disclosure of other contact information described in this subsection (E). The Association is not liable for the inadvertent disclosure of information that is protected under this subsection (E) if the information is included in an official record of the Association and is voluntarily provided by a Unit Owner and not requested by the Association.

(F) Any electronic security measure that is used by the Association to safeguard data, including passwords.

(G) The software and operating system used by the Association which allows the manipulation of data, even if the Owner owns a copy of the same software used by the Association. The data is part of the Association's official records.

The Association or its authorized agent is not required to provide a prospective purchaser or lienholder with information about Stonebridge Country Club or the Association other than information or documents required by the Act to be made available or disclosed. The Association or its authorized agent may charge a reasonable fee to the prospective purchaser or lienholder or the current Owner or Member for providing good faith responses to requests for information by or on behalf of a prospective purchaser or lienholder, other than that required by law, if the fee does not exceed \$150.00 plus the reasonable cost of copying and any attorneys' fees incurred by the Association in connection with the response.

13. COMPETITIVE BIDDING.

13.1 Competitive Bidding Requirements; Contracts. All contracts as further described below or any contract that is not to be fully performed within one year after the making thereof for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes under the Act or the Governing Documents, and all contracts for the provision of services, shall be in writing. If a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association that exceeds 10% of the total annual budget of the Association, including reserves, the Association must obtain competitive bids for the materials, equipment, or services. Nothing contained herein shall be construed to require the Association to accept the lowest bid. If the Association enters into a contract or other transaction with any of its Directors or a corporation, firm, association that is not an affiliated homeowners' association, or other entity in which a Director is also a director or is financially interested, the Board of Directors must:

- (A) Comply with the requirements of Section 617.0832, Florida Statutes.
- (B) Enter the disclosures required by Section 617.0832, Florida Statutes into the written minutes of the meeting.
- (C) Approve the contract or other transaction by an affirmative vote of 2/3 of the Directors present.

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(D) At the next regular or special meeting of the Members, disclose the existence of the contract or other transaction to the Members. Upon motion of any Member, the contract or transaction shall be brought up for a vote and may be canceled by a majority vote of the Members present. If the Members cancel the contract, the Association shall only be liable for the reasonable value of goods and services provided up to the time of cancellation and shall not be liable for any termination fee, liquidated damages, or other form of penalty for such cancellation.

An officer, Director or manager may not solicit, offer to accept, or accept any good or service of value for which consideration has not been provided for his or her benefit or for the benefit of a Member or his or her immediate family from any person providing or proposing to provide goods or services to the Association. If the Board of Directors finds that an officer or Director has violated this provision, the Board of Directors shall immediately remove the officer or Director from office. The vacancy shall be filled until the end of the officer's or Director's term of office. However, an officer, Director or manager may accept food to be consumed at a business meeting with a value of less than \$250.00 per individual or a service or good received in connection with trade fairs or education programs.

13.2 Exceptions. Notwithstanding the foregoing, contracts with Association employees, and contracts for an attorney, accountant, architect, community association manager, engineering and landscape architect services are not subject to the provisions of Section 13.1 above. If a contract was awarded by competitive bidding, any renewal of that contract is not subject to such competitive bidding requirements if the contract contains a provision that allows the Board of Directors to cancel the contract on 30 days' notice. Materials, equipment or services provided to the Association under a local government franchise agreement by a franchise holder are not subject to competitive bidding requirements. A contract with a manager, if made by competitive bid, may be made for up to 3 years.

13.3 Emergency. Nothing contained in Section 13.1 above is intended to limit the ability of the Association to obtain needed products and services in an emergency.

13.4 Sole Source of Supply. Section 13.1 above shall not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within Collier County.

14. MISCELLANEOUS:

14.1 Gender. 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.

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

14.3 Headings. The heading used in these Bylaws are for reference purposes only, and do not constitute substantive matter to be considered in construing the terms and provisions hereof.

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