

BY-LAWS
LAKE AJAY HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is LAKE AJAY VILLAGE HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 7829 Greenbriar Parkway, Orlando, Florida 32819, but meetings of Members and directors may be held at such places within the State of Florida, County of Osceola, or as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association shall mean and refer to LAKE AJAY VILLAGE HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described as the attached Exhibit A.

Section 3. "Common Area" shall mean all real property (including improvements thereon) owned by the Association for the common use and enjoyment of the Owners; Declarant shall have the right, but not the obligation, to convey additional property to the Association, and upon such conveyance said property (including the improvements thereon) shall become Common Area.

Section 4. "Lot" shall mean and refer to any separate plot of land as shown upon any recorded subdivision plat of the Property, excluding the Common Area.

Section 5. "Owner" shall mean and refer to the record title owner of fee simple title to any Lot, (whether one or more persons or entities), including contract purchasers, but excluding parties holding such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Hartford Homes, Inc., and its authorized successors and assigns.

Section 7. "Declaration" shall mean and refer to this Declaration of Covenants and Restrictions for Lake Ajay Village recorded at O.R. Book 1084, Pages 461 through 486, Public Records of Osceola County, Florida, and any amendments or modifications made in accordance with the provisions hereof.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held on the first Tuesday in the Month of November next following the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on a date and reasonable time in the month of November as scheduled by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of one-fourth (1/4) of all Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of

such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or *of proxies* entitled to cast, one-third (1/3) of the total votes when combining both classes of membership, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors composed of five (5) directors, who need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect one (1) director for a term of one year, one (1) director for a term of two years and one (1) director for a term of three years; and at each annual meeting thereafter the Members shall elect a director for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association entitled to vote. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall received compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by motion to nominate made from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETINGS AND DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall continue a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section I. Powers. The Board of Directors shall have the power to:

- a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b) Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
- c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.
- d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members entitled to vote;
- b) Elect and supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c) as more fully provided in the Declaration, to:
 - 1) Fix the amount of the annual assessment against each Lot on or before November 30 of each year;

- 2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
- d) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- e) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- f) Procure and maintain adequate liability and hazard insurance on the property owned by the Association and to protect directors and officers liability insurance coverage.
- g) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- h) cause the Common Area to be maintained;
- i) cause the exterior of the dwelling to be maintained, if authorized pursuant to the Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all time be Members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. All officers shall be elected by and serve at the pleasure of the Board of Directors. The election of officers shall take place to the first meeting of the Board of Directors and at each Board of Directors meeting that follows the meeting of the annual Members meeting, thereafter.

Section 3. Term. Unless an officer shall sooner resign, or shall be removed, or otherwise disqualified to serve; officers shall serve and hold office from the date of appointment until the Board of Directors meeting following the next annual meeting of Members.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5... Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. Except as herein stated, no person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- a) **President:** The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.
- b) **Vice-President:** The vice-president shall act instead the place and of the president in the event of his absence, inability or refusal act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.
- c) **Secretary:** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.
- d) **Treasurer:** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

**ARTICLE IX
INDEMNIFICATION**

Each director and officer of the Association now or hereafter serving as such, shall be indemnified by the Association against any and all claims and liabilities to which he has or shall become subject by reason of serving of having served as such director or officer, or by reason of any action alleged to have been taken, omitted, or neglected by him as such director or officer; and the Association at its option, shall either undertake at its expenses the defense of any claims made against any officer or director or shall reimburse each such person for all legal expenses reasonably incurred by him in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of his own willful misconduct or gross negligence.

**ARTICLE X
COMMITTEES**

The Association shall appoint an Architectural Review Committee, as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**ARTICLE XI
BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII **ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid when due, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. A late charge of Twenty-Five Dollars (\$25.00) per assessment shall also be due if payment is not received within fifteen (15) days after the due date. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIII **CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: LAKE AJAY VILLAGE HOMEOWNERS ASSOCIATION, INC., A FLORIDA CORPORATION, NOT FOR PROFIT.

ARTICLE XIV **AMENDMENTS**

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy entitled to vote.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV **MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of December and end on the 30th day of November of every year, except that the first fiscal year shall begin on the date of incorporation.

As amended through 2004.