

and voting at a members' meeting at which a quorum has been established. Such vote must occur prior to the end of the fiscal year and is effective only for the fiscal year in which the vote is taken.

6.9 Fiscal Year. The fiscal year shall be the calendar year, unless modified by the Board of Directors in accordance with IRS regulations.

7. **RULES AND REGULATIONS: USE RESTRICTIONS.** The Board of Directors may, from time to time, adopt and amend administrative Rules and Regulations governing the operation of the Association and the use of the Common Elements and Condominium Property subject to any limits contained in the Declaration of Condominium. Any Rules and Regulations created and imposed by the Board must be rationally related to a legitimate Association purpose. The Rules and Regulations may not conflict with the rights of Owners as provided in the Declaration or the Condominium Act or reasonably inferable therefrom. Rules and Regulations regarding Unit use shall be adopted by the Board of Directors as set forth in Section 4.9 hereof.

8. **COMPLIANCE AND DEFAULT: REMEDIES.** In addition to the remedies provided elsewhere in the Condominium Documents, the following provisions shall apply:

8.1 Suspensions and Fines.

(A) If an Owner is delinquent more than ninety (90) days in paying a monetary obligation due to the Association, the Association may suspend the right of an Owner or a Unit's Occupant, licensee or invitee, to use Common Elements or common facilities, or any other Association Property until the monetary obligation is paid. The foregoing does not apply to Limited Common Elements intended to be used only by that Unit, Common Elements that must be used to access the Unit, utility services provided to the Unit, parking spaces or elevators. The Board of Directors may also levy reasonable fines for the failure of the Owner of the Unit, or its Occupant, licensee or invitee to comply with any provision of the Condominium Documents. The fines shall be in an amount deemed necessary by the Board to deter future violations. A fine may not exceed one hundred dollars (\$100.00) per violation, unless the Condominium Act is amended to permit a higher amount per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. However, the fine may not in the aggregate exceed one thousand dollars (\$1,000.00), unless the Condominium Act is amended to permit a higher amount for a continuing violation. A fine does not become a lien against a Unit. A fine may not be levied and a suspension may not be imposed unless the Association provides at least fourteen (14) days' written notice and an opportunity for hearing to the Owner and, if applicable, its occupant, licensee or invitee. The hearing must be held before a committee of other Owners who are neither

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Directors nor persons residing in a Director's household. If the committee does not agree with the fine or suspension, the fine or suspension may not be levied or imposed.

(B) The notice and hearing requirements set forth in (A) above do not apply to the Board of Director's imposition of a fine or suspension against an Owner or a Unit's Occupant, licensee or invitee because of failing to pay any amounts due the Association. Such fine or suspension must be imposed at a properly noticed meeting of the Board of Directors. After the imposition of such fine or suspension, the Association must notify the Owner, and, if applicable, the Unit's Occupant, licensee or invitee by mail or hand-delivery.

(C) The Association may also suspend the voting rights of a member due to non-payment of any monetary obligation due to the Association which is more than ninety (90) days delinquent. The suspension ends upon full payment of all obligations currently due or overdue the Association.

8.2 Mandatory Non-Binding Arbitration. In the event of any "dispute", as defined in Section 718.1255 Florida Statutes, between an Owner and the Association, the parties must submit the dispute to mandatory non-binding arbitration under the rules of the Division prior to filing suit in Lee County over the disputed matters.

8.3 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 Condominium Property and Association Property free from unreasonable restraint and annoyance.

9. AMENDMENT OF BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

9.1 Proposal. Amendments to these By-Laws may be proposed by the Board of Directors or by written petition to the Board signed by at least twenty-five percent (25%) of the Voting Interests.

9.2 Procedure. Upon any amendment being proposed as provided above, the proposed amendment shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can still be given. The text of the proposed amendment shall accompany the notice of meeting or the notice that a vote will occur by written consents in lieu of a meeting. A proposed amendment shall contain the full text of the language with proposed new words in the text underlined and words to be deleted