

BY-LAWS OF
BETHANY TRACE OWNERS' ASSOCIATION, INC.

(a non-profit corporation)

ARTICLE I

NAME AND LOCATION

The name of the corporation is Bethany Trace Owners' Association, Inc. The principal office of the corporation shall be located at 201 East Joel Boulevard, Lehigh Acres, Florida 33936, but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Bethany Trace Owners' Association, Inc., its successors and assigns.

Section 2. "Developer" shall mean and refer to Lehigh Corporation, a Florida corporation, and its successors and assigns.

Section 3. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements for Bethany Trace to be recorded in the Public Records of Lee County, Florida, as the same may be amended from time to time.

Section 4. "Lots" shall mean and refer to the lots as shown on the Plat and "Lot" shall mean and refer to any one of the "Lots" or an original Lot and a portion of a subdivided Lot.

Section 5. "Member" shall mean and refer to any person entitled to membership in the Association as provided in the Articles of Incorporation of the Association and the Declaration.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more

persons or entities, of a vested present fee simple title to any Lot which is a part of Bethany Trace.

Section 7. "Plat" shall mean the plats of units or phases of Bethany Trace Subdivision as from time to time recorded in the Public Records of Lee County, Florida, thereby subdividing all or portions of the Property.

Section 8. Other terms as used herein shall have the meaning as set forth and defined in Article I of the Declaration.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of Members shall be held within ninety (90) days after seventy-five (75%) percent of the Lots in Bethany Trace have been sold and conveyed by Developer, within ninety (90) days after the Developer elects to terminate its Class B membership or seven (7) years from the date of recording of the Declaration, whichever occurs first. Subsequent annual meetings of members shall be held during the same month of each year thereafter at the hour of 10:00 o'clock a.m. If the day for the annual meeting of Members is other than a business day, the meeting will be held at the same hour on the next following day which is a business day.

Section 2. Special Meetings. Special meetings of Members may be called at any time by the president or by the Board of Directors, or after seventy-five (75%) percent of the lots in Bethany Trace have been sold and conveyed, upon written request of Members who are entitled to vote one-fourth of all votes of the Class A membership and the Class A Lake membership.

Section 3. Notice of Meetings. Written notice of each meeting of Members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) but not more than thirty (30)

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 receiving notice. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting. Such notice shall include notice of any proposed amendment to the Articles of Incorporation or By-Laws to be considered at such meeting.

Section 4. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast a majority of the votes of each class of the membership then entitled to vote shall constitute a quorum for authorization of any action by such class, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these By-Laws. If a quorum is not present 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 is present.

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. Proxies shall be revocable, and the proxy of any Owner shall automatically terminate on conveyance by him of his Lot.

ARTICLE IV

BOARD OF DIRECTORS - TERM OF OFFICE; FIRST ELECTION; REMOVAL

Section 1. Number. The affairs of the Association shall be managed by not less than three (3) nor more than five (5) directors, who need not be Members of the Association.

Section 2. Term of Office. Directors shall serve two (2) year terms, provided that two (2) of the directors elected at the first annual meeting of the Members shall serve an initial one (1) year term so that thereafter no more than three (3) directors will be elected in any one year.

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 then entitled to vote on the election of directors. 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 receive 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.

ARTICLE V

BOARD OF DIRECTORS - NOMINATION AND ELECTION

Section 1. Nomination. Nomination for election to the Board of Directors shall be by nominating committee. However, nominations may also be made from the floor at any annual meeting of Members. The nominating committee shall consist of a chairman who shall be a Member of the Board of Directors and two or more Members of the Association. The committee shall be appointed by the Board of Directors prior to each annual meeting to serve from the close of such meeting until the close of the next annual meeting. 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 shall it nominate less than the number of vacancies to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot unless dispensed with by unanimous consent of those voting. At such election the Members then entitled to vote therefor 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 and Articles of Incorporation.

tion. Persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

ARTICLE VI

BOARD OF DIRECTORS - MEETINGS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the Board of Directors. Notice of regular meetings shall be given to each director, personally, by mail, telephone or telegraph, at least three (3) days prior to the day reserved for such meeting.

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 (2) directors, after not less than three (3) days' notice in the manner described in Section 1 of this Article, to each director.

Section 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting at which a quorum is present shall constitute the act or decision of the Board.

ARTICLE VII

BOARD OF DIRECTORS - POWERS AND DUTIES

Section 1. Powers. The Board of Directors shall have the power to:

(a) Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these By-Laws;

(b) Declare the office of a member of the Board of Directors to be vacant in the event that such member is absent from three (3) consecutive regular meetings of the Board of Directors;

(c) Employ independent contractors and such employees as they may deem necessary, and to prescribe their duties; and

(d) Adopt and publish rules and regulations governing the use of the Entry Monumentation, Landscaping and Signage Areas, Bethany Lake, the Lake Maintenance Area, the Park Areas, Pedestrian Ways and the Conservation Area and the Conservation Buffer Area, and their facilities including the personal conduct of the Members and their guests thereon, and to establish penalties for infraction of such rules and regulations;

(e) Determine whether a late charge should be imposed upon delinquent assessments, and if so, the amount thereof.

(f) Foreclose the lien against any Lots for which assessments are not paid within sixty (60) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

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 each annual meeting, or at any special meeting at which such a statement is requested in writing by one-fourth of the Class A Members and the Class A Lake Members entitled to vote thereat;

(b) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

(i) Fix the amount of the Annual Assessment upon the Lots shown on the Plat in advance of each assessment period;

(ii) Give notice of each assessment to every owner subject thereto in advance of each assessment period; and

(d) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The Board may impose a reasonable charge for the issuance of these certificates;

(e) Procure and maintain adequate liability insurance at the discretion of the Board but, in any event, of not less than \$100,000.00 (i) in the event of injury to one or more persons and (ii) in the event of injury to property and, at the discretion of the Board, hazard insurance;

(f) Cause all officers and employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) Cause Bethany Lake, the Lake Maintenance Area, the Park Areas and the Conservation Area and the Conservation Buffer Area to be owned, maintained, improved, preserved and operated as provided in the Declaration, and cause the Entry Monumentation, Landscaping and Signage Areas and Pedestrian Ways to be maintained, improved, preserved and operated as provided in the Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. The Officers. The officers of the Association shall be as provided in the Articles of Incorporation, together with such other officers as the Board may from time to time by resolution create. Officers need not be Members of the Association.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board. Each shall hold office for a term of one (1) year unless he shall sooner resign, or shall be removed or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board 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 may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office by the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of the 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 of the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7. Duties. The duties of the officers are as follows:

(a) **President.** The president shall be a Member of the Board of Directors; shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, deeds, and other instruments.

(b) **Vice President.** The vice president shall be a Member of the Board of Directors; shall act in the place of the president in the event of his absence, inability, or refusal to act; and shall exercise and discharge such other duties as may be required of him by the Board.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the

Association and affix it to all papers so requiring; serve notice of meetings of the Board and of Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as may be required by the Board or by law.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; shall keep proper books of account; shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each Member, and a report of which shall be given at the regular annual meeting of Members.

ARTICLE IX

COMMITTEES

(a) The Board shall appoint the Architectural Review Board ("ARB"), as provided in the Declaration, to exercise the functions delegated to it in the Declaration and as delegated by the Board in connection with review and approval of architectural plans for improvements on the Lots, and a nominating committee as provided in Article V of these By-Laws.

(b) The Board shall appoint a Lake Committee (the "LC") composed of five (5) Class A Lake Members. The LC shall propose rules and regulations governing the use of Bethany Lake, and propose penalties for infractions of such rules and regulations, for consideration of the Board of Directors.

(c) The Board of Directors may appoint such other committees as it may deem appropriate in the performance of its duties.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which shall be secured by a lien on the property against which such assessments are made. Any assessment not paid within fifteen (15) days after the same becomes due and payable shall be considered delinquent and shall bear interest as provided in the Declaration, and the Association may seek any of the remedies as provided in the Declaration.

ARTICLE XI

BOOKS AND RECORDS; INSPECTION

The books, records, and papers of the Association shall be subject to inspection by any Member during ordinary business hours. The Declaration, Articles of Incorporation and By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference:
Bethany Trace Owners' Association, Inc.

ARTICLE XIII

FISCAL YEAR

The fiscal year of the Association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31, 1994.

ARTICLE XVII

PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

ARTICLE XVIII

AMENDMENTS

These By-Laws may be amended as provided in the Articles of Incorporation. So long as Class B memberships are outstanding, FHA/VA has the right to veto any amendments to the By-Laws.

ARTICLE XIX

CONFLICTS

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