

# BYLAWS

## SOUTHBAY YACHT & RACQUET CLUB OWNERS ASSOCIATION, INC.

### ARTICLE I PRINCIPAL OFFICE

The principal office of the Corporation shall be located at the Clubhouse of the Southbay Yacht & Racquet Club Owners Association, Inc., 1400 Southbay Drive, Osprey Florida 34229.

### ARTICLE II MEMBERS

Section 1:     **Initial and Subsequent Members.** Those persons or Corporations, who presently own or hereafter acquire title to any lot or parcel in Southbay Yacht & Racquet Club hereinafter called the subdivision, shall be members.

Section 2:     **Voting Rights.** There shall only be allowed one (1) vote per unit, said vote, in event of joint ownership of a lot, to be divided equally among the joint owners thereof and cast as fractional votes, or by agreement of the joint owners, cast by one of their number.

Section 3:     **Termination of Membership.** Whenever a member ceases to become an owner of a lot in the Subdivision his membership shall then and there automatically terminate.

Section 4:     **Transfer of Membership.** Membership in this Corporation is not transferable or assignable.

### ARTICLE III MEETING OF MEMBERS

Section 1:     **Annual Meeting.** An Annual Meeting of the members shall be held at the office of the Corporation during the month of November of each year, on a day to be determined by the Board of Directors for that year. The meeting may begin at any hour not earlier than 10:00 a.m. nor later than 8:00 p.m. on that day as designated by the Board of Directors. If the day fixed for the Annual meeting shall be a legal holiday in the State of Florida, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any Annual Meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a Special meeting of the members as soon thereafter as conveniently may be.

Section 2:     **Special Meetings.** Special meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth of the members having voting rights.

Section 3:     **Place of Meetings.** The Board of Directors may designate any place within Sarasota County Florida, as the place of Meeting for any Annual or Special Meeting, and if no such designation is made, such meeting shall take place at the office of the Corporation, Sarasota County, Florida.

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Section 4:       **Notice of Meetings.** Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) days, nor more than fifty (50) days before the day of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a Special meeting, or when required by Statute, or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 5:       **Informal Action by Members.** Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the voting interest, in person or by proxy, entitled to vote with respect to the subject matter thereof.

Section 6:       **Quorum.** A quorum for any membership meeting shall be at least 108 of the total voting interests of the Association. If a quorum is not present at any meeting of members, a majority of members present may adjourn the meeting from time to time without further notice.

Section 7:       **Proxies.** At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized Attorney-in-Fact. No proxy shall be valid after ninety (90) days from the date of its execution unless otherwise provided in the proxy.

Section 8:       **Voting by Mail.** Where Directors or Officers are to be elected by members or any class of classes of members, such election may be conducted by mail in such a manner, as the Board of Directors shall determine.

Section 9:       **Conduct of Meetings.** Annual Meetings, Special Meetings of the membership and meetings of the Board of Directors are to be conducted in accordance with Robert's Rules of Order.

**ARTICLE IV**  
**BOARD OF DIRECTORS**

Section 1:       **General Powers.** The affairs of the Corporation shall be managed by its Board of Directors. Said Board shall have and execute all powers necessary to accomplish its duties and obligations relative to the Corporation and the Subdivision. The Directors shall be members or spouses of member of the Corporation.

Section 2:       **Number, Tenure, and Qualifications.** The number of Directors of the Corporation shall be nine (9), who shall be elected at the Annual meeting of the Corporation, the candidates receiving plurality of the votes cast to be the duly elected Directors of the Corporation. Thereafter, the Directors shall be elected as follows: Five (5) to be elected to a two-year term at the Annual Meeting held in the even numbered years; Four (4) to be elected at the Annual Meeting held in the odd numbered years.

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Each Director thereafter, unless earlier removed from office by a majority of the members for misfeasance or malfeasance at a Special meeting of the members called for that purpose, shall hold office for a period beginning on the first Tuesday following the first Monday of the month of January following the Annual Meeting of the Corporation and ending on the first Monday of the month of January of the Year in which his or her term ends.

**Section 3: Regular Meetings:** A regular Annual Meeting of the Board of Directors shall be held without further notice than by this Bylaw at the office of the corporation at 9:00 a.m. on the first day of its term of office.

**Section 4: Special Meetings:** Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call Special meetings of the Board may fix any place within Sarasota County, Florida, as the place for holding any Special Meeting of the Board called by them.

**Section 5: Notice:** Notice of any Special meeting of the Board of Directors shall be given at least ten (10) days previous thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mails in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

**Section 6: Quorum:** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

**Section 7: Manner of Acting:** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law or by these Bylaws.

**Section 8: Vacancies:** Any vacancy in the Board of Directors and any Directorship to be filled by reason of death, disability, resignation or removal shall be filled through election by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

**Section 9: Compensation:** Directors shall not receive any compensation for acting as such, but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

**Section 10: Fining Provision:** The Board of Directors may levy a fine against a Lot Owner, not to exceed the maximum amount permitted by law, for each violation by the owner, or his or her tenants, guests or visitors, of the Covenants, Articles, Bylaws, or Rules or Regulations, and a separate fine for each repeat or continued violation, up to a maximum of \$2500.00 per violation

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provided, however, written notice of the nature of the violation and an opportunity to attend a hearing shall be given prior to the levy of the initial fine. No written notice or hearing shall be necessary for the levy of a separate fine for repeat or continued violations if substantially similar to the initial violation for which notice and a hearing was provided. The Board of Directors shall have the authority to adopt rules, regulations and policies to fully implement its fining authority.

The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

1. A statement of the date, time and place of the hearing;
2. A statement of the provisions of the Declaration, Association Bylaws, or Association Rules which have allegedly been violated; and
3. A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an reasonable opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be conducted before a panel of three (3) Lot Owners appointed by the Board, none of whom may then be serving as a director, officer or employee of the Association, or be a spouse, parent, child, brother, or sister of an officer, director, or employee. If the panel, by majority vote, which may be taken by secret ballot, does not agree with the fine, it may not be levied. The minutes of the hearing shall contain a statement of the results of the hearing, and the fine, if any, that was imposed.

The lot owner shall be liable for all attorney fees and costs incurred by the Association incident to the levy or collection of the fine, including but not limited to attendance at the hearing and foreclosure of the lien. Any partial payments received by the Association shall be first applied against attorney fees, then costs, then the unpaid fines.

**Section 11.** **Conduct of Meetings:** Board members may participate in a meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, such as audio, and/or video communication.

**ARTICLE V**  
**OFFICERS**

**Section 1:** **Officers.** The Officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer, and such other Officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other Officers, including one or more vice-presidents, one or more Secretaries, and one or more assistant Treasurers as it shall deem desirable, such Officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**Section 2:** **Election and Term of Office.** The officers of the Corporation shall be elected annually by the Board of Directors at the regular Annual Meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. The Officers or their successors as elected by the Board of Directors

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shall serve until the first Monday in the month of January of the second year following the year of their election. New offices may be created and filled at any meeting of the Board of Directors.

**Section 3: Removal.** Any Officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

**Section 4: Vacancies.** Vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**Section 5: President.** The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the members and of the Board of Directors and shall execute any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by Statute to some other officer or agent of the Corporation: and, in general, he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

**Section 6: Vice President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice President (or, in the event there be more than one Vice President, the Vice Presidents in order of their election), shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all restrictions upon the President. Any Vice President shall perform such other duties as, from time to time, may be assigned to him by the President or by the Board of Directors.

**Section 7: Treasurer.** The Treasurer, and all other persons authorized to sign checks for the Corporation are to be bonded in such sum and with such surety or sureties, as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors

**Section 8: Secretary.** The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provision of these Bylaws or as required by law; be custodian of the Corporate records and of the Seal of the Corporation and see the Seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its Seal is duly authorized in accordance with the provision of these Bylaws; keep a register of the post office address of each member which shall be furnished to the Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

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Section 9: **Assistant Treasurers, and Assistant Secretaries.** If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer of the Secretary or by the President of the Board of Directors.

Section 10: **Compensation.** Officers of the Corporation shall not receive any compensation for acting as such, but nothing herein contained shall be construed to preclude any officer from serving the Corporation in any other capacity and receiving compensation therefore.

**ARTICLE VI**  
**COMMITTEES**

Section 1: **Directors:** It is required that at least one member of the Board of Directors serve on the Grounds, House, Irrigation, Marina and Architectural Review Committees as Chair or as Board Liaison. The President may, at his/her discretion, appoint a Director to serve on a committee other than those listed above.

Section 2: **Other Committees.** Other committees than those listed in Section 1, may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association and the President shall appoint the chair thereof.

Section 3: **Term of Office.** Each member of a committee shall continue as such until the first Monday of the month of January of the year following the year of his or her appointment, unless the committee shall sooner be terminated, or unless some member shall be removed from the committee by the person or persons authorized to appoint such member, or unless such member shall cease to qualify as a member thereof.

Section 4: **Chairman.** One member of each committee shall be appointed Chairman by the person or persons authorized to appoint the members thereof.

Section 5: **Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6: **Quorum.** Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7: **Rules.** Each committee may adopt rules for its own government not inconsistent with these Bylaws or with the rules adopted by the Board of Directors.

**ARTICLE VII**  
**CONTRACTS, CHECKS, DEPOSITS**  
**AND FUNDS**

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**Section 1: Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general, or confined to specific instances. Notwithstanding the provisions of this section or any other section of these Bylaws, the Board of Directors is prohibited from borrowing or spending more than five percent (5%) of the total budgeted expenses, excluding depreciation expenses, included in the annual budget approved by the Board of Directors in January of that year<sup>1</sup>, for a non-budgeted expenditure, except by a majority of the voting interest of the Association.

**Section 2: Checks, Drafts, etc.** All checks, drafts, or orders for the payment of money notes, or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or Assistant Treasurer, and countersigned by the President or a Vice President of the Corporation.

**Section 3: Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such Banks, Trust Companies, and other depositories as the Board of Directors may select.

**Section 4: Gifts.** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Corporation.

**ARTICLE VIII**  
**FINANCIAL AND MEMBERSHIP RECORDS**

**Section 1: Books and Records.** The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses, as such addresses are provided in Sarasota County Records, of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

**Section 2: Annual Budget.** The Board of Directors shall adopt an annual budget at the inception of each fiscal year. A copy of the annual budget shall be furnished each member of the Association.

**Section 3: Financial Report.** The Board of Directors shall mail or furnish by personal delivery to each member a copy of the final budget report for each fiscal year. The report shall show the actual amounts of receipts and expenditures for each budget account, compared to the approved budget.

**Section 4: Annual Audit.** The Board of Directors shall retain a certified public accountant to conduct annual audits of the Association's financial records, and to submit a report thereon. A copy of the accountant's report shall be maintained as part of the financial records of the Association, and copies shall be made available to members of the Association.

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**ARTICLE IX**  
**FISCAL YEAR**

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

**ARTICLE X**  
**DUES, FEES, CHARGES, ASSESSMENTS**

**Section 1: Dues and Assessments.** The Board of Directors may determine from time to time the dues, charges, fees, or assessments to be paid by the members. Said dues, charges, and assessments are to be levied in an amount and manner as to provide the corporation with sufficient funds to meet the obligations of the corporation and furnish the facilities and services to the landowners and lands of the subdivision set forth in those certain covenants and restrictions of the subdivision, a copy of which are annexed hereto.

**Section 2: Default.** When any member shall be in default of the fees, dues, charges or assessments levied pursuant to Section 1 of this article, he shall be subject to the liability for collection of same provided under the laws of the State of Florida, together with all cost of collection, including a reasonable attorney's fee.

**ARTICLE XI**  
**SEAL**

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporation Not for Profit seal 1973 Florida"

**ARTICLE XII**  
**AMMENDMENTS TO BYLAWS**

These Bylaws may be amended as follows:

- a. When the voting interest present at a duly called membership meeting is between 108 and 200 inclusive, then at least 101 affirmative action votes cast in person or by proxy shall amend the Bylaws: or
- b. When the voting interest present at a duly called membership meeting is greater than 200, then at least an affirmative vote of the majority of the votes cast in person or by proxy shall amend the Bylaws;

If at least fifteen (15) days written notice is given in advance of such meeting, of intention to alter, amend, or repeal, or to adopt new Bylaws at such meeting, except that no such action shall adversely affect the rights of third parties already vested by reason of prior authorized Corporate action.

**ARTICLE XIII**  
**SUBDIVISION COVENANTS AND RESTIRCTIONS**

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Annexed hereto is a copy of the Covenants and Restrictions for Southbay Yacht and Racquet Club. The purpose of this Association is to carry out the terms and provisions contained therein relating to the Association and to be vested with the rights, powers, and responsibilities and privileges set forth therein relative to the Association as well as those set forth in these Bylaws and the Articles of Incorporation. All provisions of these Bylaws shall be construed in accordance with forgoing.

**ARTICLE XIV<sup>2</sup>**  
**INDEMNIFICATION OF OFFICERS AND DIRECTORS**

**Section 1:** **Indemnity.** The Association shall indemnify any person serving as a director, officer, or committee member to the fullest extent permitted under Section 607.0850, Florida Statutes (2001)

**Section 2:** **Additional Indemnification.** The Indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled by law, agreement, vote of a majority of the voting interests of the members or otherwise, and shall continue as to a person who has ceased to be a director, officer, or committee member and shall inure to the benefit of the heirs and personal representatives of such person.

**Section 3:** **Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, or committee member against any liability asserted against the person and incurred by the person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify the person against such liability under the provisions of this Article. Notwithstanding anything in this Article to the contrary, the provision herein provided for indemnification shall only be applicable to the extent insurance coverage does not apply or is insufficient.

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<sup>1</sup> See 1 above.

<sup>2</sup> Added by membership vote in November 2001, recorded in Sarasota County official records instrument #2002047626 3pgs, on March 25 2002. CEAGLETO Receipt #150498.