

Jennifer L. Denby
Printed Name

[Signature]
Signature
Deborah A. Miller
Printed Name

STATE OF FLORIDA)
COUNTY OF LEE)

The foregoing instrument was acknowledged before me this 2 day of August, 2000, by Robert J. Gleason, Manager of Millennium Group of South West Florida, L.C. He is personally known to me or has produced _____ as identification and did not take an oath.

(Notary Seal)

[Signature]
Signature of Notary Public
Jennifer L. Denby
(Print, type or stamp commissioned name of Notary Public)

Commission No: _____



BYLAWS
OF
MARSHLANDING TOWNHOUSE CONDOMINIUM VII ASSOCIATION, INC.

1. **IDENTITY** - These are the Bylaws of Marsh Landing Townhouse Condominium VII Association, Inc., a non profit Florida corporation formed for the purpose of administering Marsh Landing Condominium VII which is located in Fort Myers, Lee County, Florida, upon the lands described in the Declaration of Condominium.

1.1. **OFFICE** - The office of the Association shall be at the Condominium or such other location within the County as may from time to time be determined by the Board of Directors.

1.2. **FISCAL YEAR** - The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board of Directors.

1.3. **SEAL** - The seal of the Association shall be circular in shape, bear the abbreviated name of the Association, the word "Florida."

2. **MEMBERS' MEETINGS**

2.1. **ANNUAL MEETINGS** - Annual members' meetings shall be held at the Condominium or at such other convenient location as may be determined by the Board of Directors, no later than the last Monday in August of each year, in conjunction with the election of Directors and for transacting any business authorized to be transacted by the members.

2.2. **SPECIAL MEETINGS** - Special member's meetings shall also be held whenever called by the President, Vice President or by a majority of the Board of Directors and when requested by written petition signed and dated from at least 25% of the Association voting interests. Such petition shall state the purpose(s) of the meeting. The business at any special meeting shall be limited to the items specified in the petition, and contained in the notice of the meeting. In the event that the Board of Directors adopts a budget requiring assessments exceeding 115% of the assessments for the preceding year, the Board upon written application of 10% of the voting interests shall call a special meeting of the unit owners to consider and enact an alternate budget. Members meetings to recall a member or members of the Board of Directors may be called by 10% of the Association voting interests.

2.3. **NOTICE OF MEMBERS' MEETINGS** - Notice of members meetings including a recall meeting and the annual meeting, which must include an identification of agenda items, shall be delivered or mailed to each unit owner by United States mail, unless waived in writing, at least 14 days prior to the meeting, provided however, that any election at which one or more Directors are to be elected must be noticed as provided for in Section 2.4. An officer of the Association shall execute an affidavit of mailing or delivery per F.S. 718.112(2)(d)(2) or provide a United States Postal Certificate of Mailing which shall be retained in the official records of the

Association as proof of such mailing or delivery. Written notice of the meeting shall also be posted in a conspicuous place on the condominium property at least 14 continuous days prior to the annual meeting. The Board, upon notice to unit owners shall by duly adopted rule designate a specific location on the condominium property upon which all notices of unit owner meetings shall be posted.

2.4. BOARD ELECTION MEETINGS - NOTICE AND PROCEDURE - The regular or general election shall occur at the time and place at which the annual meeting is scheduled to occur, regardless of whether a quorum is present.

2.4.1. Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each unit owner entitled to vote, the first notice of the date of the election. It must contain the name and correct mailing address of the Association. Any unit owner or other eligible person desiring to be a candidate for the board of administration must give written notice to the Association not less than 40 days before a scheduled election. Together with the written notice and agenda, the Association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 inches by 11 inches, which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information on both sides of the paper. The division shall by rule establish voting procedures consistent with the provisions contained herein, including rules providing for the secrecy of ballots. Elections shall be decided by a plurality of those ballot cast. There shall be no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the board of administration. No unit owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A unit owner who needs assistance in casting the ballot for the reasons stated in F.S.101.051 may obtain assistance in casting the ballot. Any unit owner violating this provision may be fined by the Association in accordance with F.S.718.303. The regular election shall occur on the date of the annual meeting. The provisions of this subparagraph shall not apply to timeshare condominium associations. Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the board.

2.4.2. A voting machine may also be used by those attending the meeting in person, and a unit owner who needs assistance in voting due to blindness, disability or inability to read or write may obtain assistance from a member of the Board of Administration or other unit owner but no unit owner shall permit another person to cast his ballot and any such ballots improperly cast shall be deemed invalid.

2.4.3. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a valid ballot to have a valid election and elections shall be decided by a plurality of those votes cast.

2.4.4. An election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

2.5. NOTICE - OWNERS BUDGET MEETING - Notice of a special meeting called by the Board at the written request of 10% of the owners because of a budget exceeding 115% of that of the preceding year requires not less than 10 days' written notice to each unit owner.

2.6. NOTICES SPECIFIC - All notices of meetings shall state clearly and particularly the time, place, and purpose or purposes of the meeting and shall incorporate an identification of agenda items.

2.7. QUORUM - A quorum at members' meetings shall consist of persons entitled to cast a majority of the voting interests of the entire membership. Decisions made by a majority of the voting interests represented at a meeting at which a quorum is present in person or by proxy shall be binding and sufficient for all purposes except such decisions as may be required by F.S. 718 or the documents require a larger percentage in which case the percentage required in F.S. 718 or the documents shall govern.

2.8. OWNER PARTICIPATION - Unit owners shall have the right to participate in meetings of unit owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration and manner of unit owner participation. Such rules must be adopted in advance and in written form. Any unit owner may tape record or videotape a meeting of the unit owners subject to and pursuant to Rules adopted from time to time by the Division of Florida Land Sales, Condominiums and Mobile Homes.

2.9. INDIVISIBLE VOTE - Each unit shall have one indivisible vote. If multiple owners of a unit cannot agree on a vote, the vote shall not be counted. Voting certificates are not authorized.

2.10. PROXIES - Votes may be cast in person or by proxy. Proxies shall be in writing, signed and dated and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than 90 days, and must be filed with the Secretary before or at the voter registration immediately preceding the meeting. A photographic, photostatic or equivalent reproduction of a proxy is a sufficient proxy pursuant to F.S. 607.0722. Except as specifically otherwise provided in this paragraph, or by the Condominium Act from time to time, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes. Both limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves; for votes taken to waive financial

statement requirements; for votes taken to amend the Declaration; for votes taken to amend the Articles of Incorporation or Bylaws; and for any other matter which F.S. 718 requires or permits a vote of the unit owners. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given.

2.11. NO QUORUM - If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.12. ORDER OF BUSINESS - The order of business at annual members' meetings and, as far as applicable at all other members' meetings, may be:

- (a) Election of a Chairman of the meeting, unless the President or vice President of the Association is present then he (or she) shall preside.
- (b) Collection of ballots.
- (c) Checking of signatures and unit identifications on ballot outer envelopes against the eligible voter lists.
- (d) Registering proxies and counting votes.
- (e) Proof of Notice of meeting or waiver of notice.
- (f) Calling of the roll.
- (g) Reading and disposal of any unapproved minutes.
- (h) Reports of Directors.
- (i) Reports of Committees.
- (j) Announcement of the results of the election of Directors.
- (k) Unfinished business.
- (l) New business.
- (m) Adjournment.

3. BOARD OF DIRECTORS

3.1. NUMBER, TERM, AND QUALIFICATIONS - The affairs of the Corporation shall be governed by a Board composed of not less than three (3) persons. Directors shall be members or spouses of members. All officers of a corporation, trust, partnership or other such owner shall be deemed to be members so as to be eligible for Board membership. Directors shall be elected by the Voting Interests as to regular or general elections at the time and place at which the annual meeting is scheduled to occur regardless of whether a quorum is present. Members of the Board shall be elected for three (3) years. In the event of a tie, for a designated position on the Board the tie shall be resolved by agreement of the candidates, if possible; otherwise a runoff election must be held in accordance with Rule 61B-23.0021 of the Florida Administrative Code.

3.2. TERM OF SERVICE - The term of each Director's service, except in the case of a vacancy caused by recall, shall extend until their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled in the manner provided in the Condominium Act by a majority of the voting interests. A Board member appointed by the Board to replace a recalled Board member shall fill the vacancy until the next regularly scheduled election for any position. Provided that a seat held by a Director who ceases to be an owner shall thereby automatically become vacant.

3.3. BOARD VACANCIES - Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by appointment by a majority vote of the remaining Directors; provided, however, that if a majority or more of the Board members are removed by recall the vacancies shall be filled in accordance with Rule 61B-23.0027 (if at a meeting) or with Rule 61B-23.0028 (if by written agreement), Florida Administrative Code; provided further that a Director who has been recalled by the membership may not be appointed to fill the vacancy created by his removal; and further provided that during the time that both the Developer and unit owners other than the Developer have representation on the Board, the filling of vacancies shall be in compliance with the provisions of Rule 61B-23.001(12), Florida Administrative Code. A Director elected or appointed to fill a vacancy shall be elected or appointed until the next regularly scheduled election.

3.4. REGULAR MEETINGS - Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings, unless noticed previously, shall be given to each Director personally or by mail, telephone or telecopier at least three days prior to the day named for such meeting.

3.5. SPECIAL MEETINGS - Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than three day's notice of the meeting (except in an emergency) shall be given personally or by mail, telephone or telecopier, which notice shall state the time, place and purpose of the meeting.

3.6. WAIVER OF NOTICE - Any Director may waive notice of a meeting before, at or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

3.7. NOTICE TO OWNERS - Notices of Directors meetings, and meetings of committees to make recommendations regarding the Association budget or which have the authority to take action on behalf of the Board shall be posted conspicuously on the condominium property at least 48 continuous hours in advance for the attention of unit owners, except in an emergency. The bulletin board located in the Gate House shall constitute a conspicuous place for posting of this notice. Notices shall specifically incorporate an identification of agenda items. Meetings at which a regular assessment is to be considered shall contain a statement that assessments will be considered and the nature of such assessments. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed, or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by an affidavit executed by the Secretary and filing among the official records of the Association. Upon prior notice to the unit owners, the Board shall by duly adopted rule designate a specific location on the condominium property upon which all notices of Board meetings shall be posted.

3.8. OWNER PARTICIPATION - Meetings of the Board of Directors at which a quorum of the members are present shall be open to all unit owners. The right to attend such meetings includes the right to speak with reference to all identified agenda items provided however, the Association may adopt reasonable rules governing the frequency, duration and manner of unit owner participation. Such rules must be adopted in advance and in written form. Unit owners shall have the right to tape record or videotape the meetings of the Board of Administration or Committee subject and pursuant to the Rules adopted from time to time by the Division of Florida Land Sales, Condominiums and Mobile Homes. Meetings of a committee to take final action on behalf of the Board or make recommendations to the Board regarding the Association's budget are subject to the provisions of this paragraph.

3.9. BOARD MEETINGS, QUORUM AND VOTING - A quorum for Directors' meetings shall consist of a majority of the Directors. The acts approved by a majority of Directors present at a meeting at which a quorum is present shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings, except as may be provided by the Condominium Act from time to time, and a vote or abstention for each member present shall be recorded in the minutes. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, which must be properly noticed, any business which might have been transacted at the meeting as originally called may be transacted. A member of the Board of Directors or a Committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

3.10. PRESIDING OFFICER - The presiding officer at Directors' meetings shall be the President if such an officer has been elected; and if none, then the Vice President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.11. DIRECTOR COMPENSATION - Directors shall serve without pay unless the voting interests annually authorize Director's fees, but shall be entitled to reimbursement for expenses reasonably incurred.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS - All of the powers and duties of the Association existing under the Florida Corporation Statutes, the Condominium Act, the Declaration of Condominium, the Corporate Charter, and these Bylaws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees subject only to the approval by unit owners when such is specifically required. Such powers and duties of the Directors shall include, but shall not be limited to, the following:

- 4.1. Operating and maintaining the Common Elements.
- 4.2. Determining the expenses required for the operation of the Condominium and the Association.
- 4.3. Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
- 4.4. Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property.
- 4.5. Maintaining bank accounts on behalf of the Association and designating the signatory or signatories required therefor.
- 4.6. Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.
- 4.7. Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee.
- 4.8. Selling, leasing, mortgaging or otherwise dealing with Units or property acquired, and subleasing Units leased, by the Association, or its designee.
- 4.9. Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- 4.10. Obtaining and reviewing insurance for the Condominium Property.

4.11. Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

4.12. Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

4.13. Levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners. No fine shall exceed the highest amount permitted under the Act (as it may be amended from time to time) nor shall any fine be levied except after giving reasonable notice and opportunity for a hearing to the affected Unit Owner and, if applicable, his tenant, licensee or invitee. No fine shall become a lien upon a Unit, unless permitted by the Act (as it may be amended from time to time). The Association must provide notice and an opportunity for hearing in front of a committee of other units owners which must agree with the fine or the fine may not be levied, before levying the fine against the owner of a unit or its occupant, licensee or invitee. The Association shall A) provide the party against whom the fine is sought to be levied 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; B) 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 opportunity at the hearing to review, challenge and respond to any material considered by the Association.

4.14. Purchasing or leasing Units for use by resident superintendents and other similar persons.

4.15. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed \$10,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (o) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all of the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit; provided always, however, the Association shall take no action

authorized in this paragraph without the prior written consent of the developer as long as the Developer owns any Unit.

4.16. Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

4.17. At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use (to the extent permitted by the Act).

4.18. Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit.

4.19. Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units, not to exceed the maximum amount permitted by law from time to time in any one case.

4.20. Contracting with and creating or joining in the creation of special taxing districts, joint councils and the like.

5.1. HURRICANE SHUTTERS - The Board of Directors shall adopt hurricane shutter specifications for each building within each condominium operated by the Association which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board.

5.2. EMERGENCY POWERS - The following shall apply to the extent not viewed to be in conflict with the Condominium Act:

5.2.1. In anticipation of or during any emergency defined in Section 5.2.6. below, the Board of Directors of the Association may:

(a) Name as assistant officers persons who are not Board members, which assistant officers shall have the same authority as the executive officers to whom they are assistant,

during the period of the emergency, to accommodate the incapacity of any officer of the Association; and,

(b) Relocate the principal office or designate alternative principal offices or authorize the officers to do so.

5.2.2. During any emergency defined in Section 5.2.6. below:

(a) Notice of a meeting of the Board of Directors need be given only to those Directors whom it is practicable to reach and may be given in any practicable manner, including by publication and radio;

(b) The Director or Directors in attendance at a meeting shall constitute a quorum.

5.2.3. Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association:

(a) Binds the Association; and

(b) Shall have the presumption of being reasonable and necessary.

5.2.4. An officer, director, or employee of the Association acting in accordance with any emergency By-laws is only liable for willful misconduct.

5.2.5. The provisions of these emergency By-laws shall supersede any inconsistent or contrary provisions of the By-laws for the period of emergency.

5.2.6. An emergency exists for purposes of this Section if a quorum of the Association's Directors cannot readily be assembled because of some catastrophic event.

6. OFFICERS

6.1. EXECUTIVE OFFICERS - The executive officers of the Association shall be the President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistant officers as may be desired. The executive officers shall be elected annually by the Board of Directors and may be peremptorily removed and replaced by a majority vote of the Board at any meeting. The President, Secretary and Treasurer must be members of the Board. Any person may hold two or more offices except that the President shall not also be the Secretary.

6.2. PRESIDENT - POWERS AND DUTIES - The President shall be the chief executive officer of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

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

6.4. SECRETARY - POWERS AND DUTIES - The Secretary shall keep the minutes of all proceedings of the Directors and the members; shall attend to the giving and serving of all notices to the members and Directors and other notices required by law; shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed; shall keep and have custody of the records of the Association, except those of the Treasurer; and shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

6.5. TREASURER - POWERS AND DUTIES - The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; shall keep the assessment rolls and accounts of the members; shall keep the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office of the Treasurer of a corporation.

6.6. EMPLOYEE COMPENSATION - The compensation of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.

6.7. INDEMNIFICATION - Every Director and every officer and committee member of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees through all trial and appellate levels, reasonably incurred by or imposed in connection with any proceeding, arbitration, or settlement to which such person may be a party, or in which they may become involved, by reason of being or having been a Director, officer, or committee member of the Association. Notwithstanding the foregoing, in the event of a voluntary settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement. Notwithstanding anything contained herein to the contrary, in instances where the Director, officer, or committee member admits or is adjudged guilty by a court with jurisdiction of malfeasance, misfeasance or nonfeasance in the performance of their duties, the indemnification provisions contained herein shall not apply. Otherwise, the foregoing right of indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which such Director, officer or committee member may be entitled by common law or statute.

6.8. DELEGATION - To the extent permitted by law, the powers and duties of the directors and officers may be delegated for the purpose of management.

7. MINUTES AND INSPECTION OF RECORDS - Minutes of all meetings of unit owners and of the Board of Directors shall be kept in a businesslike manner and shall be reduced to written form within thirty (30) days and these, plus records of all receipts and expenditures and all

other official records, as defined in F.S. 718.111, except those which may be exempted by the Condominium Act and/or the Rules of the Division of Florida Land Sales, Condominiums and Mobile Homes from time to time, shall be available for inspection by unit owners and Board members within five (5) working days after receipt of a written request by the Board or its designee. This provision shall be deemed to have been complied with by having a copy of the official records available for inspection or copying on the condominium or Association property. Provided, however, that the Directors may adopt, in advance and in written form, reasonable rules regarding the frequency, time, location, notice and manner of record inspections and copying.

8. FISCAL MANAGEMENT - Shall be in accordance with the following provisions:

8.1. BUDGET - A proposed annual budget of common expenses shall be prepared by the Board of Directors which shall include all anticipated expenses for operation, maintenance and administration of the Condominium including insurance and management fees, if any, and for all of the unpaid operating expenses previously incurred. It shall accrue reserves per F.S. 718.112(2)(F)(2) which may later be waived by the owners. Reserve funds and any accrued interest on the funds shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests voting in person or by limited proxy at a duly called meeting of the Association. It will contain a reasonable allowance for contingencies and provide funds for all unpaid operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year.

8.2. MAILING - A copy of the proposed annual budget shall be mailed or hand delivered, together with a meeting notice, to the unit owners not less than fourteen (14) days prior to the meeting of the directors at which the budget will be considered.

8.3. ASSESSMENTS - The shares of the unit owners of the common expenses may be made payable in installments of from one to three months in advance and shall become due on the first day of each such period and which shall become delinquent ten (10) days thereafter. The Association shall have the right to accelerate assessments of an owner delinquent in the payment of common expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed in the Public Records of Lee County, Florida, and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.

8.4. SPECIAL ASSESSMENTS AND CHARGES - Assessments and charges for expenses which are not provided for and funded in the Budget shall be made by the Board of Directors, and the time of payment shall likewise be determined by them.

8.5. ASSESSMENT ROLL - The assessments for common expenses and charges shall be set forth upon a roll of the units which shall be available for inspection at all reasonable times by unit owners. Such roll shall indicate for each unit the name and address of the owner, and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative

of or by the Board of Directors as to the status of a unit's account may be relied upon for all purposes by any person for whom made.

8.6. ACCOUNTS - All sums collected from assessments or charges shall be credited to accounts from which shall be paid the expenses for which the respective assessments or charges are made.

8.7. ASSOCIATION DEPOSITORY - The depository of the Association shall be a bank or banks or state or federal savings and loan associations or a member firm of the New York Stock Exchange with offices in Florida and as shall be designated from time to time by the Directors and in which the monies for the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

8.8. COMMINGLING OF FUNDS PROHIBITED - All funds shall be maintained separately in the Association's name. Reserve and operating funds may not be commingled for any purposes unless combined for investment purposes. No manager or business entity required to be licensed or registered under F.S. 468.432, and no agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in F.S. 468.431.

8.9. FINANCIAL REPORTS - A complete financial report of actual receipts and expenditures of the Association shall be made annually which shall comply with F.S. 718.111(13) or in lieu thereof (if required by Rule 61B-23.004 Florida Administrative Code) a complete set of financial statements. A copy of the report or the financial statements shall be furnished to each member within 60 days after following the end of the fiscal or calendar year.

8.10. FIDELITY BONDING - The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association which would include all persons who are authorized to sign checks and the President, Secretary and Treasurer of the Association. The bond called for herein shall be an amount that will be at least equal to the maximum funds that will be in the custody of the Association or its Management Agent at any one time, and in no event shall be less than the minimum required by the Condominium Act from time to time based on the maximum funds that will be in custody of the Association or its Management Agent at any one time. The Association shall bear the cost of bonding.

9. PARLIAMENTARY RULES - A parliamentary procedure such as Robert's Rules of Order uniformly applied shall govern the conduct of corporate proceedings when not in conflict with the Declaration, the Articles of Incorporation or By-Laws of the Association or with the laws of the State of Florida.

10. BY-LAW AMENDMENTS - Amendments to the By-Laws shall be adopted in the following manner:

10.1. NOTICE of the subject matter of a proposed amendment shall be included in the notice of any meeting or the text of any written agreement at which or by which a proposed amendment is considered.

10.2. PROPOSAL OF AMENDMENTS - An amendment may be proposed by either a majority of the Directors or by Twenty-five Percent (25%) of the voting interests.

10.3. ADOPTION OF AMENDMENTS - A resolution or written agreement adopting a proposed amendment must receive approval of a majority of the voting interests of the Association.

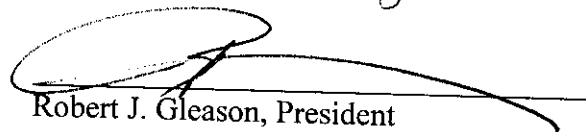
10.4. EFFECTIVE DATE - An amendment when adopted shall become effective only after being recorded according to law.

10.5. AUTOMATIC AMENDMENT - These By-Laws shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium, the Association Articles of Incorporation, or the Condominium Act as amended from time to time.

10.6. PROPOSED AMENDMENT FORMAT - Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended. New words shall be underlined and words to be deleted shall be with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BY-LAW. SEE BY-LAW NUMBER ____ FOR PRESENT TEXT."

11. MANDATORY ARBITRATION OF DISPUTES - If unresolved, disputes between the Board and unit owners as defined in F.S. 718.1255(1) must be arbitrated in mandatory non-binding arbitration proceedings as provided in the Condominium Act prior to commencing litigation.

The foregoing were adopted as the By-Laws of MARSH LANDING TOWNHOUSE CONDOMINIUM VII ASSOCIATION, INC. on this 2 day of August, 2000.


Robert J. Gleason, President