

EXHIBIT "E"

BY-LAWS

OF

SHADOW WOOD COMMUNITY ASSOCIATION, INC.

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BY-LAWS
OF
SHADOW WOOD COMMUNITY ASSOCIATION, INC.

Article I
Name, Principal Office, and Definitions

1.1. Name. The name of the corporation is Shadow Wood Community Association, Inc. (the "Association").

1.2. Principal Office. The principal office of the Association shall be located in Lee County, Florida. The Association may have such other offices, either within or outside the state of Florida, as the Board of Directors may determine or as the affairs of the Association may require.

1.3. Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that certain Declaration of Covenants, Conditions, and Restrictions for Shadow Wood filed in the Public Records, as it may be amended (the "Declaration"), unless the context indicates otherwise.

Article II
Association: Membership, Meetings, Quorum, Voting, Proxies

2.1. Membership. The Association shall have two classes of membership, Class "A" and Class "B," as more fully set forth in the Declaration, the terms of which pertaining to membership are incorporated by this reference.

2.2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as the Board may designate, either within the Properties or as convenient as possible and practical.

2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Association. Meetings shall be of the Neighborhood Representatives and shall be open to the Members. Subsequent regular annual meetings shall be set by the Board so as to occur during the third quarter of the Association's fiscal year on a date and at a time set by the Board.

2.4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Neighborhood Representatives representing at least 33% of the total Class "A" votes of the Association.

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2.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Neighborhood Representatives shall be delivered, either personally or by mail, to each Neighborhood Representative entitled to vote at such meeting, and posted or published to the membership, not less than 10 nor more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as 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 Neighborhood Representative at his address as it appears on the records of the Association, with postage prepaid.

2.6. Waiver of Notice. Waiver of notice of a meeting of the Neighborhood Representatives shall be deemed the equivalent of proper notice. Any Neighborhood Representative may, in writing, waive notice of any meeting of the Neighborhood Representatives, either before or after such meeting. Attendance at a meeting by a Neighborhood Representative shall be deemed waiver by such Neighborhood Representative of notice of the time, date, and place thereof, unless such Neighborhood Representative specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Neighborhood Representatives who are present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting, or, if, for any reason, a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Neighborhood Representatives in the manner prescribed for regular meetings.

The Neighborhood Representatives present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Neighborhood Representatives to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

2.8. Voting. The voting rights of the Members shall be as set forth in the Declaration and in these By-Laws, and such voting rights provisions are specifically incorporated by this reference.

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2.9. Proxies. Neighborhood Representatives may not vote by proxy but only in person or through their designated alternates; provided, however, any Neighborhood Representative who is only entitled to cast the vote(s) for his own Unit(s) pursuant to Section 6.4 of the Declaration may cast such vote in person or by proxy until such time as the Board first calls for election of a Neighborhood Representative to represent the Neighborhood of which the Unit is a part. On any matter as to which a Member is entitled to personally cast the vote for his Unit, such vote may be cast in person or by proxy, subject to the limitations of Florida law relating to use of general proxies and subject to any specific provision to the contrary in the Declaration or these By-Laws. Every proxy shall be in writing specifying the Unit for which it is given, signed by the Member or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Proxies shall be valid only for the specific meeting for which given and lawful adjournments of such meeting. In no event shall a proxy be valid more than 90 days after the date of the original meeting for which it was given. Every proxy shall be revocable and shall automatically cease upon conveyance of any Unit for which it was given or upon receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person.

2.10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than 50% of the total eligible number.

2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence of Neighborhood Representatives representing a majority of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association. If Neighborhood Representatives have not been established, 15% of the Members present in person or by proxy shall constitute a quorum.

2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.13. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Neighborhood Representatives may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by Neighborhood Representatives holding at least the minimum number of votes necessary to authorize such action at a meeting if all Neighborhood Representatives entitled to vote thereon were present. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the state of Florida. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Neighborhood Representatives at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall

give written notice to all Neighborhood Representatives entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

Article III

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Owners. Co-Owners of a Unit may not serve on the Board at the same time. In the case of a Member which is not a natural person, any officer, director, partner or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member.

3.2. Number of Directors. The Board shall consist of three to seven directors, as provided in Sections 3.3 and 3.5 below. The initial Board shall consist of three directors as identified in the Articles of Incorporation.

3.3. Directors During Class "B" Membership. Subject to the provisions of Section 3.5, until the expiration or termination of the Class "B" membership as provided in Section 6.3 of the Declaration, a majority of the directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member.

3.4. Nomination and Election Procedures.

(a) Nominations and Declarations of Candidacy. Prior to each election of directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position to be filled by Class "A" votes. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner.

Except with respect to directors appointed by the Class "B" Member, nominations for election to the Board may also be made by a Nominating Committee. The Nominating Committee, if any, shall consist of a Chairman, who shall be a member of the Board, and three or more Members or representatives of Members, with at least one representative from each Voting Group, if established. The members of the Nominating Committee shall be appointed by the Board not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced in the notice of each election.

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The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine. The Nominating Committee shall nominate separate slates for the directors, if any, to be elected at large by all Class "A" votes, and for the director(s) to be elected by the votes within each Voting Group. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates.

Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(b) Election Procedures. Each Neighborhood Representative may cast all votes assigned to the Units which it represents for each position to be filled from the slate of candidates on which such Neighborhood Representative is entitled to vote. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.5. Election and Term of Office. Notwithstanding any other provision of these By-Laws, not later than the expiration of the Class "B" membership, or such earlier time as may be determined by the Class "B" Member, the Board shall expand to seven directors. The President shall call for an election by which the Neighborhood Representatives shall be entitled to elect six of the seven directors, with an equal number of directors being elected by the Neighborhood Representatives representing each Voting Group, if established. Three directors with the greatest number of votes shall serve a term of two years, and the three other directors shall serve a term of one year.

So long as the Declarant owns at least five percent of the Units which may be constructed on the real property described in Exhibits "A" and "B" of the Declaration for sale in the ordinary course of business, the Declarant may appoint one of the seven directors. Thereafter, the director appointed by the Declarant shall resign and the remaining directors shall be entitled to appoint a director to serve until the next annual meeting, at which time the Neighborhood Representatives shall be entitled to elect a director to fill such position. Such director shall be elected for a term of two years.

Upon the expiration of the term of office of each director elected by the Neighborhood Representatives, the Neighborhood Representatives entitled to elect such director shall be entitled to elect a successor to serve a term of two years. The directors elected by the Neighborhood Representatives shall hold office until their respective successors have been elected.

3.6. Removal of Directors and Vacancies. Any director elected by the Neighborhood Representatives may be removed, with or without cause, by the vote of Neighborhood Representatives holding at least 67% of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by

the Neighborhood Representatives entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Neighborhood Representatives who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent in the payment of any assessment or other charge due the Association, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Neighborhood Representatives entitled to fill such directorship may elect a successor for the remainder of the term.

Any director which the Board appoints shall be selected from among Members within the Voting Group represented by the director who vacated the position.

This Section shall not apply to directors appointed by the Class "B" Member nor to any director serving as a representative of the Declarant. The Class "B" Member or the Declarant shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability or resignation of a director appointed by or elected as a representative of the Class "B" Member or the Declarant.

B. Meetings.

3.7. Organizational Meetings. The first meeting of the Board following each annual meeting of the membership shall be held within 30 days thereafter at such time and place the Board shall fix.

3.8. Regular Meetings. Regular meetings of the Board may be held at such time and place a majority of the directors shall determine, but at least one such meeting shall be held during each fiscal year. Notice of the time and place of a regular meeting shall be communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

3.9. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or Vice President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) facsimile, computer, fiber optics or other such communication device. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be

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deposited into a United States mailbox at least four business days before the time set for the meeting. Notices given by personal delivery, telephone, or other communications device shall be delivered, telephoned, or transmitted at least 72 hours before the time set for the meeting.

3.10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11. Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

3.12. Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13. Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by Neighborhood Representatives representing a majority of the total Class "A" votes in the Association at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for employment, services or supplies furnished to the Association in a management role or capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract.

3.14. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

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3.15. Notice to Owners: Open Meetings. Except in an emergency, notice of Board meetings shall be posted or published within the Properties in a conspicuous place within the Properties which the Board establishes for the posting of notices relating to the Association at least 48 hours in advance of the meeting. Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment. Subject to the provisions of Section 3.16, all meetings of the Board shall be open to all Neighborhood Representatives and all Owners, but attendees other than directors may not participate in any discussion or deliberation unless permission to speak is requested on their behalf by a director. In such case, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.16. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.17. Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these By-Laws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things which the Declaration, Articles, these By-Laws, or Florida law do not direct to be done and exercised exclusively by the Neighborhood Representatives or the membership generally.

3.18. Duties. The duties of the Board shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses and any budgets required under the Declaration;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;
- (d) designating, hiring, and dismissing the personnel, organizations, companies, and others necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such and for the purchase of equipment, supplies, and materials to be used by such in the performance of their duties;

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(e) depositing all funds received on behalf of the Association in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending Use Restrictions and Rules and Regulations governing the Association in accordance with the Declaration;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these By-Laws;

(i) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board in the exercise of its business judgment determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules and all other books, records, and financial statements of the Association as provided in Section 6.4;

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties;

(o) entering into agreements with service and utility providers for services provided to Units and the Common Area, including, without limitation, cable television, fiber-optics, and telecommunication equipment;

(p) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Florida law, the Articles of Incorporation or the Declaration;

(q) assisting in the resolution of disputes as set forth in the Declaration; and

(r) cooperating with and performing any obligations required pursuant to a Covenant to Share Costs or an agreement with one or more Community Development District(s).

3.19. Right of Declarant to Disapprove Actions. So long as the Declarant or a Builder owns any property described on Exhibits "A" or "B" of the Declaration (regardless of whether such property is submitted to the Declaration), the Declarant shall have a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Declarant, would tend to impair rights of the Declarant or Builders under the Declaration or these By-Laws, or interfere with development or construction of any portion of the Properties, or diminish the level of services being provided by the Association.

(a) The Declarant shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, which notice complies as to the Board meetings with Sections 3.8, 3.9, 3.10, and 3.11 and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting; and

(b) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

The Declarant, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, or the Board or the Association. The Declarant shall not exercise its rights hereunder to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.20. Management. The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. Any contract or management agreement entered into by the Association must be fair and reasonable; provided, however, prior to the Board terminating a management agreement, the removal or termination shall be approved by a majority of the Board and Neighborhood Representatives representing 51% of the total Class "A" votes in the Association, and the consent of the Class "B" Member, if such exists. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority or those duties set forth in Sections 3.18(a), 3.18(b), 3.18(f), 3.18(g) and 3.18(i). The Declarant or an affiliate of the Declarant may be employed as managing agent or manager.

The Board of Directors may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

3.21. Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration, commissions, or fees shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;
- (f) an annual report consisting of at least the following shall be made available to all Members within 60 days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Unit, the Association shall provide an audited financial statement. Audited financial statements shall be provided, if requested, within a reasonable period of time which may extend beyond 60 days after the close of the fiscal year.

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3.22. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, after termination of the Class "B" membership the Board shall obtain Neighborhood Representative approval in the same manner provided in Section 8.4 of the Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 50% of the budgeted gross expenses of the Association for that fiscal year.

3.23. Right to Contract. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with one or more Community Development District(s), trusts, condominiums, cooperatives, tax-exempt foundations, Neighborhood Associations, or other community associations, within and outside the Properties.

3.24. Enforcement. The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Governing Documents. Prior to the imposition of any sanction requiring notice under the Declaration, the following procedures shall apply:

(a) Notice. The Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than 14 days within which the alleged violator may present a written request for a hearing to the Board before the Covenants Committee, established pursuant to Article V; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 14 days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed if approved by the Covenants Committee; provided the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 14-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) Hearing. If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Covenants Committee in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

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(c) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. To exercise this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within 14 days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Declaration, these By-Laws, or the rules of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules) or, following compliance with the dispute resolution procedures set forth in Article XIV of the Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry onto a Unit for purposes of exercising this power of self-help shall not be deemed as trespass.

3.25. Board Standards. While conducting the Association's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a director from personal liability so long as the party claiming liability does not prove that the director failed to: (a) serve in a manner the director believes to be in the best interests of the Association and the Members; (b) serve in good faith; or (c) act with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In fulfilling its governance responsibilities, the Board's actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

Operational standards of the Board and any committee appointed by the Board shall be the requirements set forth in the Governing Documents or the minimum standards which Declarant, the Board, and the Architectural Review Committee may establish. Such standard shall, in all cases, meet or exceed the standards set by Declarant and the Board during the Class "B" membership. Operational standards may evolve as the needs and demands of Shadow Wood change.

Article IV **Officers**

4.1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such

duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the Neighborhood Representatives, to serve until their successors are elected.

4.3. Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, 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.

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. The Board may, from time to time adopt resolutions regarding the number of persons and their capacity to execute agreements, contracts, deeds, leases, checks, and other instruments of the Association. Until such a resolution is adopted, one officer or managing agent may execute agreements, contracts, deeds, leases, checks, and other instruments of the Association.

4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.13.

Article V **Committees**

5.1. General. The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution. Committees are authorized to recommend policies or recommend procedures to the Board as a collective body on behalf of the Association. Individual committee members are not authorized to carry out such policies or take action on behalf of the Association. For example, individual members are

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not empowered to randomly tour the Properties, supervise management or Association personnel, or, issue policies. Such action is inconsistent with effective community governance.

5.2. Covenants Committee. In addition to any other committees which the Board may establish pursuant to Section 5.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Members who are not officers, directors, or employees of the Association, or related by blood or marriage to any of the foregoing. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.24 of these By-Laws.

5.3. Neighborhood Committees. In addition to any other committees appointed as provided above, each Neighborhood which has no formal organizational structure or association may elect a Neighborhood Committee to determine the nature and extent of services, if any, to be provided to the Neighborhood by the Association in addition to those provided to all Members of the Association in accordance with the Declaration. A Neighborhood Committee may advise the Board on any other issue but shall not have the authority to bind the Board. Such Neighborhood Committees, if elected, shall consist of three to five Members, as determined by the Board.

Neighborhood Committee members shall be elected for a term of one year or until their successors are elected. Any director elected to the Board from a Neighborhood shall be an ex officio member of the Neighborhood Committee. The chairperson of the Neighborhood Committee shall be the Neighborhood Representative, shall preside at meetings of the Neighborhood Committee, and shall be responsible for transmitting any and all communications to the Board.

In the conduct of its duties and responsibilities, each Neighborhood Committee shall abide by the notice and quorum requirements applicable to the Board. Meetings of a Neighborhood Committee shall be open to all Owners of Units in the Neighborhood and their representatives. Members of a Neighborhood Committee may act by unanimous written consent in lieu of a meeting.

Article VI
Miscellaneous

6.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Florida law, the Articles of Incorporation, the Declaration, or these By-Laws.

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6.3. Conflicts. If there are conflicts between the provisions of Florida law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Florida law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the Governing Documents, including any amendments, the membership register, books of account, minutes of meetings of the Members, the Board, and committees, and any other document or record which under state law is an official record of the Association. The Board shall provide for such inspection to take place within 10 days of written request at the office of the Association or at such other place within Lee County as the Board shall designate.

(b) Rules for Inspection. The Board shall establish rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested and any administrative or management costs associated with providing or monitoring the inspection.

6.5. Notices. Except as otherwise provided in the Declaration or these By-Laws, all notices, demands, bills, statements, or other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a Member or Neighborhood Representative, at the address which the Member or Neighborhood Representative has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member or Neighborhood Representative; or

(b) if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6. Amendment.

(a) By Declarant. Prior to termination of the Class "B" membership, the Declarant may unilaterally amend these By-Laws for any purpose. Thereafter, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute,

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rule or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; or (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee mortgage loans on the Units; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent thereto in writing. Additionally, so long as the Declarant owns any property described on Exhibits "A" or "B" to the Declaration (regardless of whether such property is subjected to the Declaration), the Declarant may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any right of any Member.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Neighborhood Representatives representing 51% of the total Class "A" votes in the Association, and the consent of the Class "B" Member, if such exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon recordation in the Public Records, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke, or modify any right or privilege of the Declarant or the Class "B" Member without the written consent of the Declarant, the Class "B" Member, or the assignee of such right or privilege.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Shadow Wood Community Association, Inc., a Florida corporation;

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the ____ day of _____, 19__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this ____ day of _____, 19__.

_____ [SEAL]
Secretary

OR2909 P60955

CHARLIE GREEN LEE CTY, FL
98 JAN 14 AM 8:15

Upon recording, please return to:
Shadow Wood Community Association, Inc
9990 Coconut Road, Suite 102
Bonita Springs, FL 34135

INSTR # 2005000190896, Pages 10
Doc Type DOC, Recorded 12/29/2005 at 04:46 PM,
Charlie Green, Lee County Clerk of Circuit Court
Rec. Fee \$86.50
Deputy Clerk MISTENES
#1

Declaration: Book: 2909 Page: 935

AMENDMENT TO THE BY-LAWS OF
SHADOW WOOD COMMUNITY ASSOCIATION, INC.

THIS AMENDMENT ("Amendment") to the By-Laws of Shadow Wood Community Association, Inc. is made by Long Bay Partners LLC ("Declarant").

W I T N E S S E T H:

WHEREAS, on January 14, 1998, Declarant filed those certain By-Laws of Shadow Wood Community Association, Inc., recorded in Book 2909, Page 935, *et seq.*, of the Official Records of Lee County, Florida (as amended from time to time, the "By-Laws"), which By-Laws have been duly adopted by the board of directors ("Board") of Shadow Wood Community Association, Inc. ("Association"); and

WHEREAS, pursuant to Section 6.6(a) of the By-Laws, prior to termination of the Class "B" Membership, the Class "B" Member may unilaterally amend the By-Laws for any purpose; and

WHEREAS, Declarant is the Class "B" Member and the Class "B" membership has not terminated;

NOW, THEREFORE, pursuant to the powers retained by Declarant as the Class "B" Member under the By-Laws, Declarant hereby amends the By-Laws as follows:

1.

Section 2.5 of the By-Laws is hereby amended by deleting the first paragraph of such section in its entirety and replacing it with the following:

2.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Neighborhood Representatives shall be delivered, either personally, by electronic transmission, or by mail, to each

Neighborhood Representative entitled to vote at such meeting, and posted or published to the membership, not less than 14 nor more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. Failure to receive actual notice of a meeting of the Neighborhood Representatives shall not affect the validity of any action taken at such meeting.

2.

Section 2.11 of the By-Laws is hereby amended by deleting the last sentence of such section in its entirety. The amended Section 2.11 shall read as follows:

2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence of Neighborhood Representatives representing a majority of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association.

3.

Section 2.13 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

2.13. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Neighborhood Representatives may be taken without a meeting only in an emergency situation, and only if a consent in writing setting forth the action so taken is signed by Neighborhood Representatives representing two-thirds (2/3) of the total Class "A" votes in the Association. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Neighborhood Representatives at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Neighborhood Representatives entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

4.

Section 3.4 of the By-Laws is hereby amended by deleting Section 3.4 in its entirety and replacing it with the following:

3.4. Nomination and Election Procedures.

(a) Nominations and Declarations of Candidacy. Nominations for election to the Board shall be made by a Nominating Committee. The Nominating Committee shall be selected by the Neighborhood

Representatives at a meeting of the Neighborhood Representatives convened for such purpose. Such meeting shall be held at least 45 days prior to the annual meeting. The Nominating Committee shall consist of a Chairman and three or more Members who shall all be Neighborhood Representatives. Each Nominating Committee shall be dissolved immediately after the annual meeting at which the election takes place. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient, and cost-effective manner.

The Nominating Committee may make as many nominations for election to the Board as it shall in its discretion determine. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. The Nominating Committee shall announce its nominees in a written communication to the Members at least 30 days prior to the annual meeting.

On the date of such announcement, a filing period shall begin in which each nominee and any other eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position to be filled by Class "A" votes. The closing date of such filing period shall be the annual meeting.

Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(b) Election Procedures. Each Neighborhood Representative may cast all votes assigned to the Units which it represents for each position to be filled from the slate of candidates on which such Neighborhood Representative is entitled to vote. Cumulative voting is not allowed. That number of candidates which equals the number of positions to be filled and receiving the greatest number of votes shall be elected.

5.

Section 3.6 of the By-Laws is hereby amended by deleting the penultimate and last paragraphs of such section in their entirety. The amended Section 3.6 shall read as follows:

3.6. Removal of Directors and Vacancies. Any director elected by the Neighborhood Representatives may be removed, with or without cause, by the vote of Neighborhood Representatives holding at least 67% of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the

Neighborhood Representatives entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Neighborhood Representatives who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent in the payment of any assessment or other charge due the Association, may be removed by a majority vote of the directors, excluding the director at issue, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Neighborhood Representatives entitled to fill such directorship may elect a successor for the remainder of the term.

6.

Section 3.8 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.8. Regular Meetings. Regular meetings of the Board may be held at such time and place a majority of the directors shall determine, but at least two such meetings shall be held during each fiscal year. One such meeting shall be held after the annual Association meeting for the purpose of electing officers and another meeting shall be held to approve the annual budget. Notice of the time and place of a regular meeting shall be communicated to directors not less than seven days prior to the meeting. Notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

7.

Section 3.9 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.9. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or Vice President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) facsimile, computer, fiber optics or other such communication device. All such notices shall be

given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting; provided, if any special assessment will be considered at the meeting, at least 14 days' notice shall be provided. Notices given by personal delivery, telephone, or other communications device shall be delivered, telephoned, or transmitted at least 72 hours before the time set for the meeting

8.

Section 3.10 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.10. Waiver of Notice. Notice of a meeting shall be deemed given to any director, Neighborhood Representative, or Owner who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

9.

Section 3.11 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.11. Telephonic Participation in Meetings. Provided proper notice has been given as required by Florida Statutes Chapter 720, members of the Board or any committee designated by the Board may participate in a Board or committee meeting by means of telephone or other electronic means, through which all persons participating in the meeting can hear each other. Participation in this manner shall constitute presence at the meeting for all purposes.

10.

Section 3.13 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.13. Compensation. The Association shall not compensate a director for acting as such. The Association may reimburse any director for expenses incurred on the Association's behalf if approved by a majority of the other directors. In addition, nothing herein shall prohibit the Association from compensating a director for services or supplies he or she furnishes to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board and approved by a majority of the other directors

prior to entering into such contract. The foregoing also applies to any entity with which a director is affiliated.

11.

Section 3.15 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.15. Notice to Owners; Open Meetings. Except in an emergency, notice of Board meetings shall be published or given in a manner reasonably designed to provide notice to the Owners at least 48 hours in advance of the meeting. Such manner of publishing or giving notice shall include, but not be limited to, posting the notice at the office of the Association, distributing notice by mail, publishing the notice in a community newsletter, or providing notice through electronic transmission. Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment. All meetings of the Board shall be open to all Owners and Owners may speak on certain matters on the agenda, subject to reasonable rules and Florida Statutes Chapter 720. In such cases and subject to Florida Statutes Chapter 720, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

12.

Section 3.16 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.16. Action Without a Formal Meeting. Any action to be taken or which may be taken at a meeting of the directors may be taken without a meeting only in an emergency situation, and only if a consent in writing setting forth the action so taken is signed by all of the directors. Such consent shall have the same force and effect as a unanimous vote.

13.

Section 3.18(i) of the By-Laws is hereby amended by deleting the subsection in its entirety and replacing it with the following:

3.18. Duties. The duties of the Board shall include, without limitation:

- (i) enforcing by legal means the provisions of the Governing Documents, Use Restrictions, and Rules and Regulations, and

bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board, in the exercise of its business judgment, determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

14.

Section 3.20 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.20. Management. The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. Any contract or management agreement entered into by the Association must be fair and reasonable; provided, however, prior to the Board terminating a management agreement, the removal or termination shall be approved by a majority of the Board and Neighborhood Representatives representing two-thirds (2/3) of the total Class "A" votes in the Association. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority or those duties set forth in Sections 3.18(a), 3.18(b), 3.18(f), 3.18(g) and 3.18(i). The Declarant or an affiliate of the Declarant may be employed as managing agent or manager.

The Board of Directors may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

15.

Section 3.21 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.21. Accounts and Reports.

The following management standards of performance shall be followed unless the Board specifically determines otherwise by a resolution duly adopted and permitted under Florida law:

- (a) accounting and controls should conform to generally accepted accounting principles;
- (b) the Association's cash accounts shall not be commingled with any other accounts;
- (c) neither the Association's management nor the managing agent, if any, shall accept remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; the Association shall benefit from anything of value received;
- (d) the Association's management or the managing agent, if any, shall disclose promptly to the Board any financial or other interest which it may have in any firm providing goods or services to the Association;
- (e) the Association's management or the managing agent, if any, shall prepare financial reports for the Board at least quarterly containing:
 - (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;
 - (ii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iii) a balance sheet as of the last day of the preceding period;
 - (iv) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless otherwise specified by Board resolution); and
 - (v) such other statements or reports as the Board may require;and
- (f) an annual financial report shall be prepared after the close of the fiscal year in accordance with Florida Statutes Chapter 720. Within 10 business days following its receipt of a written request, the Board shall provide a Member or its authorized agent with a copy of the annual financial report or a written notice that a copy of the annual financial report is available upon request at no charge to the Member. The Association may adopt reasonable written rules governing the rights of Members to review the annual financial report, including rules governing frequency, time, location, notice, records to be inspected, the manner of any such inspection, and reasonable

fees to cover costs of providing copies to the extent permitted under Florida Statutes Chapter 720.

16.

Section 3.22 of the By-Laws is hereby amended by deleting the section in its entirety and replacing it with the following:

3.22. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain the affirmative vote or written consent of Neighborhood Representatives representing at least two-thirds of the total Class "A" votes in the Association if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 50% of the budgeted gross expenses of the Association for that fiscal year.

17.

Section 6.6 is hereby amended by deleting subsection 6.6(b) in its entirety and replacing it with the following:

6.6 Amendment.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Neighborhood Representatives representing two-thirds (2/3) of the total Class "A" votes in the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

[Signatures set forth on the following page]

IN WITNESS WHEREOF, Long Bay Partners LLC, a Florida limited liability company, through its undersigned managing general partner, has duly executed this amendment and affixed its corporate seal thereto as of this 29 day of Dec., 2005.

DECLARANT: LONG BAY PARTNERS LLC, a Florida limited liability company

By: Bonita Bay Properties, Inc., a Florida corporation

Patricia Roman
WITNESS

By: John M. Gleeson
John M. Gleeson

Diane M. Russell
WITNESS

Attest: _____

Its: V.P.
[CORPORATE SEAL]

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was acknowledged before me this 29 day of Dec., 2005, by John Gleeson, as V.P. for Bonita Bay Properties, Inc., a Florida corporation, on behalf of such entity. He is personally known to me or has produced _____ as identification.

Given under my hand and official seal this 29 day of Dec, 2005.

My term of office expires on _____.



Diane M. Russell [SEAL]
NOTARY PUBLIC
Diane M. Russell
Printed Name

Commission No.

Upon recording, please return to:

ShadowWood Comm. Assoc.
9990 Coconut Rd Ste 102
Bonita Springs FL 34135

INSTR # 2005000157748, Pages 3
Doc Type AGR, Recorded 12/08/2005 at 08:24 AM,
Charlie Green, Lee County Clerk of Circuit Court
Rec. Fee \$27.00
Deputy Clerk SWOLOWSKI
#1

Declaration: Book: 2909 Page: 935

AMENDMENT TO THE BY-LAWS OF
SHADOW WOOD COMMUNITY ASSOCIATION, INC.

THIS AMENDMENT ("Amendment") to the By-Laws of Shadow Wood Community Association, Inc. is made this 7th day of December, 2005, by Long Bay Partners LLC ("Declarant").

W I T N E S S E T H:

WHEREAS, on January 14, 1998, Declarant filed those certain By-Laws of Shadow Wood Community Association, Inc., recorded in Book 2909, Page 935, *et seq.*, of the Official Records of Lee County, Florida (as amended from time to time, the "By-Laws"), which By-Laws have been duly adopted by the board of directors ("Board") of Shadow Wood Community Association, Inc. ("Association"); and

WHEREAS, pursuant to Section 6.6(a) of the By-Laws, prior to termination of the Class "B" Membership, the Class "B" Member may unilaterally amend the By-Laws for any purpose; and

WHEREAS, Declarant is the Class "B" Member and the Class "B" membership has not terminated;

NOW, THEREFORE, pursuant to the powers retained by Declarant as the Class "B" Member under the By-Laws, Declarant hereby amends the By-Laws as follows:

1.

Section 3.1 of the By-Laws is hereby amended by deleting such section in its entirety and replacing it with the following:

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote.

Except with respect to directors appointed by the Class "B" Member, each director shall be an Owner or the spouse of an Owner, provided, no Owner or spouse representing the same Unit may serve on the Board at the same time. Co-Owners of a Unit may not serve on the Board at the same time. In the case of a Member which is not a natural person, any officer, director, partner or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member.

2.

Section 3.2 of the By-Laws is hereby amended by deleting such section in its entirety and replacing it with the following:

3.2. Number of Directors. The Board shall consist of five directors.

3.

Section 3.4 of the By-Laws is hereby amended by deleting the subsection in its entirety and replacing it with the following:

3.4. Nomination and Election Procedures.

(b) Election Procedures. Each Neighborhood Representative may cast all votes assigned to the Units which it represents for each position to be filled from the slate of candidates on which such Neighborhood Representative is entitled to vote. Cumulative voting is not allowed. That number of candidates which equals the number of positions to be filled and receiving the greatest number of votes shall be elected.

4.

Section 3.5 of the By-Laws is hereby amended by deleting such section in its entirety and replacing it with the following:

3.5. Election and Term of Office. Not later than the expiration of the Class "B" membership, or such earlier time as may be determined by the Class "B" Member, the President shall call for an election by which the Neighborhood Representatives shall be entitled to elect all five directors of the Board. The three directors receiving the greatest number of votes at such election shall serve a term of two years. The remaining two directors shall serve a term of one year.

Thereafter, upon the expiration of the term of office of each director, the Neighborhood Representatives entitled to elect such director shall be entitled

to elect a successor to serve a term of two years. The directors elected by the Neighborhood Representatives shall hold office until their respective successors have been elected. No director may serve more than three consecutive terms or six consecutive years, whichever is less.

IN WITNESS WHEREOF, Long Bay Partners LLC, a Florida limited liability company, through its undersigned managing general partner, has duly executed this amendment and affixed its corporate seal thereto as of this 7th day of December 2005.

DECLARANT: LONG BAY PARTNERS LLC, a Florida limited liability company

By: Bonita Bay Properties, Inc., a Florida corporation

[Signature]
WITNESS

By: [Signature]
JOEY GARDNER

[Signature]
WITNESS

Attest: _____

Its: V.P. Bonita Bay Prop
[CORPORATE SEAL]

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was acknowledged before me this 7th day of December, 2005, by Joey Gardner, as V.P. for Bonita Bay Properties, Inc., a Florida corporation, on behalf of such entity. He is personally known to me or has produced _____ as identification.

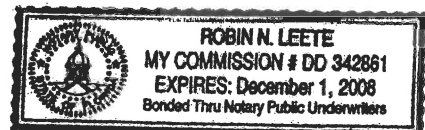
Given under my hand and official seal this 7th day of December, 2005.

My term of office expires on 12/1/08.

[Signature] [SEAL]
NOTARY PUBLIC

Robin N. Leete
Printed Name

DD342861
Commission No.



**AMENDMENT TO BY-LAWS OF
SHADOW WOOD COMMUNITY ASSOCIATION, INC.**

THIS AMENDMENT to the By-Laws of the Shadow Wood Community Association, Inc. is made this 9th day of December, 2002, by Long Bay Partners LLC ("Declarant").

W I T N E S E T H:

WHEREAS, on January 23, 1998 the Board of Directors of the Shadow Wood Community Association, Inc. adopted the By-laws of Shadow Wood Community Association, Inc. ("By-Laws"); and

WHEREAS, pursuant to Article VI, Section 6.6(a) of the By-Laws, prior to termination of the Class "B" Membership the Class "B" Member may unilaterally amend the By-Laws; and

WHEREAS, Declarant is the Class "B" Member and the Class "B" membership has not terminated.

NOW, THEREFORE, pursuant to the powers retained by Declarant as the Class "B" Member under the By-Laws, Declarant hereby amends the By-Laws as follows:

1. Article II, Section 2.3 of the By-Laws is hereby amended by deleting the last sentence thereof and substituting therefor the following:

Subsequent regular annual meetings shall be set by the Board on a date and a time set by the Board.

IN WITNESS WHEREOF, Long Bay Partners LLC, a Florida limited liability company, through its undersigned managing general partner, has duly executed this amendment and affixed its corporate seal thereto as of this 9th day of December, 2002.

[SIGNATURES ON FOLLOWING PAGE]

DECLARANT: LONG BAY PARTNERS LLC, a Florida limited liability company

By: Bonita Bay Group, a Florida corporation

David Thines
WITNESS
[Signature]
WITNESS

By: *John M. Gleeson*
John M. Gleeson, Vice President

Attest: *[Signature]*

Its: Harvey R. Schestag **Secretary / Treasurer**
[CORPORATE SEAL]

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was acknowledged before me this 24 day of December, 2002, by John M. Gleeson, as Vice President for Bonita Bay Group, a Florida corporation, on behalf of such entity. He is personally known to me or has produced as identification and did (did not) take an oath.

Given under my hand and official seal this 24th day of December, 2002.

My term of office expires on 10/15/05.

Melissa Ottenjan [SEAL]
NOTARY PUBLIC



516701/Shadow Wood/CA Docs arising to by law for annual meeting-092002-ard

