

**BYLAWS
PORT ROYAL PROPERTY OWNERS' ASSOCIATION, INC.
WITH AMENDMENTS THRU FEBRUARY 27, 2007**

ARTICLE I

The name of the corporation shall be Port Royal Property Owners' Association, Inc. Its principal office shall be in the City of Naples, County of Collier, and State of Florida.

ARTICLE II

Section 1. The general objects and purposes of the corporation shall be:

- a. To promote the comfort, protection, and convenience of the property owners of PORT ROYAL in general, and its members in particular.
- b. To cooperate with other property owners' associations and civic associations to promote mutually beneficial goals.
- c. To formulate, encourage, and advance ideas and policies which will inure to the benefit, best interests, and common good of all the members and property owners in PORT ROYAL.
- d. To the maximum extent it is so empowered, to administer and enforce all applicable regulations, restrictions, covenants and agreements with respect to the use and enjoyment of all real property that is now or may in the future become a part of the several sections of land known collectively as PORT ROYAL.

ARTICLE III

Section 1. Any individual who is the owner in his own right, or in common with another or others, of at least one residential site of several sections known collectively as PORT ROYAL shall be eligible for membership in the corporation; provided, that membership shall be limited in number to one per residential site even though the title to such site shall be held in co-ownership. Each residential site shall be allowed one member and one vote.

Section 2. Such persons as are eligible shall become members upon payment of the dues fixed by the Board of Directors. A member thereafter delinquent in the payment of dues for sixty (60) days shall cease to be a member but may again become a member by the payment of the then effective dues.

Section 3. Those persons owning a non-Port Royal residential home site with a minimum area of 15,000 square feet located west of Gordon Drive and south of Gordon Drive Estates to Gordon Pass or east of Gordon Drive and South of Kingstown Drive to Gordon Pass, shall be eligible for Associate membership in the corporation; provided, that membership shall be limited in number to one per residential site notwithstanding that title may be held in a form of co-ownership. Associate members shall not be entitled to vote, but may serve on committees other than the Board of Directors.

Section 4. Such persons who are eligible shall become Associate members upon payment of the dues fixed by the Board of Directors. A member thereafter delinquent in the payment of dues for sixty (60) days shall cease to be a member but may again become a member by the payment of the then effective dues.

Section 5. No member or Associate member shall have any vested right or interest in the assets, function, affairs or franchises of the corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue if his membership ceases.

ARTICLE IV

Section 1. There shall be a Board of Directors consisting of not less than nine (9) or more than nineteen (19) members.

Section 2. At each Annual Meeting of the members, such directors shall be elected for terms of three (3) years to succeed those directors whose terms have expired.

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Section 3. Directors of the corporation may serve consecutive terms of office, provided that such consecutive terms shall be limited to two (2). Any director may be re-elected to more than two (2) non-consecutive terms.

Section 4. The power of fixing the occasions, limits, amounts and the time and method of payment of assessments and dues shall rest solely in the Board of Directors.

Section 5. The Board of Directors shall have the powers to manage all the affairs of the corporation and to make all contracts necessary for the proper and legal transaction of its business. They shall have entire jurisdiction over all matters pertaining to the care, conduct, control, supervision and management of the corporation and its properties and finances, and all appropriations for the expenditure of corporation funds shall be made by them. They shall have the power to employ and discharge all employees of the corporation.

In accordance with powers conferred upon and delegated to the Board by the Articles of Incorporation and these Bylaws, the power to hire, engage, employ, and compensate experts and professionals of any and all fields of endeavor in order to further the objects and purposes of the corporation, shall rest in full, with the board.

Section 6. The Board shall elect all officers and may fill any vacancy among the directors for the un-expired terms by a vote of the majority of those present at any regular or special meeting of the Board. The Board may remove an officer from office by a majority vote of all members of the Board at any regular or special meeting of the Board.

Section 7. The Board shall have an organizational meeting after the Annual Meeting of the members and shall meet at least once each month on a date which the Board member shall select, except in the months of June, July, August and September. The Board shall meet at such other times when called by the President or upon call of any three members of the Board.

Notice of meetings of the Board shall be mailed to each Board member by the Secretary at least five (5) days before the date of the meeting or shall be given in person, or by telephone, by the President or the Secretary at least three (3) days before the date of the meeting. A majority of the members of the Board shall constitute a quorum at any meeting. The order of business at regular meetings of the Board shall be:

1. Minutes of previous meetings
2. Reports of Officers
3. Reports of Committees
4. Unfinished business
5. New business

Section 8. The Board may, by resolution, designate three or more of their number to constitute an Executive Committee, who, to the extent provided in such resolution, shall have and may exercise the power of the Board in the management of the affairs and property of the corporation and exercise of its corporate powers.

ARTICLE V

Section 1. The officers of the corporation shall be a President, a Vice President, a Second Vice President, a Secretary and a Treasurer.

Section 2. The President shall be chief executive officer of the corporation and Chairman of the Board. He/she shall appoint all committees, except the Executive Committee, subject to approval of the Board, and shall be ex officio member of each committee except the Nominating Committee and the Audit Committee. As ex-officio member he/she shall be permitted, but not required, to attend any committee meeting.

Section 3. The Vice President shall perform the President's duties in his/her absence. In the event of the resignation or disability of the President, the Vice President shall act until the Board fills the office of President. In the absence of both the President and the Vice President, the Second Vice President shall act until the Board shall select a chairman to perform the duties of the president.

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Section 4. The Secretary shall issue all required notices of directors' meetings and meetings of the members and shall attend and keep the minutes of the same. He/she shall have charge of all corporate books, records, and papers; shall be custodian of the corporate seal; shall keep all written contracts of the corporation; and shall perform all other duties as are incident to this office or as assigned to him/her by the Board of Directors.

Section 5. The Treasurer shall have custody of all money and securities of the corporation, and shall give bond in such sum and with such security as the directors may require conditioned upon faithful performance of the duties of his office. The amount of said bond shall be paid by the corporation. He shall keep regular books of account and shall submit them when required together with all of his vouchers, receipts, records and other papers to the directors for their examination and approval within 60 days of written request from the Board; and he/she shall perform all such other duties as are incident of this office. At the Annual Meeting of the members, the Treasurer, or a CPA retained by the Association, shall make a report of all receipts and disbursements for the preceding and current fiscal years, and of all outstanding obligations of the corporation. In the event of the absence or disability of the Treasurer, these duties shall be performed by such person the Board of Directors shall select.

Section 6. All officers and employees of the corporation who have the custody or control of any funds of the corporation shall be bonded in such amount by such surety as determined by the Board.

ARTICLE VI

Section 1. The President shall appoint all standing committees subject to the approval of the Board. Chairmen of all standing committees shall be members of the Board. Members of standing committees may be, but need not be, members of the Board.

Section 2. There shall be the following standing committees:

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|--------------------------|-------------------------|
| (A) Architectural Review | (E) Membership |
| (B) Dock and Shoreline | (F) Government Affairs |
| (C) Beautification | (G) Long Range Planning |
| (D) Communications | |

Section 3. Subject to supervision and control by the Board

- (A) The Architectural Review Committee shall review and give approval in writing on behalf of the Board, of all plans for construction of and alterations or additions to buildings and structures as well as approval of the Architect submitting them.
- (B) The Dock and Shoreline Committee shall review and approve or disapprove in writing the establishment, construction, alteration, maintenance and removal of seawalls, retaining walls, riprap, docks, piers, mooring piles and waterfront planting.
- (C) The Beautification Committee oversees the maintenance of public properties in Port Royal and serves as liaison to the City departments responsible for these properties. The committee chairperson communicates with the Property Association office as maintenance needs occur and reports status at the board meetings.
- (D) The Communications Committee shall be generally responsible for the dissemination to members and other appropriate persons of information regarding activities and functions of the Association. There shall be a minimum of five "newsletters" per year.
- (E) The Government Affairs Committee will serve as liaison to the City and County in matters affecting the residents of Port Royal. This committee will participate in the City and County President's Council meetings.

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Section 4. In addition to the duties prescribed in these bylaws, the standing committees shall perform such other duties as may from time to time be assigned by the Board.

Section 5. An Audit Committee consisting of three members, none of whom shall be members of the Board, shall be appointed by the President at least ninety days before each annual meeting and at least fifteen days before any special meeting of the members called for the purpose of reviewing the financial status of the corporation. The Audit Committee or CPA retained by the Association to replace the Audit Committee shall submit a financial report at each annual meeting of the members at any special meeting of the members called for that purpose.

Section 6. A Nominating Committee consisting of up to five members, not more than two of whom shall be members of the Board, shall be appointed by the President at least ninety days before each Annual Meeting of the members. It shall be the duty of the Nominating Committee to select and nominate candidates for the Board. All nominations made by the committee shall be mailed to each member at least two weeks in advance of the annual election by the Secretary of the Corporation.

In addition to nominations submitted by the Nominating Committee, membership nominations may be made by written petition of twenty-five or more of the members of the corporation. Petitions for membership nominations shall be filed with the Secretary of the corporation at least ten days prior to the Annual Meeting of the members at which an election is to be held. The Secretary shall, within three days after receipt of such petition, mail a statement setting forth the names and addresses of the candidates so nominated to each member of the corporation.

The slate of candidates to be submitted at the Annual Meeting of the members upon the occasions of director election prescribed in these bylaws shall contain only the names of those candidates nominated in accordance with the provisions of this Section, and every director of the corporation shall be elected from the slate of candidates so submitted.

Section 7. Subject to the Approval of the Board, the President may from time to time appoint such additional standing committees or other committees as are necessary to carry out the objectives and purposes of the corporation.

ARTICLE VII

Section 1. The Annual Meeting of the members of the corporation shall be held in the City of Naples, County of Collier, during the month of February. The time, the place, and the date of the said meeting shall be selected by the Board of Directors.

Notice of the meeting shall be mailed to each member not less than fifteen days or more than thirty days before the time of the meeting. Such notice shall state the time and place of the meeting and the nature of the business to be transacted at the meeting. Delivery of notice shall be deemed to have been made to each member when the notice has been deposited postpaid in the United States Mail, addressed to the member as his address appears on the records of the corporation, provided property owners annual dues have been received by the Association by February 1st of the current year.

Section 2. Special meetings of the members may be called at any time by the President or in his absence by the Vice President, or by a majority of the Board of Directors. It shall be obligatory to call such a meeting whenever so requested by twenty-five percent or more of the members. Notice of the time, place, and object of all special meetings of the members shall be mailed by the Secretary to each member not less than fifteen or more than thirty days before the date thereof. Delivery of notice shall be deemed to have been made to each member when the notice has been deposited postpaid in the United States Mail, addressed to the member as his address appears on the records of the corporation. At such special meeting, no business except that which relates to the subject mentioned in the notice shall be transacted.

Section 3. At every Annual and Special Meeting of the members, each member shall be entitled to cast one vote which vote may be cast by him either in person or by proxy. Where membership is based upon co-ownership or family ownership of a residential site, the member vote shall be cast by one of the co-owners or one of the adult family members. Where membership is held by a legal entity, the member vote shall be cast by the agent or official of that entity so authorized. All proxies shall be in writing and be filed with the Secretary and recorded in the minutes of the meeting. At any Annual or Special Meeting of the members where a majority of the members are present, either in person or by proxy,

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a quorum shall be deemed to exist and the vote of the majority of the members so present shall be deemed to be the act of all the members of the corporation.

ARTICLE IIX

Conduct of the meeting of the members and of the Board shall be by pure democratic fashion.

ARTICLE IX

The funds of the corporation shall all be deposited or invested in such banks or financial institutions as the Board shall from time to time designate and may be withdrawn or disbursed only by checks or order signed in the manner prescribed by resolutions of the Board. The fiscal year of the corporation shall be the calendar year.

ARTICLE X

Each Director and officer of the corporation shall be indemnified by the corporation against all costs, damages, and expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceedings in which he is made a party by reason of his being or having been a Director or officer of the corporation. The corporation shall not, however, indemnify such Director or officer with respect to matters as to which he shall be adjudged in any such action, suit, or proceeding to have been liable for willful misconduct or gross negligence in the performance of his duties as such Director or officer. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which such Director or officer may be entitled under any bylaw, vote of members, or otherwise.

ARTICLE XI

From and after the enactment and approval of these bylaws, amendments, alterations, or recession of the bylaws may be proposed by the Board of Directors and adopted by a majority of the membership at any Annual or Special Meeting called for that purpose; provided, that the substance of any proposed amendment, alteration, or recession shall be included in the notice of such meeting.