

Exhibit "E"

**THIRD AMENDED AND RESTATED
BY-LAWS
OF
CELEBRATION RESIDENTIAL OWNERS ASSOCIATION, INC.**

- TABLE OF CONTENTS -

	<u>Page</u>
I. Name, Principal Office, and Definitions	1
1.1. Name	1
1.2. Principal Office	1
1.3. Definitions.....	1
II. Association: Membership, Meetings, Quorum, Voting, Proxies	1
2.1. Membership	1
2.2. Place of Meetings.....	1
2.3. Annual Meetings	1
2.4. Special Meetings	1
2.5. Notice of Meetings.....	1
2.6. Waiver of Notice.....	2
2.7. Adjournment of Meetings	2
2.8. Voting	2
2.9. Proxies.....	2
2.10. Majority.....	2
2.11. Quorum	2
2.12. Conduct of Meetings.....	2
2.13. Affirmative Minimum Threshold Voting.....	3
III. Board of Directors: Number, Powers, Meetings.....	3
3.1. Governing Body; Composition	3
3.2. Number of Directors	3
3.3. Election Procedures.....	4
3.4. Election, Term of Office, and Vacancies	4
3.5. Removal of Directors	5
3.6. Organizational Meetings	5
3.7. Regular Meetings	5
3.8. Special Meetings	5
3.9. Notices; Waiver of Notice.....	5
3.10. Telephonic Participation in Meetings	5
3.11. Quorum of Board of Directors	6
3.12. Compensation.....	6
3.13. Conduct of Meetings.....	6
3.14. Open Meetings	6
3.15. Action Without a Formal Meeting	6
3.16. Powers.....	6
3.17. Duties	6

3.18. Right of The Celebration Company to Disapprove Actions.....	8
3.19. Management.....	8
3.20. Accounts and Reports	9
3.21. Borrowing	10
3.22. Right to Contract.....	10
3.23. Conflicts of Interest.....	10
IV. Enforcement Procedures.....	10
4.1 General.....	10
4.2. Enforcement.....	10
V. Officers.....	12
5.1. Officers	12
5.2. Election and Term of Office	12
5.3. Removal and Vacancies	12
5.4. Powers and Duties.....	12
5.5. Resignation	12
5.6. Agreements	12
5.7. Compensation.....	12
VI. Committees.....	12
6.1. General.....	12
6.2. Covenants Committee	12
6.3. Service Area Committees.....	13
6.4. Finance Committee	13
VII. Miscellaneous.....	13
7.1. Fiscal Year	13
7.2. Parliamentary Rules	13
7.3. Conflicts.....	13
7.4. Books and Records.....	13
7.5. Notices	14
7.6. Amendment.....	14

THIRD AMENDED AND RESTATED
BY-LAWS
OF
CELEBRATION RESIDENTIAL OWNERS ASSOCIATION, INC.

Article I
Name, Principal Office, and Definitions

1.1. Name. The name of the Association shall be Celebration Residential Owners Association, Inc. (hereinafter sometimes referred to as the "Association").

1.2. Principal Office. The principal office of the Association shall be located in Osceola 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 Association's affairs 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 Community Charter for Celebration Residential Properties filed in the Official Records of Osceola County, Florida, as may be amended or supplemented from time to time (the "Charter"), unless the context indicates otherwise.

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

2.1. Membership. The Association has one class of Membership: the Owner Membership, which is comprised of all Owners, including Builders, and The Celebration Company.

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 the Board may designate, either within the Properties or as convenient as possible and practical.

2.3. Annual Meetings. The regular annual meeting of the Membership shall occur during the first quarter of the calendar year on a date and at a time the Board sets.

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 2% of Owners. Signatures on any such petition may be filed by facsimile transmission or other electronic means provided that the signature clearly acknowledges the substantive content or purpose of the petition. Such meeting shall be held within 30 days after the petition is submitted to the Board.

2.5. Notice of Meetings. Written, printed or electronic notice stating the place, day, and hour of any meeting of the Membership shall be delivered, either personally or by mail, to each Owner entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President, 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 Owner at his address as it appears on the records of the Association, with postage prepaid.

2.6. Waiver of Notice. Attendance at a meeting by an Owner shall be deemed waiver by such Owner of notice of the time, date, and place thereof, unless such Owner 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 Association meeting cannot be held because a quorum is not present, a majority of the Owners who are present at such meeting may adjourn the meeting to a time not less than five or more than 90 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 Owners in the manner prescribed for regular meetings.

The Owners present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Owners to leave less than a quorum, provided that Owners representing at least 15% of the Owners remain in attendance, and 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 Charter, and such voting rights provisions are specifically incorporated by reference.

2.9. Proxies. On any matter as to which an Owner is entitled personally to 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 Charter or these By-Laws. No proxy shall be valid unless signed by the Owner of the Unit for which it is given 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. Proxies shall be valid only for the specific meeting for which given and for 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 the Unit for which it was given.

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 Charter, the presence of the Owners in person or by proxy representing 20% of the total votes eligible to vote in the Association and the presence of a duly appointed representative of The Celebration Company shall constitute a quorum at all Association meetings.

2.12. Conduct of Meetings. The President shall preside over all Association meetings, or the next in line of succession as defined in Article V, Section 5.1, as the vice-president and then the treasurer. The secretary, or other designee, as may be appointed by the presiding Officer in the absence of the secretary, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

2.13. Affirmative Minimum Threshold Voting. For any vote of the Membership as authorized in this Charter, except for election of the Board of Directors, a meeting of the Membership shall not be required. All voting shall be conducted by direct absentee ballot. The ballot item must be noticed to the Owners at least 14 days prior to the day that ballots must be cast. Notice and Ballots may be sent to Owners via U.S. Mail, personal delivery, or electronically (email or facsimile). If required by Florida Statutes, written consent shall be obtained from the Owners in writing for the electronic delivery of Notice and Ballots.

(a) First, for any vote to be valid, ballots must be cast in favor of the prospectus in sufficient number to equal or exceed the "Affirmative Minimum Threshold" ("AMT"). The Affirmative Minimum Threshold Votes are expressed as a percentage or fraction of the total votes cast and not as a percentage or fraction of the entire Membership. The AMT is defined as ten (10%) percent of the total eligible votes of the Association where the Threshold Vote requirement is a majority and fifteen (15%) percent of the total eligible votes where the Threshold Vote requirement is two-thirds (2/3) or greater.

(b) Second, and in addition, for a proposition before the Ownership to pass, the total affirmative votes cast must meet or exceed the Threshold Vote requirement for the particular item. The minimum number of affirmative votes cast to pass a proposition before the Membership is defined as the "Threshold Vote". The Threshold Votes required for various actions are set forth elsewhere and throughout the Charter.

Criteria for A Valid Vote	
First: Affirmative Minimum Threshold (AMT)	Second: Total Affirmative Votes Cast Must
10% of total eligible votes of the Association where the Threshold Vote requirement is defined as " majority "	Meet or exceed the Threshold Vote requirement
15% of total eligible votes of the Association where the Threshold Vote requirement is defined as " 2/3's or greater "	Meet or exceed the Threshold Vote requirement

Article III
Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

3.1. Governing Body; Composition. The Association's affairs shall be governed by a Board of Directors, each of whom shall have one equal vote. The Board of Directors shall have the authority to delegate any of its duties to agents, employees, or others; provided, in the event of such delegation, the Board of Directors shall remain responsible for any action undertaken by such delegate. The Directors shall be Owners. In the case of an Owner which is not a natural person, any officer, director, partner, or trust officer of such Owner shall be eligible to serve as a Director unless otherwise specified by written notice to the Association signed by such Owner; provided, no Owner may have more than one such representative or co-Owner on the Board at a time.

3.2. Number of Directors. There shall be seven Directors of the Association.

3.3. Election Procedures.

(a) Declarations of Candidacy. Prior to each election of Directors, the Board shall prescribe the opening date and the closing date of a filing period of not less than 30 days 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 votes of Owner Members. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the declaration of candidacy process in a fair and efficient manner. An Owner will be deemed ineligible for running for a position on the Board of Directors if he or she is in violation of any of the governing documents and is serving any Board imposed sanctions pursuant to Section 8.2. of the Charter. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Owners and to solicit votes.

(b) At the discretion of the Board of Directors, except as otherwise provided for in the Charter or these By-Laws, elections may be conducted in a manner that permits Owners to exercise their vote in person, by mail, personal delivery, telephone, facsimile, electronic mail, the Internet, or other means of electronic communication. The Board of Directors must adopt procedures for votes cast through all approved means in order to reduce the possibility of fraud. Written instructions describing such procedures shall be made available to Unit Owners along with the notice of each election. The Secretary shall cause notice of the elections to be mailed or delivered (including electronic delivery) to each Owner at least 10 days prior to the closing date established by the Board for filing of ballots. Such notice shall be accompanied by a written ballot listing all candidates for each vacancy who have qualified in accordance with the procedures described in subsection (a) above. The notice shall specify the name and address to which the ballots should be returned and the date by which they must be received in order to be counted, which date shall be the "election date."

Each Owner may cast the vote assigned to his Unit for each position to be filled from the slate of candidates on which such Owner is entitled to vote, and are entitled to elect at least a majority of the Board of Directors. However, in accordance with Section 720.307, Florida Statutes, as amended from time to time, Association Owners defined as (i) the developer (The Celebration Company and its assigns), (ii) builders, (iii) contractors, and (iv) others who purchase Units for the purpose of constructing improvements thereon for resale, may only vote for a number of candidates that comprise a minority of the Board of Directors in each election.

There shall be no cumulative voting, which is a method of voting for Directors where an Owner may cast all or any of its votes in a Directors' election for a single candidate (*e.g.*, assuming three open Director positions, cumulative voting would permit a single voter to cast three votes for a single candidate).

On the election date, the Board or its designee shall open and count the ballots. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected.

3.4. Election, Term of Office, and Vacancies. Notwithstanding any other provision of these By-Laws:

All Directors shall be elected by the Owners at large. Elections shall be decided by a plurality of those ballots cast. Upon the expiration of each Director's term of office, the Members entitled to elect such Director shall be entitled to elect a successor to serve a term of three years. Directors may serve a limit of two three-year terms. Directors shall continue to hold office until their respective successors have been elected. The terms of the Directors shall be staggered. For the March 2020 Director election, the two candidates receiving the most number of votes will serve a three-year term. The remaining two candidates will serve a two-year term. The two candidates who will serve the two-year term will be allowed to serve one additional three-year term, for a maximum of 5 years. The elections following March 2020 will be for three-year terms. Any Board vacancies shall remain open until the next regularly scheduled election, provided a quorum can be met. If a quorum cannot be met vacancies may be filled by the Board until sufficient to constitute a quorum of the Board. The Board appointed or Member elected person(s) for

the open Board vacancy (vacancies) will accept and inherit the remainder of the term that was vacated. All provisions of this Section shall take effect March 2020 and be applied prospectively.

3.5. Removal of Directors. Any Director elected by the Owners may be removed, with or without cause, by two-thirds (2/3) vote of a quorum of the Association at a meeting or a two-thirds (2/3) Threshold Vote of the Owners who cast ballots in a Referendum as defined in Charter Section 4.3. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. In accordance with Section 720.306(9), Florida Statutes, any Director who is more than 90 days delinquent in the payment of any assessment or other charge due the Association shall be deemed to have abandoned the office. The validity of an action by the Board is not affected if it is later determined that a member of the Board is ineligible for Board membership due to failure to pay assessments.

B. Meetings.

3.6. Organizational Meetings. The first Board meeting following each annual meeting of the Membership shall be held within 10 days thereafter at such time and place the Board shall fix.

3.7. Regular Meetings. Regular Board meetings may be held at such time and place as a majority of the Directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one per quarter.

3.8. Special Meetings. Special Board meetings shall be held when called by written notice signed by the President or by any two Directors.

3.9. Notices; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The notice shall be given to each Director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) 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 (iv) facsimile, electronic mail, the Internet, or other means of electronic communication, with confirmation of transmission.

All such notices shall be given at the Director's telephone number, fax number, electronic mail address, or sent to the Director's address as shown on the Association's records. Notices of special meetings of the Board shall also be posted in a prominent place within the Properties. Notices sent by first class mail shall be 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 device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

(b) The transactions of any Board meeting, 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 (i) a quorum is present, and (ii) 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.

3.10. 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.

3.11. Quorum of Board of Directors. At all Board meetings, 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 Charter. 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 shall reschedule the meeting to a time not less than 5 nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by a vote of a majority of a quorum of the Association at a meeting or a majority Threshold Vote of the Owners who cast ballots. 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 services or supplies furnished 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 prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested Director.

3.13. Conduct of Meetings. The President shall preside over all meetings of the Board, or the next in line of succession as defined in Article V, Section 5.1 as the vice-president and then the treasurer. The secretary, or other designee as may be appointed by the presiding Officer in the absence of the secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.14. Open Meetings. Subject to the provisions of Section 3.15, all meetings of the Board shall be open to all Owners, but attendees other than Directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her 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 pending or proposed litigation, and personnel matters.

3.15. 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.

3.16. 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 Charter, these By-Laws, the Articles of Incorporation, and as provided by law. The Board may do or cause to be done all acts and things that the Charter, Articles of Incorporation, these By-Laws, or Florida law do not direct to be done and exercised exclusively by the Owners.

3.17. Duties. The Board's duties shall include, without limitation:

(a) preparation and adoption of a three-year budget for submission to the Joint Committee, and establishing each Owner's share of the Common Expenses, Service Area Expenses and Common Service Expenses;

- (b) the preparation of a rolling five-year strategic plan for the Association, with an annual presentation to the community;
- (c) cooperating with the Joint Committee in assessing and collecting such assessments from the Owners;
- (d) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;
- (e) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (f) depositing all funds received on the Association's behalf in a bank depository that it shall approve, and using such funds to operate the Association; provided, any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks;
- (g) making and amending rules and regulations;
- (h) opening bank accounts on the Association's behalf and designating the signatories required;
- (i) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Charter and these By-Laws;
- (j) enforcing by legal means the provisions of the Charter, these By-Laws, and the rules adopted by it 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;
- (k) obtaining and carrying insurance, as provided in the Charter, providing for payment of all premiums, and filing and adjusting claims, as appropriate;
- (l) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;
- (m) keeping books with detailed accounts of the Association's receipts and expenditures;
- (n) 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 Charter, the Articles of Incorporation, the By-Laws, rules and all other books, records, and financial statements of the Association;
- (o) permitting utility suppliers to use portions of the Common Area as may be determined necessary, in the Board's sole discretion, to the ongoing development or operation of the Properties;
- (p) cooperating with the Joint Committee in carrying out its purposes and responsibilities under the Charter and the Joint Committee By-Laws;
- (q) 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 Charter;

(r) performing the responsibilities of a member of the Joint Committee and cooperating with the Joint Committee and its other members in upholding the Community-Wide Standard; and

(s) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Charter.

(t) a requirement that each Director has a working knowledge of the governing documents and agrees to abide by the Board of Directors Standards of Conduct.

(u) all Association capital projects with an acquisition or development cost of \$250,000 or more shall result in a Board presentation to the community of total project costs including acquisition or development cost, refurbishment or outfitting costs, a contingency for cost overruns, reserve balance impacts (for five years or more) and future operating costs impacts (for five years or more). The presentation should also address funding alternatives being considered and the impact of Association operating and working capital funds.

3.18. Right of The Celebration Company to Disapprove Actions. So long as The Celebration Company Membership exists, The Celebration Company shall have a right to disapprove any action, policy, or program of the Association, the Board and any committee that in The Celebration Company's sole judgment, would tend to impair rights of The Celebration Company or Builders under the Charter or these By-Laws, or interfere with development or construction of any portion of the Properties, or diminish the level of services the Association provides.

(a) The Celebration Company 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 Association's Secretary, which notice complies as to the Board meetings with Sections 3.7, 3.8, and 3.9 and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) The Celebration Company 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 that 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 Celebration Company, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Celebration Company, 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, the Board, or the Association. The Celebration Company shall not use its right to disapprove to reduce the level of services that the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.19. 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. The selection of a management agent shall be subject to the prior approval of the Joint Committee. 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 subparagraphs (a), (g), (j), (k), (o), (p), (q), (r), and

(t) of Section 3.17. The Celebration Company, or an affiliate of The Celebration Company, or the Joint Committee may be employed as managing agent or manager.

The Board President shall have 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, unless the Board delegates that power to another one of its members.

The Board is required to solicit competitive bids through a request for proposal (RFP) process for the Association management agent(s). The Association's contract for management agent(s) shall consist of a 3-year base period with up to two renewal periods of up to 3 years each, for a total of nine years. The first competitive bid (RFP) process shall be conducted to enter into a community association management contract by the end of the current management contract in December 2021. The date for the first competitive bid process is procedural in nature and may be eliminated from this paragraph in any Bylaws restatement made after the 2022 calendar year.

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

- (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) no remuneration shall be accepted by the managing agent 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; any thing of value received shall benefit the Association;
- (d) 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;
- (e) commencing at the end of the month in which the first Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:
 - (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;
 - (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
 - (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iv) a balance sheet as of the last day of the preceding period; and
 - (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (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
- (f) an annual report consisting of at least the following shall be made available to all Members within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared and reviewed by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any Mortgage on a Unit, the Association shall provide an audited financial statement.

3.21. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Owner approval in the same manner provided in Section 12.3 of the Charter 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 outstanding exceeds or would exceed 20% of the budgeted gross expenses of the Association for that fiscal year. Regardless of the amount or purpose, the Association shall include in any meeting notice of the Board of Directors or Owners at which the Board or Owners may vote to approve borrowing money the amount and purpose for borrowing money.

3.22. 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 trusts, condominiums, cooperatives, or Service Area and other owners or residents associations, within and outside the Properties; provided, any common management agreement shall require the consent of a majority of the total number of Directors of the Association.

3.23. Conflicts of Interest. No contract or other transaction between the Association and one or more of its Directors or committee members, or any other corporation, firm, association, or entity in which one or more of its directors or committee members are directors or officers or are financially interested shall be either void or voidable because of such relationship or interest, because such committee member, committee members, director or directors are present at the meeting of the Board or a committee thereof which considers, recommends, authorizes, approves, or ratifies such contract or transaction, or because his or her or their votes are counted for such purpose, if:

(a) Such relationship or interest is disclosed or known to the Board or committee which considers, recommends, authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the interested Director's or committee member's votes; and

(b) Such relationship or interest is disclosed or known to the Owners entitled to vote on such contract or transaction, if any, and they consider, recommend, authorize, approve, or ratify it by vote or written consent; and

(c) The contract or transaction is fair and reasonable as to the corporation at the time it is authorized, approved or ratified by the Board, a committee or the Owners.

The interested Director or committee member may be counted in determining the presence of a quorum at a meeting of the Board or committee which considers, recommends, authorizes, approves, or ratifies such contract or transaction. The vote or authorization required to recommend, authorize, approve or ratify a contract or transaction between the Association and one or more of its Directors or committee members shall be as required by Sections 617.0823(2)-(3), Florida Statutes, as amended from time to time. In addition, the contract or transaction shall be disclosed to the Owners and may be cancelled by a majority of a quorum of the Owners present at an Owner's meeting pursuant to Section 720.3033(2), Florida Statutes, as amended from time to time.

Article IV **Enforcement Procedures**

4.1 General. The Association shall have the power, as provided in the Charter, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Charter, the Board shall comply with the following procedures prior to imposition of sanctions:

4.2. Enforcement. In addition to such other rights as are specifically granted under the Charter, the Board shall have the power to impose monetary fines, pursuant to the procedure set forth in Chapter 720, Florida Statutes, as amended from time to time, and to suspend an Owner's right to vote if the Owner is more than 90 days

delinquent in paying any fee, fine or other monetary obligation due to the Association, or to suspend any person's right to use the Common Area for violation of any duty imposed under the Charter, these By-Laws, or any rules and regulations duly adopted hereunder; provided, nothing herein shall authorize the Board to limit ingress and egress to or from a Unit. The Association is specifically authorized to levy up to five thousand dollars (\$5,000) in aggregate fines for each continuing violation as allowed in Section 720.305, Florida Statutes, as amended from time to time. In addition, the Board may suspend any services provided by the Association to an Owner or the Owner's Unit if the Owner is more than 30 days delinquent in paying any assessment or other charges owed to the Association. In the event that any occupant, guest or invitee of a Unit violates the Charter, By-Laws, or a rule and a fine is imposed, the fine may first be assessed against the occupant; provided, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. If the Owner fails to pay the fine the Association may record a lien against the Owner's Unit and collect the fine in the same manner as a Specific Assessment. The Board's failure to enforce any provision of the Charter, these By-Laws, or any rule shall not be deemed a waiver of the Board's right to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder or under the Charter, 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 10 days within which the alleged violator may present a written request for a hearing to the Board or the Covenants Committee, if any, appointed pursuant to Article V, and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless the violation is cured within 14 days from the date the alleged violator receives the aforementioned written notice or the Board or the Covenants Committee subsequently elects not to affirm the imposition of such sanction. Any decision by the Board or the Covenants Committee not to impose sanctions in connection with a violation of the Governing Documents shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

If a timely request for a hearing is not made, the sanction stated in the notice may be imposed without the necessity of a hearing; provided, the Association may not impose a fine or suspend Common Area use rights for any violation other than a failure to pay assessments, unless the Covenants Committee, by a majority vote, first approves the proposed fine or suspension.

(b) Hearing. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Covenants Committee, or if none has been appointed, then before the Board 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.

(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 perfect this right, the violator must serve by mail or personal delivery a written notice of appeal to the Association within 10 days after the hearing date. If served by mail, the post mark date must be no later than the last day to serve the appeal.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Charter, these By-Laws, or the Rules by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or, following compliance with the procedures set forth in the Charter, 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.

Article V **Officers**

5.1. Officers. The Association's Officers shall be a President, Vice President, Secretary, and Treasurer. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2. Election and Term of Office. The Board shall elect the Association's Officers at the first meeting of the Board following each election date.

5.3. Removal and Vacancies. The Board may remove any officer whenever in its judgment the Association's best interests 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.

5.4. Powers and Duties. The Association's Officers 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 Charter and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

5.5. 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.

5.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two Officers or by such other person or persons as may be designated by Board resolution.

5.7. Compensation. Compensation of Officers shall be subject to the same limitations as compensation of Directors under Section 3.12.

Article VI **Committees**

6.1. General. The Board may appoint such committees and charter clubs as it deems appropriate to perform such tasks and functions as the Board may designate by resolution. Committee members serve at the Board's discretion for such periods as the Board may designate by resolution; provided, any committee member, including committee chair, may be removed by the vote of a majority of the Board. Any resolution establishing a charter club shall designate the requirements, if any, for membership therein. Each committee and charter club shall operate in accordance with the terms of the resolution establishing such committee or charter club. With the exception of the Architectural Review Committee, only Owners may be voting committee members.

6.2. Covenants Committee. In addition to any other committees 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. The Covenants Committee members shall be Members of the Association who are not Officers, Directors, or employees of the Association or the spouse, parent, child, brother, or sister of an Officer, Director, or employee. Acting in accordance with the provisions of the Charter, these By-Laws, and resolutions the Board may adopt, the

Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.23.

6.3. Service Area Committees. In addition to any other committees appointed as provided above, each Service Area that has no formal organizational structure or association may elect a Service Area Committee to determine the nature and extent of services, if any, to be provided to the Service Area by the Association in addition to those provided to all Members in accordance with the Charter. A Service Area Committee may advise the Board on any Service Area issue but shall not have the authority to bind the Board. Such Service Area Committees, if elected, shall consist of three to five Service Area Owners, as determined by the vote of a majority of a quorum of the Owners of Units within the Service Area who are present in person or by proxy at a duly noticed Service Area Owners' meeting. A quorum equals 20% of Service Area Owners.

Service Area Committees shall hold an annual meeting each calendar year and committee members shall be elected for a term of one year or until their successors are elected, or such other term as may be permitted under a Supplement governing the Service Area. Association Board of Directors shall not serve as Service Area Committee members.

In the conduct of its activities, each Service Area Committee shall abide by the notice and quorum requirements applicable to the Board under Sections 3.9 and 3.11 and the procedural requirements set forth in Sections 3.13, 3.14 and 3.15.

6.4. Finance Committee. In addition to any other committees appointed as provided above, the Board shall establish pursuant to Section 5.1, a Finance Committee consisting of at least five and no more than seven members, including one designated Association Board member. Finance Committee responsibilities shall include: (i) development of both annual and multi-year budgets; (ii) develop reports, recommend policies, monitor loans and lines of credit; (iii) recruit, recommend and communicate with the Association's auditor; and (iv) any other matters assigned by the Board. The foregoing are subject to Board review and approval.

The Finance Committee shall conduct an annual mid-year review of the Association's assets, liabilities and reserve balances with a report to the Board. This mid-year review shall include detailing of invested assets and related liquidity. The mid-year report shall include recommendations for updates where deemed appropriate for Board consideration and approval.

Article VII **Miscellaneous**

7.1. Fiscal Year. The Association's fiscal year shall be the same as the fiscal year adopted by the Joint Committee.

7.2. 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 Charter, or these By-Laws.

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

7.4. 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 Charter, By-Laws, and Articles of Incorporation, including any amendments, the rules of the Association, the Membership register, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Properties 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 copies of documents requested.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make a copy of relevant documents at the Association's expense.

7.5. Notices. All notices will conform with section 21.3 of the Charter.

7.6. Amendment.

(a) By The Celebration Company. Notwithstanding Charter 21.2, during the Development and Sale Period, The Celebration Company 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, rule, regulation, or judicial determination which is in conflict therewith; (ii) to enable any reputable title insurance company to issue title insurance coverage on any portion of the Residential Properties; (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; or (iv) to satisfy the requirements of any local, state, or federal governmental agency. However, any amendment under this paragraph shall not adversely affect the title to any Unit unless the Owner shall consent in writing. In addition, during the Development and Sale Period, as defined in the Charter, The Celebration Company may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any right of any Owner.

(b) By Owners Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing a majority of a quorum of eligible voters of the Association at a meeting or by a majority Threshold Vote of the Owners who cast ballots, other than The Celebration Company. In addition, during the Development and Sale Period, any such amendment shall also require The Celebration Company's written consent. In addition, the approval requirements set forth in Chapter 16 of the Charter shall be met, if applicable. 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 Official Records of Osceola County, Florida, 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.

If an Owner consents to any amendment to the Charter or these By-Laws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of The Celebration Company or the Joint Committee without the written consent of The Celebration Company or the Joint Committee, or the assignee of such right or privilege.

WE HEREBY CERTIFY that these Third Amended and Restated By-Laws of Celebration Residential Owners Association, Inc. were adopted by no less than a majority Threshold Vote of the Owners with 907 voting in favor and 168 voting against on the 3rd day of March, 2020.

Celebration Residential Owners Association, Inc.
a Florida non-profit Corporation

WITNESS:

By: _____
Vanessa Winter, President

Witness
Print name: _____

Dated: _____

By: _____
Kevin Kirby, Secretary

Witness
Print name: _____

Dated: _____

STATE OF FLORIDA
COUNTY OF _____

THE FOREGOING instrument was acknowledged before me this _____ day of _____, 2020, by _____ and _____, who:

- are personally known to me, or
- produced _____ as identification;
and did not take an oath.

Notary Signature: _____

Stamp or Seal