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THE HAMMOCKS COMMUNITY ASSOCIATION INCORPORATED

BILL OF RIGHTS

THIS BILL OF RIGHTS, presented by the Receiver Judge David M. Gersten (ret.), at the Annual Meeting of the Members on May 31, 2024, and adopted and approved by The Honorable Beatrice Butchko, Circuit Judge of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida, as part of the Official Governing Documents of the Hammocks Community Association Incorporated (the “**Association**” or “**Hammocks**”). This BILL OF RIGHTS shall control over the Restated Articles of Incorporation (the “**Articles of Incorporation**”) and Restated By-Laws (the “**By-Laws**”), recorded on August 16, 1991, in Official Records Book 15153 at Page 963 of the Public Records of Miami-Dade County, Florida, and any amendments to either, effective upon recordation with the Court Order approving this BILL OF RIGHTS in the Official Public Records of Miami-Dade County, Florida.

In recognition of the rights and privileges afforded to the Members of the Hammocks Community Association, and to establish clear and restrictive provisions to avoid misinterpretation or misuse of authority by any Member, Director, Officer, or Committee of the Association, it is hereby resolved that the following rights are valid and binding as integral components of the Association’s Official Governing Documents. In case of any conflict between this BILL OF RIGHTS and the By-Laws or the Articles of Incorporation, as either may be amended from time to time, this BILL OF RIGHTS shall control. In case of any conflict between this BILL OF RIGHTS and the Amended and Restated Declaration of Covenants, Restrictions, Easements, Charges and Liens, recorded on November 18, 1988, in Official Records Book 13899 at Page 311 of the Public Records of Miami-Dade County, Florida, as amended from time to time (the “**Declaration**”), the Declaration shall control.

Article I.
Board of Directors Oath of Office

All elected members of the Board of Directors of the Hammocks shall take the following Oath of Office as a condition to membership on the Board:

OATH OF OFFICE

I do solemnly swear (or affirm), that I, _____, will fully and faithfully perform my duties as a Board Member of the Hammocks Community Association Incorporated.

That I will follow the laws of the State of Florida, and, the Declaration, Bill of Rights, By-Laws, Articles of Incorporation, and Rules concerning the Hammocks Community Association Incorporated.

That I will perform my fiduciary duties as a Board Member, disregarding anything personal to myself or my family, and instead perform my fiduciary duties guided only by what is best for the entire Hammocks Community.

That I will recuse myself from any conduct, service, or vote that may have an appearance of impropriety and engage in full transparency in the performance of all my duties as a Board Member.

That I will never solicit or agree to receive anything of value for my benefit or the benefit of my family from any person or entity providing or proposing to provide goods or services to the Hammocks Community Association Incorporated.

So help me God.

Date: _____.

Printed Name

[NOTARY JURAT]

After taking the Oath of Office, each Board Member shall sign and date the Oath of Office in the presence of a Notary Public who will notarize each Board Member's signature. The independent management company shall post each signed Oath of Office on the Hammocks Website.

Article II.
Oath of Vendors and Independent Management Company

Every vendor and the independent management company shall certify under oath in their contract with the Association, or as an attachment thereto, as follows:

NO-CONFLICT CERTIFICATION UNDER OATH

I swear and certify that neither I, _____, on behalf of myself and my company _____ (if applicable), nor anyone in my company, or any sub-contractor, solicited or agreed to provide to any Monitor, Board Member, Committee Member, Manager, or any Employee of the Hammocks or Manager anything of value for their use or benefit or the use or benefit of anyone in their family.

I understand that any contract subject to an undisclosed conflict of interest, or a violation of this No-Conflict Certification Under Oath, is voidable by the Association as an ultra vires act.

Under penalties of perjury, I declare that I have read the foregoing No-Conflict Certification Under Oath and that the facts stated in it are true. Fla. Stat. § 92.525.

Date: _____.

Printed Name and Title

Article III.
Conflicts of Interest

All Members of the Board of Directors shall provide an annual written disclosure of any actual or potential conflict of interest to the entire Board. Should a conflict of interest arise after the annual written disclosure, a Board Member shall immediately disclose the actual or potential conflict. This disclosure should include financial interests, relationships, or associations that could reasonably be expected to give rise to a conflict. Each Board Member shall sign and date the disclosure, and the independent management company shall post each signed disclosure on the Hammocks Website.

Further, contracts subject to an undisclosed conflict of interest, or a violation of the No-Conflict Certification Under Oath, are voidable by the Association as an ultra vires act.

Violation by a Member of the Board of Directors or Officer of the conflict of interest policies may result in their removal for cause by a majority of the other Board Members of the Association.

Article IV.
No Secret Meetings

Notices of all Meetings (including closed meetings) of the Board of Directors and Committees must specifically identify Agenda items for the Meetings and must be posted on all community bulletin boards as well as the Hammocks Website at least forty-eight (48) hours in advance of the Meeting, except and only in an emergency.

Closed Meetings of the Board or a Committee and the Association's attorney to discuss proposed or pending litigation or meetings of the Board held to discuss personnel matters are not required to be open to the Members. The Agenda of the Closed Meeting notice will indicate only if it is a legal or personnel meeting. If the Association is still subject to a court-ordered Receivership or Monitorship, the Receiver or Monitor, or his or her designee, as applicable, must attend all Closed Meetings.

The Board and each Committee shall keep regular meeting minutes, which shall be reviewed and approved by a majority of the Board and then posted on the Hammocks Website.

A Meeting of the Board or a Committee occurs whenever a quorum of the Board or Committee gathers to conduct Association business. All gatherings of a quorum of the Board or Committee for non-Association business or non-Association social gatherings are discouraged to avoid the appearance of impropriety.

*The fundamental rationale and purpose of this Article is to guarantee transparency for **all** owners concerning **all** non-privileged matters of the Association.*

Article V.
No Self-Management

The Association shall not be self-managed. The Association shall always be under contract with a licensed, professional independent management company and delegate the power and duty to manage the Association to the independent management company including the hiring of all the employees, subject to consultation with the Board of Directors on all decisions at duly noticed meetings of the Board of Directors. The owner(s) and employees of the independent management company shall not have any undisclosed conflicts of interest with any Member of the Board of Directors.

The independent management company shall handle all bookkeeping and bank accounts for the Association and ensure they undergo an independent annual audit by a Certified Public Accountant. The resulting annual audited financial statements shall be delivered to the Members at the Annual Member Meeting in May each year. Additionally, the independent management company shall prepare detailed monthly financial reports and post them on the Hammocks Website for the Members.

Article VI.
Association Payments

All payments made by the Association shall be reviewed and approved, in writing, by the President, or in the President's absence by the Vice-President, and at least one (1) Board Member. If there is a court-ordered Receiver or Monitor, the Receiver or Monitor, as applicable, must also approve any payment in addition to the President/Vice-President and additional Board Member before the payment is made.

Article VII.
Mandatory Attorney Attendance and Legal Opinions

The Association Attorney, or his or her designee, must attend all Meetings of the Board of Directors. The Association Attorney must be consulted for a legal opinion on all matters regarding the interpretation of the governing documents, this Bill of Rights, Florida law, vendor contracts exceeding 5 percent of the Association's budget, and applicable rules and ordinances. This does not foreclose the Board of Directors from asking the Association Attorney to review any Association contract of any value.

Article VIII.
Election Monitor and Elections

All Elections of the Board of Directors at the Association shall be supervised by an Election Monitor. The Court has already ordered that the Election Monitor shall be Judge David M. Gersten (ret.). Should Judge Gersten resign or become unable to serve as Election Monitor, the Court allows Judge Gersten to suggest the next Election Monitor subject to the Court's approval. The next Election Monitor shall be a retired judge who will receive training and be invited to observe an Election before assuming full responsibility. The contact information for the Election Monitor shall be posted on the Hammocks Website.

The Election Monitor shall notice and supervise the annual Election of the Board of Directors. All notices of the Election shall be mailed to all Members via first-class mail and posted on the Association bulletin boards and Hammocks Website.

The Election Monitor is authorized, within his discretion, to make reasonable modifications to the Association's Election procedures to ensure a fair, proper, and transparent Election year to year. The Association Election schedule shall be as follows:

- November 15 of each year: Deadline for all owners to receive the First Notice of the Annual Election inviting interested, eligible persons to apply to be a candidate to serve on the Board of Directors of the Hammocks.
- December 15 of each year: Deadline for the Board of Directors to receive the candidate applications from interested, eligible persons.
- The deadline for all Members to receive the Second Notice of the Annual Election announcing candidates, voting locations, and election procedures shall be during January, not less than 20 days nor more than 40 days prior to the Annual Election date.
- The Election shall take place in February each year.
- Early voting opportunities will be available on at least two (2) full business days and one (1) half-day on the weekend. One (1) of the business days will offer extended voting hours until 8:00 p.m. On Election Day, voting will open at 9:00 a.m. and cut off at 6:00 p.m. The Election Monitor is authorized to extend these hours as necessary, as these are minimum requirements.

Candidates must submit to a background check to qualify to run for a seat on the Board of Directors. The background checks may be viewed only by the Election Monitor and his staff/agents including the Association attorney. If there is nothing in the background check report to disqualify the candidate, the report will be destroyed. If the background check discloses disqualifying information, the candidate will be given an opportunity to withdraw their candidate application. Failure to withdraw the candidate's application will result in the Election Monitor declaring disqualification of a candidate and disclosing the reason for the disqualification but not the report. The background check for a disqualified candidate will be kept by the Election Monitor for one (1) year.

The Election Monitor is authorized to use his discretion to set dates, deadlines, and schedules as well as revise deadlines, schedules, and the election procedure to address unanticipated circumstances during and concerning the Election. The Election Monitor is authorized to establish appropriate qualifications for candidacy to the Association's Board of Directors and determine the sufficiency of votes. The Election Monitor is authorized to create and enforce campaign rules meant to ensure fairness, keep order, and preserve the integrity and fairness of the Election. The Election Monitor may host an Annual Election Townhall to explain the Election process to the Members.

Article IX. **Annual Audited Financial Statements**

The Board of Directors shall present the annual audited financial statements of the Association during the Annual Meeting of the Members in May each year. The audited financial statements will be posted on the Hammocks Website.

Article X.
Board of Directors Fiduciary Duty

Members of the Board of Directors and Officers of the Association owe a fiduciary duty to the Members of the Association and shall act in the best interests of the Association and its Members, prioritizing the welfare of the community above any personal interests.

Article XI.
No Increase in Assessments Exceeding 125 Percent of the Preceding Fiscal Year

If the Board of Directors adopts in any fiscal year an annual budget that requires assessments against members that exceed 125 percent of assessments for the preceding fiscal year, the Board of Directors shall conduct a special meeting of the Members to consider a substitute budget if the Board of Directors receives, within twenty-one (21) days after adoption of the annual budget, a written request for a special meeting of the Members from at least one-fourth (1/4) of all votes of the entire Membership, or who have the right to vote one-fourth (1/4) of the votes of any class of Membership.

The special meeting shall be conducted within sixty (60) days after the adoption of the annual Budget. At least fourteen (14) days prior to such special meeting, the Board shall mail to each unit owner at the address last furnished to the Association, a notice of the special meeting of the Members for the purpose of considering a substitute budget.

Unit owners may consider and adopt a substitute budget at the special meeting. A substitute budget will be adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual Budget previously adopted by the Board of Directors shall take effect as scheduled.

Any determination of whether assessments exceed 125 percent of assessments for the prior fiscal year shall exclude: (1) any authorized provision for limited voluntary deferred expenditure accounts; (2) anticipated expenses of the Association that the Board of Directors does not expect to be incurred on a regular or annual basis; (3) insurance premiums; or, (4) assessments for betterments to the Association property.

Article XII.
No Association Funds Shall be Used to Defend Criminal Actions or to Prosecute Defamation or Civil Suits on Behalf of a Member of the Board of Directors

Association funds shall not be used by any member of the Board of Directors to defend any criminal action that has been filed against any member of the Board of Directors, even when the subject of the action concerns the operation of the Association.

Association funds may not be used by any member of the Board of Directors to prosecute a defamation or civil lawsuit on behalf of any member of the Board of Directors, even when the subject of the action concerns the operation of the Association.

Article XIII.
Sole Responsibility of the Board of Directors

Consistent with the Association's Official Governing Documents, Declaration, Articles of Incorporation, Bill of Rights, and By-Laws, the Board of Directors (and, if a court-ordered Receiver or Monitor is still in place, the Receiver or Monitor, as applicable) shall be the governing body for the Association. The Board of Directors shall operate independently, without oversight or intervention from any other group, subdivision, or committee within the Association. The Board of Directors will be the sole decision-makers for the Association, not subject to oversight or overrule by another body of the Members.

Article XIV.
Insurance

The Association shall maintain insurance or a fidelity bond for all persons who control or disburse funds of the Association. Furthermore, the Association must continuously carry Directors and Officers (D&O) Liability and Crime Insurance Policies for a minimum amount of \$1 million, in addition to General Liability and Umbrella Insurance Policies of at least \$3 million. The Association is also required to maintain adequate Property Insurance for all its real properties, based on the replacement cost as determined by an independent insurance appraisal or update of a prior appraisal. The replacement cost must be determined at least once every thirty-six (36) months.

The Association may also carry other forms of Insurance. Copies of all the insurance policies maintained by the Association shall be posted on the Hammocks Website with the contact information for the insurance companies.

The Board of Directors is authorized to determine if self-insurance is appropriate for the Association.

Article XV.
Right to Vote in Elections

Provided the Member is in good standing with the Association, the Member's Right to Vote shall not be curtailed. In this regard, no matter how many residential lots or units an individual or entity may own at the Hammocks, the Member shall have the Right to Vote one (1) ballot for each lot or unit owned. Owners of residential apartment buildings and business lots shall have a .175 vote for each one-twentieth (1/20th) of an acre owned.

Article XVI.
The Hammocks Website

By January 1, 2025, the Association shall maintain a Hammocks Website for the benefit of the Members of the Association. The Hammocks Website shall be either: (i) an independent website, application, or web portal wholly owned and operated by the Association; or (ii) a website, application, or web portal operated by a third-party provider with whom the Association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, collection of subpages or web portals, or an application which is dedicated to the Association's activities and on which required notices, records, and documents may be posted or made available by the Association.

The Hammocks Website or application must be accessible through the Internet and must contain a subpage, web portal, or other protected electronic location that is inaccessible to the general public and accessible only to Members and employees of the Association.

Upon a Member's written request, the Association must provide the Member with a username and password and access to the protected sections of the Hammocks Website or application that contain any notices, records, or documents that must be electronically provided to Members.

A current copy of the following documents must be posted in digital format on the Hammocks Website or application:

- a. The recorded Declaration and each amendment thereto.
- b. The recorded By-Laws of the Association and each amendment thereto.
- c. The Articles of Incorporation of the Association, or other documents creating the Association, and each amendment thereto. The copy posted must be a copy of the Articles of Incorporation filed with the Department of State.
- d. The Rules of the Association and any amendments thereto.
- e. A list of all current executory contracts or documents to which the Association is a party or under which the Association or the Members have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the Association within the past year. Summaries of bids for materials, equipment, or services that exceed \$500.00 must be maintained on the Hammocks Website or application for one (1) year. In lieu of summaries, complete copies of the bids may be posted.
- f. The annual budget and any proposed budget to be considered at a meeting.
- g. The Association's monthly financial reports.
- h. The Association's current insurance policies.
- i. The Oath of Director signed by each Board Member.
- j. The certification of each director required by section 720.3033(1)(a), Florida Statutes.

- k. All contracts or transactions between the Association and any director, officer, corporation, firm, or association that is not an affiliated homeowners' association or any other entity in which a director of an association is also a director or an officer and has a financial interest.
- l. Any contract or document regarding a conflict of interest or possible conflict of interest.
- m. The notice of any Member Meeting and the Agenda for the Member Meeting no later than fourteen (14) days before the Member Meeting. The notice must be posted in plain view on the front page of the Hammocks Website or application, or on a separate subpage of the Hammocks Website or application labeled "Notices" that is conspicuously visible and linked from the front page. The Association shall also post on the Hammocks Website or application any document to be considered and voted on by the Members during the Member Meeting or any document listed on the Agenda at least seven (7) days before the Member Meeting at which the document or the information within the document will be considered.
- n. Notice of all Board Meetings, the Agenda, and any other document required for the Board Meeting must be posted no later than 48 hours before the Board Meeting.
- o. Copies of all approved minutes of the meetings of the Members, Board of Directors, and Committees.

Notwithstanding the foregoing, the following records are not accessible to Members:

- a. Any record protected by the lawyer-client privilege as described in section 90.502, Florida Statutes, and any record protected by the work-product privilege, including a record prepared by the Association Attorney or prepared at the Association Attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the Association Attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.
- b. Information obtained by the Association in connection with the approval of the lease, sale, or other transfer of a unit or lot.
- c. Information the Association obtains in a gated community in connection with guests' visits to parcel owners or community residents.
- d. Personnel records of the Association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does not include written employment agreements with the Association or management company employee or budgetary or financial records that indicate the compensation paid to the Association or management company employee.
- e. Medical records of Members or community residents.

- f. Social security numbers, driver license numbers, credit card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses for a Member other than as provided for the Association notice requirements, and other personal identifying information of any person, excluding the person's name, unit or lot designation, mailing address, property address, and any address, e-mail address, or facsimile number provided to the Association to fulfill the Association's notice requirements. The Association is not liable for the inadvertent disclosure of information that is protected under this subparagraph if the information is included in an official record of the Association and is voluntarily provided by a Member and not requested by the Association.
- g. Electronic security measures that are used by the Association to safeguard data, including passwords.
- h. The software and operating system used by the Association that allows the manipulation of data, even if the Member owns a copy of the same software used by the Association. The data is part of the official records of the Association.
- i. All affirmative acknowledgments made pursuant to section 720.3085(3)(c)3, Florida Statutes.
- j. Copies of Payment Plan Option Contracts, Hardship Applications, and any other documents related to collection from delinquent Members.

The Association shall ensure that the foregoing information and records, which are not allowed to be accessible to Members, are not posted on the Hammocks Website or application. If protected information or information restricted from being accessible to Members is included in documents that are required to be posted on the Hammocks Website or application, the Association shall ensure the information is redacted before posting the documents. Notwithstanding the foregoing, the Association or its agent is not liable for disclosing information that is protected or restricted under this paragraph unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.

[THIS PART INTENTIONALLY LEFT BLANK.]

This BILL OF RIGHTS was adopted by this instrument, signed by the Receiver Judge David M. Gersten (ret.), and approved by The Honorable Beatrice Butchko, Circuit Judge of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida.

Receiver Judge David M. Gersten (ret.)
Hammocks Community Association Incorporated
GORDON REES SCULLY MANSUKHANI
Miami Tower
100 SE Second Street, Suite 3900
Miami, FL 33131

Signature of Witness 1

Signature of Witness 2

Printed Name of Witness 1

Printed Name of Witness 2

STATE OF FLORIDA

COUNTY OF MIAMI DADE

Sworn to (or affirmed) and subscribed before me by means of physical presence
or online notarization, this _____ day of _____, 2024, Receiver Judge David M.
Gersten (ret.).

Notary Public—State of Florida

Typed, printed, or stamped name of
Notary Public

Personally Known OR Produced Identification

Type of Identification Produced: _____.