

EXHIBIT "C"

BYLAWS OF PALMER GLEN ASSOCIATION, INC.

A Florida Corporation Not-For-Profit

GENERAL.

1.1 Identity. These are the BYLAWS of PALMER GLEN ASSOCIATION, INC., hereinafter referred to as the "ASSOCIATION", a corporation not for profit formed under the laws of the State of Florida. The ASSOCIATION has been organized for the purposes stated in the ARTICLES OF INCORPORATION, hereinafter referred to as the "ARTICLES" and shall have all of the powers provided in these BYLAWS, the ARTICLES OF INCORPORATION, the DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS for PALMER GLEN hereinafter referred to as the "DECLARATION", and any other statute or law of the State of Florida, or any other power incident to any of the above powers.

1.2 Principal Office. The principal office of the ASSOCIATION shall be at 4832 78th Street East, Bradenton, Florida 34203 or such place as the BOARD may determine from time to time.

1.3 Fiscal Year. The fiscal year of the ASSOCIATION shall be the calendar year.

1.4 Seal. The seal of the ASSOCIATION shall have inscribed upon it the name of the ASSOCIATION, the year of its incorporation and the words "Corporation Not for Profit." Said seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon instruments or documents executed in the name of the ASSOCIATION.

1.5 Inspection of Books and Records. As required by general law, ASSOCIATION shall keep corporate records and, subject to general law, such records of the ASSOCIATION shall be open to inspection and copying by the MEMBERS, the OWNER of any LOT or PROPERTY, or authorized agent or attorney, upon timely written request, during regular business hours.

1.6 Definitions. Unless the context otherwise requires, all terms used in these BYLAWS shall have the same meaning as are attributed to them in the DECLARATION and the ARTICLES.

2. MEMBERSHIP IN GENERAL.

2.1 Qualification. The qualification of MEMBERS, the manner of their admission to membership and the termination of such membership shall be as set forth in the DECLARATION and the ARTICLES.

2.2 Changes in MEMBERS. Change of membership in the ASSOCIATION shall be as provided in the ARTICLES.

2.3 Member Register. The Secretary of the ASSOCIATION shall maintain a register in the office of the ASSOCIATION listing in alphabetical order the names and addresses of the MEMBERS of the ASSOCIATION. Each OWNER MEMBER shall at all times advise the Secretary of any change of address of the MEMBER, of any change of ownership of the MEMBER'S LOTS or PROPERTY and termination of membership. The ASSOCIATION shall not be responsible for reflecting any changes, until notified of such changes in writing. Any INSTITUTIONAL LENDER of any LOT or PROPERTY may register by notifying the ASSOCIATION in writing of its mortgage. In the event the ASSOCIATION files a claim of lien which affects any LOT or PROPERTY encumbered by the mortgage of a registered INSTITUTIONAL LENDER, a copy of the claim of lien shall be mailed to the registered INSTITUTIONAL LENDER.

3. MEMBERSHIP VOTING.

3.1 Voting Rights. There shall be one vote for each LOT and each PROPERTY as provided in the DECLARATION and the ARTICLES.

3.2 Majority Vote and Quorum Requirements. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding upon all MEMBERS and OWNERS for all purposes, except where otherwise provided by law, in the DECLARATION, the ARTICLES or in these BYLAWS. Unless otherwise so provided, at any regular or special meeting, the presence in person or by proxy of persons entitled to cast a majority of the votes of the entire membership at the time of such vote shall constitute a quorum.

3.3 Determination as to Voting Rights. Pursuant to the ARTICLES, each OWNER MEMBER has one (1) vote for each PROPERTY associated with the membership of such OWNER MEMBER. If any such PROPERTY is owned by more than one person or by an entity, and there is no certificate on file with the Secretary designating the one person entitled to vote for the PROPERTY, the vote for the PROPERTY may be cast at any meeting by any co-OWNER of the PROPERTY, but if when the vote is to be cast a dispute arises between the co-OWNERS as to how the vote will be cast, they shall lose the right to cast the vote for the PROPERTY on the matter being voted upon, but their vote shall continue to be counted for purposes of determining the existence of a quorum. For purposes of this Paragraph, the principals or partners of any entity (other than a corporation) owning PROPERTY shall be deemed co-OWNERS of the PROPERTY, and the

Directors and Officers of a corporation owning PROPERTY shall be deemed co-owners of the PROPERTY.

3.4 Proxies. Every OWNER MEMBER entitled to a vote at a meeting of the MEMBERS, or to express consent or dissent without a meeting, may authorize another person to act on the MEMBER'S behalf by a limited proxy signed by such MEMBER or representative, or their respective attorney-in-fact which shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. Any such proxy shall be delivered to the Secretary of the ASSOCIATION, or the person acting as secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. Every proxy shall be revocable at any time at the pleasure of the MEMBER or representative executing it and shall not be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given.

3.5 Rights of DECLARANT. Notwithstanding anything contained in these BYLAWS, the ARTICLES or the DECLARATION to the contrary, so long as the DECLARANT appoints a majority of the BOARD, no vote of the MEMBERS shall be effective without approval in writing by the DECLARANT.

4. MEMBERSHIP MEETINGS.

4.1 Who May Attend. Any MEMBER or OWNER may attend any meeting of the MEMBERS. INSTITUTIONAL LENDERS have the right to attend all meetings of the MEMBERS. Any PERSON not expressly authorized to attend a meeting of the MEMBERS, as set forth above, may be excluded from any meeting of the MEMBERS by the presiding officer of the meeting.

4.2 Place. All meetings of the MEMBERS shall be held at the principal office of the ASSOCIATION or at such other place and at such time as shall be designated by the BOARD and stated in the notice of meeting.

4.3 Notices. Written notice stating the place, day and hour of any meeting and, in the case of a special meeting, purpose or purposes for which the meeting is called, shall be given to each MEMBER not less than fourteen (14) nor more than sixty (60) days before the date of the meeting, by or at the direction of the President, the Secretary or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the MEMBER at the MEMBER'S address as it appears on the records of the ASSOCIATION, unless such MEMBER shall have filed a written request with the Secretary of the ASSOCIATION stating that notices be mailed to some other address. For the purpose of determining MEMBERS entitled to notice of, or to vote at, any meeting of the MEMBERS of the ASSOCIATION, or in order to make a determination of the MEMBERS for any other purpose, the BOARD shall be entitled to rely upon the MEMBER register as same exists ten days prior to the giving of the notice of any meeting, and the BOARD shall not be required to take into account any

changes in membership occurring after that date but may, in their sole and absolute discretion, do so. Notwithstanding the foregoing, if the PROPERTY of an OWNER MEMBER is owned by more than one person or by an entity, only one notice shall be required to be sent with respect to the OWNER MEMBER, which shall be made to the person designated in the certificate referred to in Paragraph 3.03, and in the absence of such certificate, may be made to any one co-owner as defined in Paragraph 3.03 of these BYLAWS.

4.4 Waiver of Notice. Whenever any notice is required to be given to any MEMBER under the provisions of the ARTICLES or these BYLAWS, or as otherwise provided by law, a waiver thereof in writing signed by the PERSON or PERSONS entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a MEMBER at a meeting, either in person or by proxy, limited and/or general, shall constitute a waiver of notice of such meeting, and waiver of any and all objections to the place of the meeting, the time thereof, or the manner it has been called or convened, except when the MEMBER attends solely to state his objection at the beginning of the meeting to the transaction of any business.

4.5 Annual Meeting. The Annual Meeting for the purpose of electing directors and transacting any other business shall be held in the month of December of each year at a date, time and place selected by the BOARD and as is contained in the notice of such meeting. Election of Directors may be conducted by ballot by mail when so provided for and included with the notice of meeting. If the BOARD fails to call such meeting by the end of March of the following year, then within thirty (30) days after the written request of any MEMBER, Officer or Director of the ASSOCIATION, the Secretary shall call an Annual Meeting.

4.6 Special Meetings. Special Meetings of the MEMBERS may be required at any time by written notice to the Secretary by any Director, the President, or any MEMBER(S) having not less than twenty percent (20%) of the votes of the entire membership, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all Special Meetings shall be confined to the subjects stated in the notice of meeting. Notice of any Special Meeting shall be given to the Secretary, or other officer of the ASSOCIATION, to all of the MEMBERS within thirty (30) days after same is duly requested, and the meeting shall be held within forty-five (45) days after same is duly requested.

4.7 Adjournment. Any meeting may be adjourned or continued by a majority of the votes presents at the meeting in person or by proxy, regardless of the existence of a quorum, or if not MEMBER entitled to vote is present at a meeting, then any Officer of the ASSOCIATION, may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to

MEMBERS not present at the original meeting, without giving notice to the MEMBERS which were present at such meeting.

4.8 Organization. At each meeting of the MEMBERS, the President, the Vice President, or any person chosen by a majority of the MEMBERS present, in that order, shall act as Chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the Chairman of the meeting shall act as Secretary of the meeting.

4.9 Order of Business. The order of business at the Annual Meetings of the MEMBERS and Special Meetings to the extent applicable, shall be:

- 4.09.1 Determination of Chairman of the meeting;
- 4.09.2 Calling of the roll and certifying of proxies, or mailed ballots or certification of registration process;
- 4.09.3 Proof of notice of meeting, or waiver of notice;
- 4.09.4 Reading and disposal of any unapproved minutes;
- 4.09.5 Election of inspectors of election;
- 4.09.6 Determination of number of Directors;
- 4.09.7 Nomination and election of Directors;
- 4.09.8 Reports of Directors, Officers or committees;
- 4.09.9 Unfinished business;
- 4.09.10 New Business; and
- 4.09.11 Adjournment.

4.10 Minutes. The minutes of all meetings of the MEMBERS and a record of all actions taken by the MEMBERS without a meeting shall be kept in a book available for inspection by the MEMBERS or their authorized representatives, and the members of the BOARD, pursuant to Paragraph 1.05 above. The ASSOCIATION shall retain these minutes for a period of not less than seven (7) years and shall maintain copies thereof of the most recent three (3) years.

4.11 Actions Without a Meeting. Any action required or permitted to be taken at any Annual or Special Meeting of the MEMBERS of the ASSOCIATION, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action

so taken, shall be dated and signed by the MEMBERS having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all MEMBERS entitled to vote thereon were present and voted and is delivered to the Secretary within sixty (60) days of the earliest dated consent. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those MEMBERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. As to OWNER MEMBERS, if the PROPERTY for which membership is established in the ASSOCIATION is owned by more than one person or by an entity, the consent for such PROPERTY need only be signed by one person who would be entitled to cast the vote(s) for the PROPERTY as a co-owner pursuant to Paragraph 3.03 of these BYLAWS.

5. BOARD OF DIRECTORS.

5.01 Number of Directors.

5.01.1 The affairs of the ASSOCIATION shall be managed by a BOARD comprised of not less than three nor more than five (5) Directors. So long as the DECLARANT is entitled to appoint a Director pursuant to the DECLARATION or ARTICLES, the number of Directors will be determined, and may be changed from time to time, by the DECLARANT by written notice to the BOARD. In the absence of such notification, there shall be three (3) directors.

5.01.2 After the DECLARANT is no longer entitled to appoint any DIRECTORS, the number of DIRECTORS on the BOARD shall, in the absence of a determination to the contrary by the MEMBERS be seven (7) but in no event more than seven (7). Thereafter, the number of DIRECTORS on the BOARD may be changed at any meeting where the MEMBERS are to elect any DIRECTORS.

5.01.3 Notwithstanding the foregoing, in no event shall there be less than three (3) Directors, and the number of Directors shall always be an odd number, and in any event the MEMBERS shall not have the right to determine the number of Directors.

5.02 Election of Directors by Members. The election of Directors by the MEMBERS of the ASSOCIATION shall be conducted in the following manner:

5.02.01 At any time after the DECLARANT no longer has the right to appoint a majority of the Directors or upon the earlier voluntary relinquishment by the DECLARANT of its right to appoint any or all Directors), a Special Meeting of the MEMBERS may be called to elect new Directors. In the absence of such a meeting, the Directors appointed by the DECLARANT may continue to serve until the next Annual Meeting of the MEMBERS. In the event such a Special Meeting is called and held, and Directors are elected by the MEMBERS, at such Special Meeting the MEMBERS may elect to not hold the next Annual Meeting of the MEMBERS

if such next Annual Meeting is less than six (6) months after the date of the Special Meeting. Upon such election, the next Annual Meeting shall not be held.

5.02.2 Except as provided above, the MEMBERS shall elect Directors at the Annual MEMBERS' Meetings, unless a Special Meeting of the MEMBERS is called in order to fill a vacancy on the BOARD as provided in Paragraphs 5.17 below.

5.02.3 Prior to any Special or Annual Meeting at which Directors are to be elected by the MEMBERS, the existing BOARD may nominate a committee, which committee shall nominate at least one (1) PERSON for each Director to be elected by the MEMBERS, on the basis that the number of Directors to serve on the BOARD will not be altered at the MEMBERS' meeting. Nominations for additional Directorships created at the meeting may be made from the floor.

5.02.4 If mail-in ballots have not been provided for in the notice of meeting, the election of Directors by the MEMBERS shall be by written ballot cast in person (Unless dispensed with by unanimous consent) and by a plurality of the votes cast, each MEMBER voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

5.3 Term of Office. All Directors elected by the MEMBERS shall hold office until the next Annual Meeting of the MEMBERS and until their successors are duly elected, or until such Director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the ARTICLES. Provided, however, the terms of non-DECLARANT Directors may be set at a combination of one and two years to stagger the BOARD to promote continuity of leadership, which staggering may be implemented by the MEMBERS at any meeting at which directors are to be elected by the MEMBERS.

4.3 Organizational Meeting. The newly elected BOARD shall meet for the purposes of organization, the election of Officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

5.3 Regular Meetings. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the Directors.

5.4 Special Meetings. Special meetings of the BOARD may be called by any Director, or by the President, at any time.

5.5 Notice of Meetings. Notice of each meeting of the BOARD shall be given by the Secretary, or by any other Officer or Director, which notice shall state the day, place and hour of the meeting. Notice of such meeting shall be delivered to each Director either personally or by

telephone or fax, at least forty-eight (48) hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, at least three (3) days before the day on which such meeting is to be held. Notice of a meeting of the BOARD need not be given to any Director or MEMBER who signs at waiver of notice either before or after the meeting. Attendance of a Director or a MEMBER at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place, the time or the manner or which the meeting has been called or convened, except when a Director or a MEMBER states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in any notice or waiver of notice of such meeting. Notice of meetings shall also be posted conspicuously on a bulletin board at the Clubhouse not less than 48 hours prior to the meeting.

5.8 Attendance at Board Meetings. All meetings of the BOARD shall be open to all MEMBERS and INSTITUTIONAL LENDERS. A Director may participate at a BOARD meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the Directors and any MEMBERS present as in an open meeting. Such participation shall be deemed personal presence by such Director.

5.9 Quorum and Manner and Standard of Acting. A majority of the BOARD determined in the manner provided in these BYLAWS shall constitute a quorum for the transaction of any business at a meeting of the Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number of Directors is required by statute, the DECLARATION, the ARTICLES or by these BYLAWS. Each Director shall discharge his duty, including as a member of any committee consistent with the general standard of conduct provided by general law.

5.10 Adjourned Meetings. A majority of the Directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the BOARD to another place and time. Notice of any such adjourned meeting shall be given to the Directors who are not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Directors. Any business that might have been transacted at the meeting as originally called may be transacted at any adjourned meeting without further notice.

5.11 Presiding Officer. The presiding officer of the Directors' meetings shall be the Chairman of the BOARD if such an officer is elected; and if none, the President of the ASSOCIATION shall preside if the President is a Director. In the absence of the presiding officer, the Directors shall designate one of their members to preside.

5.12 Order of Business. The order of business at a Directors' meeting shall be:

- 5.12.1 Calling of roll;
- 5.12.2 Proof of due notice of meeting;
- 5.12.3 Reading and disposal of any unapproved minutes;
- 5.12.4 Reports of Officers and committees;
- 5.12.5 Election of Officers and filling of Board vacancies, as necessary;
- 5.12.6 Unfinished business;
- 5.12.7 New business; and
- 5.12.8 Adjournment.

5.13 Minutes of Meetings. The minutes of all meetings of the BOARD shall be kept in a book available for inspection by the MEMBERS of the ASSOCIATION, or their authorized representatives or attorney, and the Director at any reasonable time.

5.14 Committees. The BOARD may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the BOARD from time to time, which may include any powers which may be exercised by the BOARD and which are not prohibited by law or by the DECLARATION or BYLAWS from being exercised by a committee.

5.15 Resignation. Any Director of the ASSOCIATION may resign at anytime by giving written notice of his resignation to the Chairman of the BOARD, or the President, or Secretary. Any such resignation shall take effect at time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.16 Removal of Directors. Directors may be removed as follows:

5.16.01 Any Director other than a Director appointed by the DECLARANT may be removed by majority vote of the remaining Directors, if such Director has been absent for the last three (3) consecutive Directors' Meetings, and/or adjournments and continuances of such meetings.

5.16.02 Any Director other than a Director appointed by the DECLARANT may be removed with or without cause by MEMBERS having a majority of the votes of the entire membership at a Special Meeting of the MEMBERS or by their agreement in writing. The vacancy on the BOARD caused by any such removal may be filled by the MEMBERS at such meeting or, if the MEMBERS shall fail to fill such vacancy, by the BOARD as in the case of any other vacancy on the BOARD.

5.17 Vacancies. Vacancies in the BOARD may be filled by a majority vote of the Directors then in office, though less than a quorum, or by a sole remaining Director, and the Director(s) so chosen shall hold office until the next annual election and until their successors are duly elected and shall have qualified, unless sooner displaced. If there are no Directors in office, then a special election of the MEMBERS shall be called to elect the Directors. Notwithstanding anything contained herein to the contrary, the DECLARANT at all times shall have the right to appoint the maximum number of Directors permitted by the DECLARATION or ARTICLES, and any vacancies in the BOARD may be filled by the DECLARANT to the extent that the number of Directors then serving on the BOARD which were appointed by the DECLARANT is less than the number of Directors the DECLARANT is then entitled to appoint.

5.18 Directors Appointed by the DECLARANT. Notwithstanding anything contained herein to the contrary, the DECLARANT shall have the right to appoint the maximum number of Directors in accordance with the privileges granted to the DECLARANT pursuant to the DECLARATION and ARTICLES. All Directors appointed by the DECLARANT shall serve at the pleasure of the DECLARANT, and the DECLARANT shall have the absolute right, at any time, in its sole discretion, to remove any Director appointed by it, and to replace such Director with another PERSON to serve on the BOARD. Replacement of any Director appointed by the DECLARANT shall be made by written notice to the ASSOCIATION which shall specify the name of the PERSON designates as successor Director. The removal of any Director and the designation of his successor by the DECLARANT shall become effective immediately upon delivery of such written instrument by the DECLARANT. The DECLARANT may waive its right to appoint one or more Directors which it has the right to appoint at any time upon written notice to the ASSOCIATION, and thereafter such Director(s) shall be elected by the MEMBERS.

5.19 Compensation. The BOARD shall not be entitled to any compensation for their service as such, provided nothing herein shall be construed to prohibit a Board member or Officer from providing service to the ASSOCIATION in another capacity and receiving compensation therefore.

5.20 Power and Duties. The Directors shall have the right to exercise all of the powers and duties of the ASSOCIATION, express or implied, existing under these BYLAWS, the ARTICLES, the DECLARATION, or as otherwise provided by statute or law. Such powers and duties of the Directors shall include, without limitation (except as limited elsewhere), the following:

5.20.1 The operation, care, upkeep and maintenance of the COMMON PROPERTIES, and any other portion of the SUBJECT PROPERTY determined to be maintained by the BOARD.

5.20.2 The determination of the expenses required for the operation of the ASSOCIATION.

5.20.3 The collection of ASSESSMENTS for COMMON EXPENSES from ASSOCIATION MEMBERS required to pay same.

5.20.4 The employment and dismissal of personnel.

5.20.5 The adoption and amendment of rules and regulations governing the operation and use of PROPERTY and COMMON PROPERTY.

5.20.6 Maintaining bank accounts on behalf of the ASSOCIATION and designating signatories required thereof.

5.20.7 Obtaining and reviewing insurance for property owned and/or maintained by the ASSOCIATION, as is otherwise necessary.

5.20.8 The making of repairs, additions and improvements to, or alterations of, property owned and/or maintained by the ASSOCIATION.

5.20.9 Borrowing money on behalf of the ASSOCIATION; provided, however, that (i) the consent of the MEMBERS having at least two-thirds (2/3) of the votes of the entire membership, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these BYLAWS, shall be required for the borrowing of any sum in excess of \$50,000.00; and (ii) no lien to secure repayment of any sum borrowed may be created on any PROPERTY without the consent of the OWNER of such PROPERTY.

5.20.10 Contracting for the management and maintenance of property owned and/or maintained by the ASSOCIATION, including, but not limited to, authorizing a management agent or company to assist the ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, collection of ASSESSMENTS, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON PROPERTY with funds as shall be made available by the ASSOCIATION for such purposes. The ASSOCIATION and its Officers shall, however, retain at all times the powers and duties granted by all ASSOCIATION documents and the DECLARATION, including, but not limited to, the making of ASSESSMENTS, promulgation of rules, and execution of contracts on behalf of the ASSOCIATION.

5.20.11 Exercising all powers specifically set forth in the DECLARATION, the ARTICLES, these BYLAWS, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

5.20.12 Suspending the right of any OWNER or MEMBER to use the RECREATIONAL FACILITIES on any property owned and/or maintained by the ASSOCIATION, so long as the OWNER is delinquent in the payment of ASSESSMENTS.

5.20.13 Entering into and upon any portion of the SUBJECT PROPERTY, including LOTS, when necessary to maintain, care and preserve any PROPERTY in the event the respective OWNER fails to do so.

5.20.14 Collecting delinquent ASSESSMENTS by suit or otherwise, abating nuisances, and enjoining or seeking damages from the MEMBERS and or OWNERS for violations of these BYLAWS and the terms and conditions of the DECLARATION or of the Rules and Regulations of the ASSOCIATION.

5.20.15 Enter into contracts for maintenance and management of the COMMON PROPERTIES or administration of the affairs of the ASSOCIATION, including but not limited to, management of ASSOCIATION funds, the determination and collection of ASSESSMENT and maintenance of the records of the ASSOCIATION by a qualified contractor.

6. OFFICERS.

6.1 Members and Qualifications. The Officers of the ASSOCIATION shall include a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Directors of the ASSOCIATION and may be preemptively removed from office with or without cause by vote of the Directors at any meeting by concurrence of a majority of the Directors. Any person may hold two or more offices except that the President shall not also be the Secretary or Treasurer. The BOARD may, from time to time, elect such other Officers and designate their powers and duties as the BOARD shall find to be appropriate to manage the affairs of the ASSOCIATION from time to time. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these BYLAWS.

6.2 Resignations. Any Officers of the ASSOCIATION may resign at any time by giving written notice of his resignation to any Director, the President or the Secretary. Any such resignation shall take effect at the time specified therein; or if there is no time specified therein, immediately upon its receipt; and unless other specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

6.3 Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which

shall be vacant in the manner prescribed in these BYLAWS for the regular election or appointment of such office.

6.4 The President. The President shall be the chief executive officer of the ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of President of an association or corporation.

6.5 The Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as may be proscribed by the BOARD.

6.6 The Secretary. The Secretary shall prepare and keep the minutes of all proceedings of the Directors and the MEMBERS. He shall attend to the giving and serving of all notices to the MEMBERS and Directors and other notices required by law. He shall have custody of the seal of the ASSOCIATION and affix the same to instruments requiring a seal when duly executed. He shall keep the corporate records of the ASSOCIATION, as required by general law, except those of the Treasurer; shall provide a copy of such of the corporate records required by general law to be kept and made available for inspection and shall be the officer responsible to facilitate inspection of corporate records as required by general law; shall be responsible to authenticate the corporate records and shall perform all other duties incident to the office of Secretary of an association, and as may be required by the BOARD or the President.

6.7 The Treasurer. The Treasurer shall have custody of all property of the ASSOCIATION, including funds, securities, and evidences of indebtedness. He shall keep books of account for the ASSOCIATION and separate records for each LOT or PROPERTY in accordance with good accounting practices, and consistent with general law, which, together with substantiating papers, shall be made available to the BOARD and MEMBERS for inspection and copying pursuant to Paragraph 1.05 above. He shall submit a Treasurer's Report to the BOARD at reasonable intervals and shall perform all other duties incident to the office of Treasurer. He shall collect all ASSESSMENTS and shall report promptly to the BOARD the status of collections. Within forty-five (45) days from the fiscal year end, he shall submit to the BOARD for its mailing to the MEMBERS a complete financial report of actual receipts and expenditures for the previous twelve (12) months, as provided by general law.

6.8 Compensation. The officers of the ASSOCIATION shall not be entitled to compensation. However, neither this provision, nor the provision that Directors will not be compensated, shall preclude the BOARD from employing a Director or an Officer as an employee of the ASSOCIATION and compensating such employee, or shall they preclude the ASSOCIATION from contracting with an Officer or a Director for the management of PROPERTY subject to the jurisdiction of the ASSOCIATION, or for the provision of services to the ASSOCIATION, and in either such event to pay such Director or Officer a reasonable fee for such management or provision of services.

7.0 FINANCE AND ASSESSMENTS.

7.01 Adoption of the Budget.

7.01.1 Within sixty (60) days prior to the commencement of any fiscal year of the ASSOCIATION, the BOARD shall adopt a budget for such fiscal year, necessary to defray the COMMON EXPENSES of the ASSOCIATION for such fiscal year. The COMMON EXPENSES of the ASSOCIATION shall include all expenses of any kind or nature whatsoever incurred, or to be incurred by the ASSOCIATION for the operation of the property owned and/or operated by the ASSOCIATION, and for the proper operation of the ASSOCIATION itself, including, but not limited to, the expenses of the operation, maintenance, repair, or replacement of the COMMON PROPERTIES; costs of carrying out the powers and duties of the ASSOCIATION; all insurance premiums and expenses, including fire insurance and extended coverage; reasonable reserves for purchases, deferred maintenance, replacements, betterments, and unknown contingencies; and all other expenses designated as COMMON EXPENSES by these BYLAWS, the DECLARATION, the ARTICLES, or any other applicable statute or law of the State of Florida. The annual budget of the ASSOCIATION shall be detailed and shall show the amounts budgeted by accounts in expense classifications including, where applicable, but not limited to, the following: administration of the ASSOCIATION, management fees, maintenance, taxes upon COMMON PROPERTY, insurance, security provisions, other expenses, operating capital, reserves, and any fees payable to any controlling governmental agencies. If pursuant to any agreement entered into by the ASSOCIATION, any expense of the ASSOCIATION is to be shared with any PERSON(S), then the annual budget of the ASSOCIATION shall contain a separate classification for such expense(s). In the event the BOARD fails to adopt an annual budget for any year, the prior year's budget shall remain in effect until a new budget is adopted or the existing budget is amended or revised.

7.01.2 If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the COMMON EXPENSES of the ASSOCIATION for the fiscal year in which the adopted budget applies to, the BOARD may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption of an amended budget.

7.02 Assessments and Assessment Roll.

7.02.01 As soon as practicable after the adoption of a budget, or an amended budget, the BOARD shall fix and determine the amount and frequency of the MEMBERS' ASSESSMENTS for COMMON EXPENSES, pursuant to the DECLARATION, the ARTICLES and these BYLAWS. Such ASSESSMENTS shall be due not more frequently than monthly, and shall each be in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Any periodic ASSESSMENTS for COMMON EXPENSE, whether quarterly, monthly or otherwise, shall be equal. As soon as practicable after the determination of the ASSESSMENTS for COMMON EXPENSES, the ASSOCIATION shall notify each MEMBER, in writing, of the

amount, frequency and due date of such MEMBER'S ASSESSMENTS, provided, however, that no ASSESSMENT shall be due in less than ten (10) days from the date of such notification.

7.02.2 In the event the expenditure of funds by the ASSOCIATION is required that cannot be paid from the ASSESSMENTS for COMMON EXPENSES, the BOARD may make SPECIAL ASSESSMENTS, which shall be levied in the same manner as hereinbefore provided for ASSESSMENTS for COMMON EXPENSES and shall be payable in the manner determined by the BOARD. Each MEMBER'S share of any SPECIAL ASSESSMENT shall be in the same proportion as the MEMBER'S share of the ASSESSMENTS for COMMON EXPENSES.

7.02.3 The ASSOCIATION shall maintain an ASSESSMENT roll for each MEMBER, designating the name and current mailing address of the MEMBER, the amount of each ASSESSMENT payable by such MEMBER, the dates and amounts in which the ASSESSMENTS come due, the amount paid upon the account of the MEMBER, and the balance due.

7.3 Depositories. The funds of the ASSOCIATION shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the BOARD from time to time. Funds shall be withdrawn only upon checks and demands for money signed by such officers, Directors or other persons as may be designated by the BOARD.

7.4 Application of Payments and Commingling of Funds. All sums collected by the ASSOCIATION from ASSESSMENTS may be commingled in a single fund or divided into more than one fund, as determined by the BOARD. Notwithstanding the foregoing, reserve and operating funds of the ASSOCIATION shall not be co-mingled prior to the turnover of BOARD control to the MEMBERS except that the ASSOCIATION may jointly invest reserve funds; however, such jointly invested reserve funds shall be accounted for separately. Additionally, as long as DECLARANT holds ASSOCIATION funds, said funds shall be maintained separately in the ASSOCIATION'S name, and in no event shall DECLARANT commingle any ASSOCIATION funds with his or her funds or with the funds of any other homeowners' association or community association.

7.5 Accounting Records and Reports. The ASSOCIATION shall maintain accounting records as required by general law according to good accounting practices. The records shall be open to inspection by MEMBERS and all INSTITUTIONAL LENDER, or their authorized representatives, pursuant to Paragraph 1.05 above. The records shall include, but not be limited to, (a) a record of all receipts and expenditures; (b) the ASSESSMENT roll of the MEMBERS referred to above; (c) all audits, review, accounting statements and financial reports; and (d) all contracts for work to be performed and bids for such work. The BOARD may, and upon the vote of a majority of the MEMBERS shall, conduct an audit of the accounts of the ASSOCIATION by a certified public accountant, and if such an audit is made, a copy of the report shall be made available to each MEMBER and INSTITUTIONAL LENDER, upon written request to the ASSOCIATION and shall be provided in lieu of the complete financial report provided in Paragraph 6.07 above.

7.06 Fidelity Bonds. Fidelity bonds may be required by the BOARD for all Directors, Officers and employees of the ASSOCIATION and from any contractor handling or responsible for ASSOCIATION funds. The amount of such bonds shall be determined by the BOARD. The premiums on such bonds shall be paid by the ASSOCIATION and shall be a COMMON EXPENSE.

8. PARLIAMENTARY RULES.

8.01 Roberts' Rules of Order (latest edition) shall govern the conduct of the ASSOCIATION meetings when not in conflict with the DECLARATION, the ARTICLES or these BYLAWS.

9. AMENDMENTS.

Except as otherwise provided, these BYLAWS may be amended in the following manner:

9.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

9.2 Initiation. A resolution to amend these BYLAWS may be proposed by the BOARD, or by the MEMBERS having not less than twenty percent (20%) of the votes of the entire membership of the ASSOCIATION.

9.3 Adoption of Amendments.

9.03.1 A resolution for the adoption of the proposed amendment shall be adopted either: (a) by a majority of all of the Directors of the ASSOCIATION; or (b) by MEMBERS having not less than a majority of the votes of the entire membership of the ASSOCIATION. Any amendment approved by the MEMBERS may provide that the BOARD may not further amend, modify or repeal such amendment.

9.03.2 Notwithstanding the foregoing, so long as DECLARANT appoints a majority of the Directors of the ASSOCIATION, DECLARANT shall have the right to unilaterally amend these BYLAWS without the joinder or approval of any Directors or any MEMBER.

9.04 No amendments shall make any changes in the qualification for membership nor in the voting rights or property rights of MEMBERS without approval by all of the MEMBERS and the joinder of all record owners of mortgages upon the PROPERTY. No amendment shall be made that is in conflict with the DECLARATION, or the ARTICLES.

9.5 Execution and Recording. No modification of, or amendment to, these BYLAWS shall be valid unless annexed as an exhibit to an Amendment to the DECLARATION recorded in the Public Records of Sarasota County, Florida.

9.6 Emergency Bylaws. The BOARD may adopt Emergency Bylaws to be effective only in the event of an emergency as defined in Ch. 617.0207(5), Florida Statutes, which shall become inoperative upon termination of the emergency.

10. RULES AND REGULATIONS. The BOARD may, from time to time, adopt, or amend previously adopted, Rules and Regulations concerning the use of the COMMON PROPERTY and concerning the use, operation and maintenance of other portions of the SUBJECT PROPERTY in order to further implement and carry out the intent of the DECLARATION, the ARTICLES and these BYLAWS. The BOARD shall make available to any MEMBER a copy of the Rules and Regulations adopted from time to time by the BOARD.

11. MISCELLANEOUS.

11.1 Tenses and Genders. The use of any gender or of any tense in these BYLAWS shall refer to all genders or to all tenses, wherever the context so requires.

11.2 Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

11.3 Conflicts. In the event of any conflict, any applicable Florida statute, the DECLARATION, the ARTICLES, these BYLAWS, and the Rules and Regulations of the ASSOCIATION shall govern, in that order.

11.4 Captions. Captions are inserted herein only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these BYLAWS or the intent of any provisions hereof.

11.5 Waiver of Objections. The failure of the BOARD of any Officers of the ASSOCIATION to comply with any terms and provisions of the DECLARATION, the ARTICLES, or these BYLAWS which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such defect shall be waived if it is not objected to by a MEMBER of the ASSOCIATION within thirty (30) days after the MEMBER is notified, or becomes aware, of the defect. Furthermore, if such defect occurs after a general or special meeting, the defect shall be waived as to all MEMBERS who received notice of the meeting and failed to object to such defect at the meeting.