

EXHIBIT "C"

**BYLAWS
OF
COASTAL WOODS HOMEOWNERS' ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)**

**ARTICLE I
GENERAL**

1.1 Name. The name of this corporation is Coastal Woods Homeowners' Association, Inc., hereinafter referred to as the Association.

1.2 Principal Office. The initial principal office of the corporation shall be located at 424 Luna Bella Lane, Suite 122, New Smyrna Beach, Florida 32168, or such location as may be designated by the Association's Board of Directors. All books and records of the Association shall be kept at its principal office.

1.3 Seal. The seal of the Association shall bear the name of the Association, the word "Florida", and the words "corporation not-for-profit", and the year of the incorporation.

1.4 Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions, and Restrictions for Coastal Woods, or in the Articles of Incorporation of Coastal Woods Homeowners' Association, Inc., unless herein provided to the contrary or the context otherwise requires.

**ARTICLE II
ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, AND PROXIES**

2.1 Membership. The Association shall have two (2) classes of membership, Class A and Class B, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

2.2 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board.

2.3 Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Annual meetings (hereinafter "Annual Members' Meetings") shall be of the Members or their alternates. Subsequent regular Annual Members' Meetings shall be set by the Board, on a date and at a time set by the Board.

2.4 Special Meetings. Special meetings of the membership shall be held at any place within the County, whenever called by the president or vice president or by a majority of the Board. In addition, it shall be the duty of the president to call a special meeting if so directed by the resolution of a majority of a quorum of the Board, or upon a petition signed by Members representing at least ten percent (10%) of the total Class A votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.5 Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members, shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the president or the secretary or the officers or Persons calling the meeting. If mailed, the notice of the meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association. The notice shall be signed by an officer of the Association. In the case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice.

2.6 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

2.7 Order of Business. The order of business at Annual Members' Meetings and, as far as practical, at other Members' meetings will be:

- A. Calling of the roll and certifying of proxies.
- B. Proof of notice of meeting or waiver of notice.
- C. Certification of the presence of a quorum.
- D. Reading and disposal of any unapproved minutes.
- E. Reports of officers, committees, and employees or agents.
- F. Election of Directors.
- G. Unfinished business.
- H. New business.
- I. Adjournment.

2.8 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. 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 adjourned meeting shall be given in the manner prescribed for regular meetings.

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

2.9 Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein by reference.

2.10 Proxies. Members may vote by proxy. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for which it was given, and must be signed by the authorized Person giving the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may be adjourned and reconvened from time to time and automatically expires ninety (90) days after the date of the meeting for which it was originally given.

2.11 Majority. As used in these Bylaws, the term "Majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

2.12 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person, or by alternate, of the Members representing one-third (1/3) of the total vote of the Association shall constitute a quorum at all meetings of the Association.

2.13 Conduct of Meetings. The president, or his designated alternate, shall preside over all meetings of the Association, and the secretary, or his designated alternate, shall keep the minutes of the meeting, record in a minute book all resolutions adopted at the meeting, and keep a record of all transactions occurring at the meeting. Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by the Members and the Board at all reasonable times.

2.14 Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken by written agreement in lieu of a meeting, provided written notice of the matter or matters to be agreed upon is given to the Members at the addresses and within the time periods set forth herein or duly waived in accordance herewith. The decision of the majority of the Members (as evidenced by written response to be solicited in the notice), shall be binding on the membership, provided a quorum of the membership as represented by the Members submits a response. The notice shall set forth a time period during which time a response must be made by a Member.

2.15 Voting Certificate and Ledger. All voting certificates shall be filed with the secretary. The secretary shall keep all voting certificates and shall prepare and maintain a ledger listing, by Lot, each Member who is designated to vote on behalf of such Lot.

ARTICLE III

BOARD OF DIRECTORS: NUMBER, POWERS, AND MEETINGS

3.1 Composition and Selection.

A. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. In the case of an Owner which is a corporation, partnership, or other legal entity, the Person designated in writing to the secretary of the Association as the representative of such corporation, partnership, or other legal entity shall be eligible to serve as a director, unless otherwise specified by written notice to the Association signed by such Member; provided, no Member may have more than one such

representative on the Board at a time, except in the case of Directors appointed by the Class B Member.

3.2 Number of Directors. The number of Directors in the Association shall be not less than three (3) nor more than nine (9). The initial Board shall consist of three (3) Members as identified in the Articles. The Board elected upon Turnover shall have not less than three (3) Directors, thereafter, the Board shall determine the number of directorships for the succeeding year at the Board meeting prior to the Annual Members' Meeting, provided however, that the total number of Directors shall always be an odd number.

3.3 Directors During Class B Control. The Directors during the Class B control period shall be selected by the Class B Member acting in its sole discretion, and shall serve at the pleasure of the Class B Member until Turnover. Upon Turnover, the Class B Member shall cause the Board to call a meeting, as provided in these Bylaws, for special meetings, to advise the membership of termination of the Class B control period.

3.4 Veto. This paragraph may not be amended without the express, written consent of the Class B Member as long as the Class B membership exists. So long as the Class B membership controls the Board, the Class B Member shall have a veto power over all actions of any committee of the Association, as is more fully provided in this paragraph. This veto power shall be exercisable only by the Class B Member, its successors, and assigns who specifically take this power in a recorded instrument. No action authorized by any committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

A. The Class B Member shall have been given written notice of all meetings and proposed actions approved at meetings of any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the secretary of the Association, as it may change from time to time. The notice shall comply with the requirements for notices set forth herein, and shall set forth in reasonable particularity the agenda to be followed at said meeting; and

B. The Class B Member 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, to be implemented by any committee or the Association. The Class B Member, its representatives, or agents shall make its concerns, thoughts, and suggestions known to the members of the subject committee. The Class B Member shall have and is hereby granted a veto power over any such action, policy, or program authorized by any committee thereof and to be taken by such committee, the Association, or any individual Member of the Association, if committee or Association approval is necessary for such action. This veto may be exercised by the Class B Member, its representatives, or agents at any time within ten (10) business days following the meeting held pursuant to the terms and provisions hereof. Any veto shall not extend to the requiring of any action or counteraction on behalf of any committee or the Association.

3.5 Election and Term of Office. Notwithstanding any other provision contained herein:

A. Upon Turnover and at each annual meeting of the Members after Turnover, all Directors shall be elected by the Members, excepting however, Declarant shall be entitled to appoint one member of the Board so long as Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Lots in the Subdivision.

B. Upon Turnover: (i) so long as Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Dwellings constructed or anticipated to be constructed in the Subdivision, one (1) Director shall be appointed by Declarant; (ii) two (2) Directors shall be elected for a one-year term; and (iii) two (2) Directors shall be elected for a two-year term. If upon Turnover, Declarant does not hold for sale in the ordinary course of business at least five percent (5%) of the Lots in the Subdivision, or if Declarant waives its right to appoint a director, then the Members shall elect: (i) two (2) Directors for a one year term; and (iii) three (3) Directors for a two-year term. With the exception of the Director appointed by Declarant, all Directors shall be elected by the Class A Members. Upon the expiration of the term of office for each Director elected for one year, all Directors shall be elected for two-year terms.

C. When Declarant is no longer entitled to appoint a director, then the Director appointed by Declarant shall resign and the remaining Directors shall be entitled to appoint a Director to serve the unexpired portion of the term. At the next Annual Members' Meeting, the Members shall be entitled to elect a successor to serve a two-year term.

D. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The Directors shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms. The provisions of the Articles setting forth the terms of the Directors' service is incorporated herein by reference.

3.6 Election. Election of Directors after Turnover shall be conducted in the following manner:

A. Election of Directors shall be conducted at the Annual Members' Meeting.

B. A Nominating Committee of not less than three (3) nor more than five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the Annual Members' Meeting. The Committee shall nominate one (1) person for each Director to be elected. Nominations for additional Directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

C. The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each Person voting being entitled to cast his vote for as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

D. Except as to vacancies provided by removal of Directors by Members, vacancies in the Board of Directors occurring between Annual Members' Meetings shall be filled by the remaining Directors.

3.7 Term. The term of each director's service shall extend until the next annual meeting of the members and subsequently until a successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.8 Removal of Directors and Vacancies.

A. Any Director elected by the Members may be removed, with or without cause, by the affirmative vote of a majority of the Members taken at a special meeting of the Members, or upon the agreement in writing of a majority of the Members. A special meeting of Members to so remove a Director elected by them shall be held, subject to the notice provisions hereof, upon the written request of ten percent (10%) of the Members. However, before any Director is removed from office, he shall be notified in writing at least two (2) days prior to the meeting at which the motion to remove him will be made, and such Director shall be given an opportunity to be heard at such meeting, should he be present, prior to the vote on his removal.

B. A Director appointed by Declarant may be removed only by Declarant in its sole discretion and without any need for a meeting or vote. Declarant shall have the unqualified right to name a successor for any Director appointed by Declarant, and thereafter removed by it, or for any vacancy on the Board as to a Director appointed by it, and Declarant shall notify the Board as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor director.

C. Any Director elected by the Members who has three (3) consecutive unexcused absences from Board meetings, or who is delinquent in the payment of any Assessment or other charge due to the Association for more than sixty (60) days may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board and it may appoint a successor.

3.9 Organizational Meetings. The first meeting of the Board following each annual meeting shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

3.10 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. Notice of the time and place of the meeting shall be communicated to Directors not less than two (2) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver or a written consent to the holding of the meeting. Notice of any meeting where Assessments against Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

3.11 Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the president or vice president of the Association or by any three (3) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by email or (d) by telephone or facsimile 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. All such notices shall be given at the director's telephone number or sent to the director's address or e-mail address as shown on the

records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least two (2) days before the time set for the meeting. Notices given by personal delivery, e-mail, or telephone shall be delivered, e-mailed, or telephoned at least twenty four (24) hours before the time set for the meeting.

3.12 Order of Business. The order of business at all meetings of the Board of Directors shall be as follows:

- A. Roll call.
- B. Reading of minutes of the last meeting.
- C. Consideration of communication.
- D. Resignations and elections.
- E. Reports of officers, committees, and employees or agents.
- F. Unfinished business.
- G. Original resolutions and new business.
- H. Adjournment.

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

3.14 Quorum of Board of Directors. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. 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 who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. The notice provisions for the reconvened meeting shall be as determined by the Board.

3.15 Compensation. No Director shall receive any compensation from the Association for acting as a Director unless approved by the Members at a regular or special meeting of the Association; provided, however, 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 service 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, excluding the interested director.

3.16 Conduct of Meetings. The president shall preside over all meetings of the Board, and the secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board, and all transactions and proceedings occurring at such meetings. Minutes of all Board meetings shall be kept in a businesslike manner and shall be available for inspection by the Members and the Board at all reasonable times.

3.17 Open Meetings. Except for actions taken without a formal meeting, all meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussions or deliberations unless permission to speak is requested on his or her behalf by a director, and such permission is granted by the president. In such case, the president may limit the time any Member may speak. In the event a Member not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meetings or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any Person who is not able to provide sufficient proof that he is a Member, unless said Person has been specifically invited by any of the Directors to participate in such meeting.

3.18 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, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

3.19 Powers and Duties. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Members or the membership generally. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

A. Preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Common Expenses;

B. Making Assessments to defray the Common Expenses, establishing the means and methods of collecting such Assessments, and establishing the period of the installment payments of the annual Assessment; provided, unless otherwise determined by the Board, the annual Assessment for each Lot's proportionate share of the Common Expenses shall be payable in equal quarterly installments, each such installment to be due and payable in advance on the first day of each quarter for said quarter;

C. Providing for the operation, care, upkeep, and maintenance of all of the Common Areas;

D. Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its Property, and the Common Areas 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;

E. Collecting the Assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association; provided, any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks;

F. Making and amending Rules and Regulations;

G. Opening of bank accounts on behalf of the Association and designating the signatories required;

H. Making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these Bylaws;

I. Enforcing by legal means the provisions of the Declaration, these Bylaws, and the Rules and Regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

J. Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

K. Paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

L. Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

M. Making available to any prospective purchaser of a Lot or Dwelling, any Owner, any First Mortgagee, and the holders, insurers, and guarantors of a first mortgage on any Dwelling, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules governing the Property, and all other books, records, and financial statements of the Association;

N. Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Subdivision; and

O. Indemnifying a director, officer, Member, or committee member or a former director, officer, Member or committee member of the Association in accordance with Florida law, the Articles, and the Declaration.

3.20 Management Agent.

A. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws, other than the

powers set forth above. Declarant, or an affiliate of Declarant, may be employed as managing agent or manager.

B. No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on not more than ninety (90) days written notice.

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

A. Accrual accounting, as defined by generally accepted accounting principles, shall be employed;

B. Accounting and controls should conform to the federal income tax basis of accounting;

C. Cash accounts of the Association shall not be commingled with any other accounts;

D. 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; anything of value received shall benefit the Association;

E. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

F. Commencing at the end of the month in which the first Dwelling 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 the quarterly installments of Assessments at the time of the report and describing the status of any action to collect such installments which remain delinquent (A quarterly installment of the Assessment shall be considered to be delinquent on the fifteenth (15th) day of the first month of each quarter unless otherwise determined by the Board of Directors); and

G. An annual report consisting of at least the following shall be distributed to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position

for the fiscal year. The annual report referred to above shall be prepared on a reviewed basis by a certified public accountant; provided, during the Class B control period, the annual report shall include reviewed financial statements.

3.22 Borrowing. The Board shall have the power to borrow money for the purpose of maintenance, repair, or restoration of the Common Areas without the approval of the Members. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

3.23 Rights of the Association. In accordance with the Articles and Bylaws, the Association shall have the right to contract with any Person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with community development districts, and other owners or residents associations, both within or without the Subdivision. Such agreements shall require the consent of a majority of all the Directors.

3.24 Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend for a reasonable period of time an Owner's right to use Common Areas and facilities for violation of any duty imposed under the Declaration, these Bylaws, or any Rules and Regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot or to suspend an Owner's right to vote. In the event that any occupant of a Dwelling violates the Declaration, Bylaws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, 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. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

A. Notice. Prior to imposition of any sanction hereunder or under the Declaration, 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 ten (10) days within which the alleged violator may present a written request to the Board of Directors for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed;

The Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

B. Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held by the Board, affording the alleged violator 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 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. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board may elect to enforce any provision of the Declaration, these Bylaws, or the Rules and Regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking Rules and Regulations) or 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 attorneys' fees actually incurred.

3.25 Proviso. Notwithstanding anything contained herein to the contrary, the Directors shall not have the right or authority to do any act or take any actions wherein the same would limit, modify, or abridge the rights, privileges, and immunities of Declarant.

ARTICLE IV **OFFICERS**

4.1 Officers. The officers of the Association shall be the president, who shall be a director, one or more vice presidents, a treasurer, and a secretary, all of whom shall be elected annually by the Board. Officers need not be Members. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. As provided in the Articles, until Turnover, Declarant shall have the right to approve all of the officers elected. The Board shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. Compensation of officers shall be subject to the same limitations as compensation of Directors hereunder.

A. The president, who shall be a Director, 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 the president of a corporation not-for-profit including, but not limited to, the power to appoint committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. He shall preside at all meetings of the Board and the membership.

B. In the absence or disability of the president, a vice president shall exercise the powers and perform the duties of the president. The vice president(s) shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one vice president elected by the Board, then they shall be designated "first", "second", etc. and shall exercise the powers and perform the duties of the presidency in such order.

C. The secretary shall cause to be kept the minutes of all meetings of the Board and the membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have

custody of the seal of the Association and shall affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the treasurer, and shall perform all of the duties incident to the office of secretary of the Association as may be required by the Board or the president.

D. The treasurer shall have custody of all of the property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the Assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of the treasurer.

4.2 Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3 Removal. Any officer may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby.

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

4.5 Resignation. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 Agreements, Contracts, Deeds, Leases, Checks, and Other Instruments. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least one (1) officer or by such other Person or Persons as may be designated by resolution of the Board.

ARTICLE V **COMMITTEES**

5.1 General. The Board may, by resolution, also create other committees and invest such committee with such powers and responsibilities as the Board shall deem advisable, subject to the limitations of Section 607.0825, Florida Statutes.

5.2 Limitations. Notwithstanding anything contained herein to the contrary, an executive committee or any other committee created by the Board of Directors shall not have the power to determine the Common Expenses required for the affairs of the Association or to determine the Assessments payable by the Lot Owners to meet the Common Expenses of the Association.

ARTICLE VI **FINANCES**

6.1 Fiscal Year. The fiscal year shall be the calendar year.

6.2 Checks. All checks or demands for money and notes of the Association shall be signed by two (2) of the following: president, vice president, secretary, or treasurer, or by such officer or officers or such other Person or Persons as the Board of Directors may from time to time designate.

6.3 Determination of Assessments.

A. Generally.

i. The Board of Directors shall fix Assessments adequate to meet the Common Expenses of the Association.

ii. Funds for the payment of Common Expenses shall be assessed against Owners in the proportions or percentages and in the manner provided in the Declaration and said Assessments shall be payable as provided in the Declaration.

iii. The Board of Directors is specifically empowered, on behalf of the Association, to make and collect Assessments and to maintain, repair, and replace the Common Areas within the Subdivision.

iv. Special Assessments, which may be required by the Board of Directors, shall be levied and paid in the same manner as provided in the Declaration.

B. Disclosure. When the Board of Directors has determined the amount of any Assessment, excluding the monthly Assessment, the secretary or treasurer shall mail or present a statement of the Assessment to each of the Owners. All Assessments shall be payable to the Association and, upon request, the secretary or treasurer shall give a receipt for each payment made.

6.4 Annual Budget.

A. A copy of the Association's proposed annual budget of Common Expenses in a form required under Section 720 of the Florida Statutes, as amended, shall be mailed to each Owner not less than thirty (30) days prior to the meeting of the Board of Directors at which the budget will be considered together with a notice of that meeting. Such meeting of the Board of Directors shall be open to all Owners.

B. The Board of Directors may approve annual budgets without the necessity of Owner approval so long as the amount does not exceed one hundred fifteen percent (115%) of the Assessment for the preceding year.

C. The Board of Directors adopts a budget which requires Assessments for the proposed fiscal year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding year, the Board of Directors, upon written application of ten percent (10%) of the Members to the Board of Directors, shall call a special meeting of the Members within thirty

(30) days, upon not less than ten (10) days' written notice to each Member. At the special meeting, Members shall consider and enact a budget, the adoption of which shall require a vote of not less than two-thirds (2/3) of all Members' votes. The Board of Directors may propose a budget to the Members at a meeting of Members or in writing, and if the budget or proposed budget is approved by a majority of the Members at the meeting or by a majority of all Members in writing, the budget shall be adopted. In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Property shall be excluded from the computation. However, as long as Declarant is in control of the Board of Directors, the Board shall not impose an Assessment for any year greater than one hundred fifteen percent (115%) of the prior fiscal year or calendar year's Assessment without approval of Persons owning a majority of all Lots.

6.5 Working Capital and Reserve Accounts.

A. The Board of Directors may from time to time establish, as part of the regular Assessment or by special Assessment, an operating capital fund which may be utilized for payment of Common Expenses of the Association in excess of the Assessments collected from Owners on a monthly basis. Such Assessment shall be made in accordance with the terms and provisions of the Declaration.

B. The Board of Directors may establish, as part of the annual budget, reserve accounts for capital expenditures and deferred maintenance for items including, but not limited to, pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. However, the Members of the Association may by a majority vote at a duly called meeting of the Association, elect for a fiscal year to provide no reserves or reserves less adequate than required by the above-stated formula.

C. The Board of Directors shall have the right to assess Owners to establish a reserve account for the future replacement of or additions to the Common Areas and such reserve fund shall be held in trust by the Board or its designated nominee to be used solely for the purpose for which it was established.

6.6 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 (1) fund as determined by the Board of Directors. Notwithstanding the foregoing, sums collected for reserves shall be placed in a separate account from other funds of the Association. All Assessments shall be applied as provided herein and in the Declaration.

6.7 Fidelity Bond for Officers. The treasurer and all officers who are authorized to sign checks and all officers and employees of the Association, and any contractor handling or responsible for Association funds shall be bonded in such amounts as may be determined by the Board of Directors. The premiums on such bond or bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an individual handles or over which he has control via signatory or a bank account or other depository account; however, notwithstanding the foregoing, any management firm retained by the Association, shall

determine, in its sole discretion, the amount of the bond and who is to be bonded, if any, among its employees.

ARTICLE VII **INDEMNIFICATION**

The Directors and officers of the Association shall be indemnified by the Association pursuant to the indemnification provisions of the Articles of Incorporation, which by this reference are incorporated herein and made a part hereof.

ARTICLE VIII **PARLIAMENTARY RULES**

Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings and Board of Director meetings when not in conflict with the Declaration, Articles of Incorporation, or these Bylaws.

ARTICLES IX **AMENDMENTS TO BYLAWS**

9.1 So long as Declarant remains a Class B Member, these Bylaws may be amended by the affirmative vote of a majority (more than fifty percent (50%)) of the total votes of the Association membership (not just those voting). Upon termination of the Class B membership, these Bylaws may only be amended by the affirmative vote of at least two-thirds (2/3) of the total of the votes of the Association membership (not just those voting). Notwithstanding the above, no amendment to these Bylaws shall be effective which would contravene the Declaration or the Articles of Incorporation of the Association.

9.2 No amendment to the Bylaws shall be passed without the consent or joinder of Declarant so long as Declarant remains a Class B Member in the Association.

9.3 No amendment to the Bylaws shall be passed which would operate to impair or prejudice the rights or liabilities of any institutional lender holding a lien upon a Lot.

9.4 No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and the words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language; "Substantial rewording of Bylaw. See Bylaw _____ for present text". Nonmaterial errors or omissions in the Bylaw process shall not invalidate an otherwise properly promulgated amendment.

ARTICLE X **CONSTRUCTION**

18.1 Number and Gender. Whenever used herein, the singular number shall include the plural and the plural the singular, and the use of any gender shall include all genders.


18.2 Severability. Should any of the provisions of these Bylaws be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

18.3 Conflict. Wherever possible, these Bylaws shall be construed consistently with Florida law, the Declaration, and the Articles of Incorporation. However, in the event of any conflict or inconsistency with the provisions of Florida law, the Declaration, and Articles of Incorporation shall govern and these Bylaws shall be given effect to the extent not inconsistent therewith.

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

The foregoing was adopted as the Bylaws of COASTAL WOODS HOMEOWNERS' ASSOCIATION, INC., a corporation not for profit established under the laws of the State of Florida, at the first meeting of the Board of Directors on this 9th day of June, 2017.

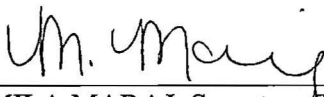
COASTAL WOODS HOMEOWNERS'
ASSOCIATION, INC.



MARTIN PHAM, President



AMBER COLEMAN, Vice President



MILA MARAJ, Secretary/Treasurer