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RESTATED BYLAWS

OF

CRESTWOOD VILLAS OF SARASOTA MULTI-CONDOMINIUM ASSOCIATION, INC.

A FLORIDA NOT-FOR-PROFIT CORPORATION

ARTICLE I. GENERAL

The provisions of this document constitute the Bylaws of CRESTWOOD VILLAS OF SARASOTA MULTI-CONDOMINIUM ASSOCIATION, INC., which Bylaws shall be utilized to govern the management and Operation of the Association for all purposes.

ARTICLE II. DEFINITIONS

The terms used in these Bylaws shall be defined as follows, unless the context otherwise requires:

"Assessment" means a share of the funds which are required for the payment of the Common Expenses of the Association or a Condominium which from time to time are assessed against a Unit Owner, including regular Assessments and special Assessments.

"Articles of Incorporation" means the formative document creating the Association, as amended and restated from time to time.

"Association" means Crestwood Villas of Sarasota Multi-Condominium Association, Inc., a Florida not-for-profit corporation.

"Association Documents" means the Master Declaration, the Articles of Incorporation, these Bylaws, the Declaration for each Condominium Operated by the Association, the Question and Answer Sheet for each Condominium Operated by the Association described in Section 718.504 of the Condominium Act, and the rules and regulations adopted by the Association, all as amended from time to time.

"Board" means the Board of Directors or other representative body responsible for administration of the Association.

"Class" for purposes of electing directors to the Board, means a Component Community except in cases of "at large" voting, in which case the term Class shall mean all members of the Association.

"Committee" means a group of Board members, Owners, or Board members and Owners appointed by the Board.

"Common Elements" means the portions of the Condominium Property of each Condominium which is not included in the Units.

"Common Expenses" means all expenses, including reserves, properly incurred by the Association, pursuant to the Master Declaration or any Declaration creating a Condominium.

"Common Property" means roads, streets, recreational lands serving more than one Condominium, and other common areas and facilities as more fully described in the Master Declaration.

"Condominium" or "Component Community" means each Condominium which the Association Operates, as the context requires.

"Condominium Act" means Chapter 718 of the Florida Statutes.

"Condominium Parcel" means a Unit and all appurtenances thereto.

"Condominium Property" means and includes the lands, leaseholds and personal property that are submitted to condominium ownership by a Declaration, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto.

"Declaration" means a Declaration of Condominium creating a Condominium, as amended and restated from time to time.

"Division" means the Florida Division of Land Sales, Condominiums, and Mobile Homes.

"Limited Common Elements" means and includes those Common Elements described in a Declaration which are reserved for the use of a certain Unit or Units to the exclusion of other Units.

"Master Declaration" means the Master Declaration of Covenants, Conditions, and Restrictions for Crestwood Villas of Sarasota, recorded in Official Records Book 2102, commencing at Page 1224, Public Records of Sarasota County, Florida, as amended or restated from time to time.

"Operation" or "Operation of Condominium" means and includes the administration and management of Condominium Property.

"Unit" means a part of the Condominium Property which is subject to exclusive possession.

"Unit Owner" or "Owner" means the record holder of fee simple title to a Condominium Parcel, and shall include all titleholders if there is more than one.

"Utility" or "Utilities" means essential services including, but not limited to, electric power, gas, water, garbage and sewage disposal, cable communications systems, and drainage systems.

"Voting Representative" means the individual entitled to receive notices from the Association and to cast the vote for a Unit.

ARTICLE III. OFFICES AND AGENCY

Registered Office and Registered Agent. The registered office of the Association shall be located in the State of Florida at such place as may be fixed from time to time by the Board upon filing of such notices as may be required by law, and the registered agent shall have a business office identical with such registered office.

ARTICLE IV. MEMBERS

1. Qualifications of Members. Those individuals, corporations, partnerships, trusts or other legal entities who own a present record fee simple interest in a Unit shall be members.

2. Manner of Admission. Each qualified person or entity designated in an instrument establishing record ownership of a Unit shall automatically become a member of the Association. Upon the transfer of title to a Unit, the new Owner of the Unit shall promptly deliver a copy of the recorded instrument evidencing such transfer to the Association.

3. Members' Rights. Every member who has complied with the requirements of Paragraph 2 above shall have all the rights set forth in the Declaration for the Condominium in which the member's Unit is located and these Bylaws, including, but not limited to, the following:

(a) The right to receive notice of every meeting of the membership at which the member has a right to vote, unless such right is waived in writing as set forth herein; provided, however, the Association shall only be obligated to give such notice to the Voting Representative for each Unit.

(b) The right to attend every meeting of the membership and every meeting of the Board; and to participate in such meetings with reference to all designated agenda items.

(c) The right to vote on each matter brought before the general membership or the Owners of Units in the Condominium where the member's Unit is located; provided, however, such vote shall be cast only by the Voting Representative for the Unit.

(d) The right to inspect and obtain copies of all books and records of the Association, as more fully set forth herein.

(e) The right to inspect at reasonable times, a copy of each insurance policy obtained by the Association.

4. Obligations of Members.

(a) Every member shall be subject to the obligations and duties set forth in the Master Declaration, the Declaration for the Condominium in which the member's Unit is located, and these Bylaws, as the same are now or may hereafter be constituted, including, but not limited to, the following obligations:

(1) To conform to and abide by the Association Documents and to see that all persons occupying the member's Unit do likewise; provided, however, a member will only be obligated to comply with the Declaration for the Condominium where the member's Unit is located.

(2) To promptly pay all Assessments levied by the Association pursuant to either the Master Declaration or the Declaration for the Condominium where the member's Unit is located.

(3) To not use or permit the use of the member's Unit for any purpose other than as a single family residence; provided, however, this will not exclude the right of a member to lease the member's Unit to third parties, even if such leasing may be considered a "business" of Owner.

(4) To maintain the member's Unit, and such portions of the Common Elements as required by the Declaration for the Condominium in which the member's Unit is located, in a clean and sanitary manner and repair, and maintain and repair the fixtures therein and pay for any Utilities which are separately metered to the member's Unit. All such maintenance, repairs and replacements shall be done without disturbing the rights of other members.

(5) To not permit or suffer anything to be done or kept in the member's Unit which would increase the insurance rates for policies purchased by the Association.

(6) To not permit or suffer anything to be done which will obstruct or interfere with the rights of other members or annoy them with unreasonable noises or otherwise; nor shall a

member commit or permit any nuisance or illegal act in the member's Unit or on the Common Elements.

(7) To promptly report to the Association any defect or need for repairs for which the Association is responsible.

(8) To make no alteration, decoration, repair, replacement or change in the Common Elements except as permitted by the Association Documents.

(9) To return the Condominium Parcel to the respective taxing authorities having jurisdiction over it for the purpose of ad valorem taxes and to pay such amounts assessed by said taxing authorities when due.

5. Transferability of Membership. Membership in the Association may be transferred only as an incident to the transfer of the member's Unit.

6. Restriction of Rights. A member does not have any authority to act or speak for the Association by reason of being a member.

7. Termination of Membership. Membership in the Association shall automatically terminate when ownership of the Unit supporting said membership vests in another person or legal entity; provided, however, any member who owns more than one (1) Unit shall remain a member of the Association so long as such member shall retain ownership of any Unit.

8. Approval of Tenants and Occupants. Pursuant to the terms of each Declaration, the Board must approve each tenant or other occupant of a Unit. To assist the Board in determining whether to approve a proposed tenant or occupant, the Board shall have the right to require a personal interview of the proposed tenant or occupant.

ARTICLE V. VOTING

1. Voting Rights of Members. Unless otherwise provided, the record Owner, or all record Owners collectively if there are more than one, of each Unit shall be entitled to one vote on each matter brought before the entire membership of the Association, and to one vote on each matter brought before the Owners of Units in the Condominium where the Owner's Unit is located, which vote shall be cast by the Voting Representative. No vote may be divided and no fractional vote shall be cast. Any vote may be cast in person or by proxy, subject to the limitations set forth herein and the Condominium Act.

2. Designation of Voting Representative. The Owner or Owners of each Unit will be responsible for designating a Voting Representative for that Unit, subject to the requirements and limitations set forth in this Paragraph. The Voting Representative will cast all votes for the designated Unit, including ballots for election of directors. All notices required or provided for herein shall be given to the Voting Representative for each Unit, and the Association shall be deemed to have met its notice obligation if it has given notice to the Voting Representative for each Unit entitled to receive notice. The designation of a Voting Representative shall be subject to the following requirements and limitations:

(a) If ownership of a Unit is vested in one individual, including an interest held as trustee, that individual shall automatically be designated as Voting Representative on admission to membership.

(b) If ownership of a Unit is vested in a husband and wife as tenants by the entirety, both persons shall automatically be jointly designated as Voting Representative on admission to membership, and either spouse may cast the Unit's one vote without further designation. If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they will lose their right to vote on that subject at that meeting.

(c) If ownership of a Unit is vested in a corporation, its board of directors shall designate a director, officer, or employee as Voting Representative in a written statement executed by an officer of the corporation and filed with the Secretary of the Association.

(d) If ownership of a Unit is vested in a partnership or any other legal entity, said entity shall designate one partner or other individual as Voting Representative in a written statement executed by those owning not less than a majority interest in said entity and filed with the Secretary of the Association.

(e) If ownership of a Unit is vested in more than one individual, said Owners shall designate one such individual as Voting Representative in a written statement executed by those Owners owning not less than a majority interest in such Unit and filed with the Secretary of the Association.

(f) An administrator, executor, personal representative, guardian or conservator of the Owner of a Unit, without a transfer of interest of said Unit into his or her name, shall automatically be designated as Voting Representative for the Unit.

(g) All designations shall be valid until revoked or until changed by a subsequent designation, or until a change in the ownership of the Unit supporting said designation.

3. Failure to Designate. If no Voting Representative is duly designated for a Unit, such failure shall result in depriving the Owners of the Unit of a vote at such meeting. The designation may be given at the time of the meeting as long as it complies with the requirements of the preceding paragraph.

4. Records of Membership.

(a) The Association shall keep a membership book containing the name and address of each Voting Representative, their mailing addresses, Unit identification, voting certification, and if known, telephone numbers. A termination of membership or change in Voting Representative shall be recorded in the membership book.

(b) At least fourteen (14) days before every meeting, a complete list, arranged numerically by Unit, of every Voting Representative entitled to vote at such meeting or any adjournment thereof, with the address to which notice is to be sent or delivered, shall be prepared by the Secretary of the Association. This list shall be kept on file at the principal office of the Association, and any member or Voting Representative shall be entitled to inspect the list at any reasonable time. Said list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection at any time during the meeting.

(c) Notwithstanding anything contained in Subparagraph (b) above to the contrary, if less than fourteen (14) days notice of the meeting is given, the list shall be prepared and kept on file from the date of such notice.

(d) If the requirements of Subparagraphs (b) or (c) above have not been substantially complied with, on demand of any member or Voting Representative, in person or by proxy, the meeting shall be adjourned until the Association has complied with the requirements. If no such demand is made, failure to comply with said requirements shall not affect the validity of any action taken at such meeting.

5. Adjourned Meetings. When a Voting Representative has been designated to vote at any meeting as provided in this Article, such designation shall apply to any adjournment of the meeting, unless the designation provides otherwise.

6. Proxies.

(a) Voting by proxy is permitted, subject to the requirements and limitations set forth in the Condominium Act and administrative rules promulgated by the Division, as amended from time to time.

(b) All proxies shall be filed with the Secretary either before or at the meeting for which the proxy has been given. A proxy shall be effective only for the specific meeting for which it was originally given and any lawfully adjourned meeting thereof. Every proxy shall be revocable at any time at the pleasure of the Unit Owner executing it.

7. Quorum and Voting.

(a) A majority of the Voting Representatives entitled to vote at any meeting, as determined in accordance with these Bylaws, represented in person or by proxy, shall constitute a quorum. If, however, such quorum shall not be present, a majority of the Voting Representatives present in person or represented by proxy shall reschedule said meeting for a later date and time, which time shall be at least forty eight (48) hours thereafter but not later than thirty (30) days thereafter, and adjourn. At said rescheduled meeting any business may be transacted which might have been transacted at the meeting as originally called.

(b) If a quorum is present, the affirmative vote of a majority of the Voting Representatives entitled to vote on the matter shall be sufficient to approve the matter unless otherwise provided by law or the applicable Association Documents.

(c) After a quorum has been established at a meeting, the subsequent withdrawal of Voting Representatives, so as to reduce the number of Voting Representatives entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof.

ARTICLE VI. MEMBERS' MEETING

1. Meetings to Elect Directors. Not less than sixty (60) days before the scheduled election meeting, the Association shall mail or deliver to each Voting Representative a first notice setting forth the date of the election meeting. Not less than forty (40) days prior to the date of the election meeting, any Owner or other eligible candidate desiring to be a candidate for the Board must deliver to the Association written notice of his or her desire to run for the Board in order to be eligible to be placed on the election ballot. Any candidate may furnish the Association with an information sheet which shall be no larger than 8 1/2 inches by 11 inches. The candidate's information sheet, if any, must be received by the Association no later than

thirty-five (35) days prior to the election meeting. Not less than fourteen (14) days prior to the date of the election meeting, the Association shall mail or deliver a second notice to all Voting Representatives reminding them of the date, time, and place of the election meeting, together with a ballot listing all eligible candidates in alphabetical order by surname and any information sheets received from candidates. Ballots will be prepared consistent with the Class voting provisions of Article VII below. There shall be no quorum requirement at the election meeting; however, at least twenty percent (20%) of the eligible voters in each Class must cast a ballot in order to have a valid election in that Class. The Association shall follow any administrative rules promulgated by the Division applicable to safeguarding the secrecy of ballots. No Voting Representative may cast more than one vote for any candidate in a Class, it being the intent that casting ballots for the election of directors in each Class shall be non-cumulative. The candidate(s) receiving the highest number of votes cast in each Class shall be declared elected. A newly elected director shall take office at the next regular meeting of the Board. Notwithstanding the foregoing, an election and balloting are not required unless more candidates file notices of intent to run in a Class than vacancies exist on the Board to be filled by that Class. In the event that the membership fills vacancies after recall, then the election of directors to fill the vacancies shall be governed by the procedures set forth in the applicable rules promulgated by the Division, as amended from time to time.

2. Annual Meetings. There shall be an annual meeting of the members. The date and time of the annual meeting shall be established by the Board; provided, however, the annual meeting for any year shall be held not later than thirteen (13) months after the last annual meeting.

3. Special Meetings. Special meetings may be called at any time for any purpose by the President, by a majority of the Board, or by the written request of not less than twenty-five percent (25%) of the Voting Representatives entitled to vote on the matter to be considered at the special meeting. A written request for a special meeting submitted by Voting Representatives shall state the purpose(s) of the meeting, and the business conducted at any such special meeting shall be limited to the purpose(s) stated in the request. Notwithstanding the foregoing, a special meeting to recall a director shall be called upon the written request of ten (10) percent of the Voting Representatives entitled to vote for that director.

4. Time and Place of Meetings. All meetings shall be at the principal place of business of the Association or at such other place as the President or the Board may from time to time designate, on the date and hour set forth in the notice of said meeting; provided, however, no meeting shall be held on a legal holiday.

5. Notice of Annual Meeting. Written notice stating the place, day, and hour of each annual meeting, which notice must include an agenda, shall be given to each Voting Representative not less than fourteen (14) days before the meeting as provided herein. In addition, notice of each annual meeting shall be posted in a conspicuous place on the Common Property at least fourteen (14) continuous days prior to such meeting. The Board shall adopt a rule designating where the notice of each annual meeting will be posted.

6. Notice of Special Meetings. Written notice of special meetings shall contain the same information as required for annual meetings and shall be given to each Voting Representative entitled to vote at the meeting not less than fourteen (14) days before the meeting unless the Board determines that the urgency of the meeting requires less than fourteen (14) days notice. In no event, however, shall a special meeting be held upon less than five (5) days notice. Notice of special meetings shall be given as provided herein.

7. Manner of Giving Notice. Notice of annual and special meetings shall be given by hand delivery or by first class mail. Notice shall be deemed to be given when deposited in the United States mail addressed to the Voting Representative at his or her address as it appears on the books of the Association, with postage thereon prepaid. An officer of the Association, or the manager or other person providing notice of the meeting, shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association, affirming that the notice was mailed or delivered in accordance with this provision.

8. Waiver of Notice. A written waiver of notice signed by any Voting Representative, whether before or after the meeting, shall be equivalent to the giving of notice to the Voting Representative. Such waiver may also be given by any member on his or her own behalf. Attendance of a member or Voting Representative at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when the member or Voting Representative attends a meeting for the express purpose, as stated at the beginning of the meeting, of objecting to the transaction of any business because the meeting is not lawfully called or convened.

9. Notice of Adjourned Meetings. Notice of any adjourned meeting shall be given to the Voting Representatives in the same manner as required for the meeting which was adjourned.

10. Recordation of Actions. All actions taken during a meeting shall be recorded in minutes.

11. Procedure. Any member or Voting Representative may speak at a membership meeting with reference to all designated agenda items; provided, however, the Association may adopt its own rules of procedure governing the manner in which meetings are conducted, including reasonable limitations governing the frequency, duration, and manner of participation in meetings, provided such rules are consistent with the Association Documents and applicable law.

12. Recording and Videotaping. Any Voting Representative or member may tape record or videotape a meeting, subject to any limitations adopted by the Division.

ARTICLE VII. DIRECTORS

1. Function. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board; provided, however, certain matters specified in the Association Documents shall be considered as authorized only after approval by all or a portion of the Voting Representatives. The Board shall make appropriate delegations of authority to the officers; and, to the extent permitted by law and these Bylaws, by appropriate resolution, the Board may authorize one or more Committees to act on its behalf.

2. Qualification of Directors. The qualifications for becoming and remaining a director of the Association are as follows:

(a) A person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for Board membership.

(b) Every director shall be a member of the Association or a Voting Representative.

(c) Directors must be persons who are competent to contract.

3. Duties of Directors.

(a) A director shall be expected to attend all meetings of the Board and of any Committee to which the director has been appointed.

(b) A director shall perform his or her duties as a director, including duties as a member of any Committee upon which the director may serve, in good faith, in a manner the director

reasonably believes to be in the best interests of the Association, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

(c) In performing his or her duties, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

(1) One or more officers or employees of the Association whom the director reasonably believes to be reliable and competent in the matters presented;

(2) Legal counsel, public accountants, or other persons as to matters which the director reasonably believes to be within such person's professional or expert competence; or

(3) A Committee upon which the director does not serve, duly designated in accordance with a provision of these Bylaws, as to matters within its designated authority, which Committee the director reasonably believes to merit confidence.

(d) A director shall not be considered to be acting in good faith if the director has knowledge concerning the matter in question which would cause such reliance described above to be unwarranted.

(e) A person who performs his or her duties in compliance with this Paragraph shall have no liability by reason of being or having been a director of the Association.

4. Election and Term.

(a) Each director shall be elected for a term of two (2) years. There shall be no limit on the number of terms a director can serve.

(b) Notwithstanding the provisions of Subparagraph (a) above, at the first election of directors following the adoption of these Restated Bylaws the directors elected by the Owners of Units in Crestwood Villas of Sarasota, Section I, a Condominium, Crestwood Villas of Sarasota, Section III, a Condominium, and any "at large" directors (as described in Subparagraph (c) below) shall serve one (1) year terms. Thereafter, all directors will be elected for a term of two (2) years as provided in Subparagraph (a) above.

(c) The Owners of Units in each Condominium Operated by the Association constitute a Class, and are entitled to elect one director. The purpose of this provision is to assure that each Condominium Operated by the Association has the opportunity to have at least one representative member on the Board. However, if the Owners of Units in a Condominium are entitled to elect a

director, and there are no candidates for the director position from that Condominium, the position will be filled by an "at large" vote of all Owners without regard to the Condominium in which their Unit is located. In such case, the Class for electing an "at large" director will consist of all Owners. The Board shall be obligated to assure that elections are conducted in a manner which is consistent with the intent and purpose of this Subparagraph.

(d) Notwithstanding anything to the contrary set forth herein, a director elected by the Owners of Units in a Condominium shall not be removed or recalled except by the Owners of Units in the Condominium which elected such director, and any vacancy on the Board created by the resignation, disqualification, removal from office, or death of a director elected by the Owners of Units in one Condominium will only be filled by the Owners of Units in that Condominium.

(e) Each director elected under this Article shall hold office for the term for which he or she is elected and until his or her successor shall have been elected and qualified or until his or her earlier resignation, disqualification, removal from office, or death.

5. Removal of Directors.

(a) Any director or the entire Board may be recalled and removed from office with or without cause, by a majority vote of the Voting Representatives; provided, however, the question of removal shall be divided so that the removal of each director is considered separately. A special meeting to recall a director may be called by ten percent (10%) of the Voting Representatives entitled to vote for that director. The notice shall state the purpose of the meeting and shall be accompanied by a dated copy of a signature list of at least ten percent (10%) of the Voting Representatives who were entitled to vote for that director. The list must state that the purpose of the signatures is for recall. The meeting must be held not less than ten (10) days nor more than sixty (60) days from the date notice of the meeting is given. The notice shall specify a person, other than a director who is subject to recall, who shall call the meeting to order and determine whether a quorum is present.

(b) Within five (5) business days after the adjournment of the Unit Owner meeting recalling one or more directors, the Board shall duly notice and hold a meeting of the Board to certify the recall. If the Board certifies the recall, the director or directors shall be recalled effective immediately and shall turn over to the Board within five (5) business days any and all records and property of the Association in their possession. If the Board determines not to certify the recall, the Board shall, within five (5) business days after the meeting, file with the Division a petition for arbitration pursuant to the

Condominium Act. If the Board fails to duly notice and hold a Board meeting to certify the recall as provided in this subparagraph (b), the recall shall be deemed effective and the recalled directors shall immediately turn over to the Board any and all records and property of the Association.

6. Resignation of Directors. A director may resign from the Board by providing written notice of such resignation to the President or Secretary of the Association, and such resignation shall become effective immediately upon receipt by the President or Secretary of said written notice or at such later date as may be specified in the notice.

7. Vacancies. Vacancies on the Board where the remaining term is less than six (6) months shall be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board, except in the case of a vacancy caused by recall. A director so appointed shall hold office until the next regularly scheduled election for any position, regardless of whether the Board seat to which the member was appointed is scheduled to be filled at that election. If, however, upon appointment, the Association has already mailed or delivered the first notice of election pursuant to Article VI above, the Board member appointed shall serve until the next election scheduled in the future for any position. If the vacancy occurs more than six (6) months prior to the end of the term, the vacancy will be filled by an election conducted in accordance with Paragraph 4 above.

8. Directors' Conflict of Interest.

(a) No director or officer of the Association shall also serve as manager of the Association or a Condominium.

(b) The Association shall not enter into any contract or other transaction with an officer or director of the Association or any corporation, firm, association, or entity in which a director or officer has a financial interest.

ARTICLE VIII. DIRECTORS' MEETINGS

1. Scheduling Meetings. Meetings of the Board shall be held at such time and place as shall be determined by a majority of the directors.

2. Open Meetings. Meetings of the Board shall be open to all members and Voting Representatives. Any member or Voting Representative may tape record or videotape meetings of the Board.

3. Notice of Meetings.

(a) Written notice stating the place, day, and hour of any meeting of the Board and specifically identifying the agenda items must be given to each director. Notice must be given either personally or by telegram, cablegram, or first class mail; and if mailed, the notice shall be deemed given when deposited in the United States mail addressed to the director at his or her address as it appears in the records of the Association, with postage thereon prepaid.

(b) Additionally, notice of every meeting of the Board, stating the place, time, and agenda items, shall be posted conspicuously on the Common Property at least forty-eight (48) continuous hours prior to any such meeting to call the members attention thereto; provided, however, in the event of an emergency only such notice as is reasonable under the circumstances shall be required. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board.

(c) Notwithstanding the foregoing, written notice of any Board meeting at which non-emergency special Assessments or amendment to rules regarding Unit use will be considered shall be mailed or delivered to the Voting Representatives and posted conspicuously on the Common Property not less than fourteen (14) days prior to the meeting. Notice of any Board meeting at which regular Assessments against Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

(d) Evidence of compliance with the notice provisions set forth herein shall be made by an affidavit executed by the Association Secretary and filed among the official records of the Association.

4. Waiver of Notice. A written waiver of notice signed by any director, whether before or after any meeting, shall be equivalent to the giving of notice to said director. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director attends a meeting for the express purpose, as stated at the beginning of the meeting, of objecting to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual, regular, or special meeting of the directors need be specified in any written waiver of notice.

5. Presumption of Assent. A director of the Association who is present at a meeting of the Board at which action on any Association matter is taken shall be presumed to have assented to the action taken unless he or she votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

6. Adjourned Meeting. A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. Notice of any such adjourned meeting shall be given in the same manner as set forth above.

7. Quorum. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board.

8. Voting.

(a) Each director present at any meeting of the Board shall be entitled to one (1) vote on each matter submitted to a vote of the directors. Proxy voting and voting by secret ballot shall not be permitted, except that officers may be elected by secret ballot.

(b) A majority vote by the directors present at a meeting of the Board at which a quorum is present shall be the act of the Board, unless a greater number is required under any provision of the Association Documents.

(c) A director may join by written concurrence in any action taken at a meeting of the Board, but such concurrence may not be used for the purpose of creating a quorum.

9. Meeting By Communications Equipment. Any action required or which may be taken at a meeting of the Board for which a proper notice or a waiver thereof has been given pursuant hereto may be taken by means of a conference telephone or similar communications equipment by means of which all persons attending the meeting can hear each other at the same time. When a telephone conference is used, a telephone speaker shall be attached so that all members and Voting Representatives present may hear the discussion.

10. Recordation of Actions. All actions of the Board shall be recorded in minutes. A vote or abstention of each director present shall be recorded in the minutes.

11. Procedure. The directors may adopt their own rules of procedure which shall not be inconsistent with the Association Documents or applicable law.

ARTICLE IX. COMMITTEES

1. Function. Except where specifically delegated authority to act, Committees shall serve in an advisory capacity to the Board and the membership, and shall make specific recommendations to the Board and the members regarding those aspects of the business and affairs of the Association within its delegated responsibility.

2. Types of Committees. The Board may appoint such standing Committees or ad hoc Committees as it deems necessary from time to time.

3. Committee Powers. Any Committee shall have and may exercise all the authority granted to it by the Board, except that no Committee shall have the authority to:

(a) Fill vacancies on the Board or any Committee thereof;

(b) Adopt, amend, or repeal the Bylaws;

(c) Amend or repeal any resolution of the Board; or

(d) Act on matters committed by the Bylaws or resolution of the Board to another Committee.

4. Appointment. The Board shall appoint Committee members from among the directors, members, and Voting Representatives of the Association, and shall designate a chairman and a secretary for each Committee.

5. Removal of Committee Members. Any Committee member may be removed from a Committee at any time, with or without cause, by the Board.

6. Resignation of Committee Members. Any Committee member may resign therefrom by providing written notice of such resignation to the President or Secretary of the Association, and any such resignation shall become effective immediately upon receipt by the President or Secretary of said written notice or at such later date as may be specified in the notice.

7. Vacancies. Any vacancy occurring in the membership of any Committee shall be filled by the Board.

ARTICLE X. COMMITTEE MEETINGS

1. Regular Meetings. Regular meetings of each standing Committee shall be held as determined by the chairman of the Committee. There shall be no regular meetings of any ad hoc Committee unless established by the chairman of said Committee.

2. Special Meetings. Special meetings of any Committee may be called at any time by the chairman of the Committee or by any two (2) members thereof.

3. Place of Meetings. Committee meetings shall be held at such place as the chairman of the Committee may from time to time designate.

4. Notice of Meetings. Written or oral notice stating the place, day, and hour of any regular or special meeting of the Committee must be given to each Committee member not less than three (3) nor more than thirty (30) days before the Committee meeting. A written waiver of notice signed by any Committee member, whether before or after any meeting, shall be equivalent to the giving of notice to said Committee member. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of a Committee need be specified in any written waiver of notice.

5. Quorum. A majority of the members of any Committee shall constitute a quorum for the transaction of business at any Committee meeting.

6. Voting.

(a) Each Committee member present at any meeting of a Committee shall be entitled to one (1) vote on each matter submitted to a vote of the Committee members; provided, however, proxy voting shall not be permitted.

(b) A majority vote by the Committee members present at a Committee meeting at which a quorum is present shall be the act of the Committee, unless a greater number is required by resolution of the Board.

7. Action Without a Meeting.

(a) By Written Consent. Any action which may be taken at a Committee meeting may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the members of the Committee. Such consent shall have the same effect as a unanimous vote.

(b) By Communications Equipment. Any action required or which may be taken at a Committee meeting may be taken by means of a conference telephone or similar communications equipment provided all persons attending the meeting can hear each other at the same time.

8. Caveat. Notwithstanding the provisions of this Article, Committee meetings to take final action on behalf of the Board or make recommendations to the Board regarding the

Association budgets shall be called and conducted in the same manner as meetings of the Board. All other Committee meetings shall be exempt from this requirement, and shall be called and conducted as provided in this Article X.

ARTICLE XI. OFFICERS

1. Designation. The officers of the Association shall consist of a president, one or more vice-presidents (as determined necessary by the Board), a secretary, and a treasurer. The Association shall also have such other officers, assistant officers, and agents as may be deemed necessary or appropriate by the Board from time to time.

2. Duties. The officers of this Association shall have the following duties:

(a) President. The President shall be the chief executive officer of the Association, having general overall supervision of all the business and affairs of the Association, subject to the directions of the Board. The President shall preside at all meetings of the members and Board, and shall be an ex officio member of all Committees. The President shall execute with the Secretary or any other officer authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which are duly authorized to be executed, except where the same is required or permitted by law to be otherwise signed and executed, and except where the execution thereof shall be expressly delegated by the Board to some other officer or agent of the Association. The President shall perform any and all other duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

(b) Vice-President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President (or in the event there be more than one vice-president, the Vice-Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such duties as from time to time may be assigned by the President or by the Board.

(c) Secretary. The Secretary shall have custody of and maintain all of the corporate records except those maintained by the Treasurer; shall have custody of the corporate seal; shall record the minutes of all meetings of the membership and of the Board; shall have the primary responsibility, but not the exclusive right, to give notices required by these Bylaws; and shall perform any and all other duties incident to the office of Secretary and such other duties as from time to time may be

prescribed by the Board or the President. The Secretary may attest to any agreement or recordable instrument on behalf of the Association, but such attestation is not required.

(d) Treasurer.

(1) The Treasurer shall have charge and custody of all corporate funds and financial records, shall keep full and accurate records of receipts and disbursements and render accounts thereof at the annual meetings of the Board and the membership and whenever else required by the Board or the President; shall deposit all monies and other valuable effects in the name of and to the credit of the Association promptly, in such depositories as may be designated from time to time by the Board; and shall perform any and all other duties incident to the office of Treasurer and such other duties as may be prescribed by the Board or the President.

(2) The Treasurer shall collect the Assessments and shall promptly report the status of collections and of all delinquencies to the Board.

(3) The Treasurer shall give status reports to potential transferees of Units, on which reports the transferees may rely.

(4) The Association may hire a manager or other qualified person to perform any or all of the duties of the Treasurer.

3. Election and Term.

(a) At each annual meeting of the Board, a majority of the directors then in office shall elect the officers of the Association for the ensuing year. The Board may elect the same person to fill any two or more offices, and the failure to elect a president, vice-president, secretary, or treasurer shall not affect the existence of the Association. Each officer shall be a member or a Voting Representative of the Association.

(b) Each officer shall hold office for the term of one (1) year and until his or her successor shall have been elected and qualified, or until his or her earlier resignation, disqualification, removal from office, or death.

4. Removal of Officers. Any officer elected by the Board may be removed by the Board, with or without cause, whenever in its judgment the best interests of the Association will be served thereby.

5. Resignation of Officers. Any officer elected by the Board may resign such office by providing written notice of such resignation to the President or to the Secretary of the

Association, and such resignation shall become effective immediately upon receipt of said notice or at such later date as may be specified in the notice.

6. Vacancies. Any vacancy, however occurring, in any office, may be filled by the Board. Any officer so elected shall hold office for the unexpired term of the officer he or she is replacing.

ARTICLE XII. INDEMNIFICATION OF OFFICERS AND DIRECTORS

1. Indemnification for Actions, Suits or Proceedings.

(a) The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a director, officer or Committee member of the Association, or is or was serving at the request of the Association as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The adverse termination of any action, suit or proceeding by judgment, order, settlement, conviction, or a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer or Committee member of the Association, or is or was serving at the request of the Association as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; provided, however, that no indemnification shall be made in respect to any

claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty to the Association unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is firmly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) To the extent that a director, officer or Committee member of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Subparagraphs (a) or (b), or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.

(d) Notwithstanding anything contained herein to the contrary, any indemnification under Subparagraph (a) or (b) (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, Committee member, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Subparagraph (a) or (b). Such determination shall be made:

(1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

(2) by independent legal counsel in a written opinion; or

(3) by majority vote of the Voting Representatives.

(e) Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Subparagraph (d) upon receipt of an undertaking by or on behalf of the director, officer or Committee member to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article.

2. Other Indemnification. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of the Voting Representatives or disinterested directors, or otherwise, both as to actions in his or her official capacity and as to actions in another capacity while holding such position and shall continue as to a person who has ceased to be a

director, officer, or Committee member, and shall inure to the benefit of the heirs, executors and administrators of such person.

3. Liability Insurance. Upon the majority vote of a quorum of the Board, the Association may purchase and maintain insurance on behalf of any person who is or was a director, officer or Committee member of the Association, or is or was serving, at the request of the Association, as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred in any such capacity, or arising out of his or her status as such, whether or not the Association would have indemnified him or her against such liability under the provisions of this Article.

ARTICLE XIII. ANNUAL BUDGETS

1. Adoption by Board. A proposed annual budget of Common Expenses for the Association and for each Condominium Operated by the Association shall be adopted by the Board. Each budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications as required by law. In addition to annual Operating expenses, each Condominium budget shall include reserve accounts for capital expenditures and deferred maintenance for the subject Condominium to the extent required by law. A copy of the proposed annual budget for each Condominium and for the Association shall be mailed, by regular mail, to each Voting Representative for that Condominium not less than fourteen (14) days prior to the Board meeting at which the budgets shall be considered, together with a notice of such meeting. Such meeting shall be open to all Unit Owners and Voting Representatives. Unless otherwise provided by law, reserves may not be waived or reduced prior to mailing to the Voting Representatives a proposed annual budget containing such reserves as required by law. Reserves for a Condominium may only be waived or reduced at a duly-called meeting at which a majority of the voting interests in that Condominium are present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves. No vote to allow the Association to use reserve funds of a Condominium for purposes other than that for which the funds were originally reserved shall be effective unless conducted at a meeting at which a majority of the voting interests in that Condominium are present, in person or by proxy, and a majority of those present in person or by limited proxy vote to use the reserve funds for a different purpose.

2. Excessive Assessments. In the event the adopted budget for a Condominium requires Assessments against Unit Owners in that Condominium in any accounting year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding year, the Board, upon written application of at least ten percent (10%) of the Unit Owners in that Condominium, shall call a special meeting

of the Unit Owners in that Condominium within thirty (30) days, upon not less than ten (10) days written notice. The purpose of the special meeting shall be to consider and enact a budget for the Condominium. The Board may propose a revised budget to the Unit Owners in the Condominium at such special meeting, or in writing prior to the meeting. At the special meeting or any adjournment thereof, the Unit Owners in the Condominium shall consider and enact a budget for the Condominium. The adoption of the annual budget by the Unit Owners shall require the vote of a majority of all Voting Representatives for that Condominium. In the event the Unit Owners are unable to adopt a budget at the special meeting or adjournment thereof, the budget for the Condominium originally proposed by the Board will go into effect.

3. Determination of Increase. In determining whether Assessments for a Condominium exceed one hundred fifteen percent (115%) of Assessments for the prior year, there shall be excluded from the computation any provision for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses of the Condominium which are not expected to be incurred on a regular or annual basis, and Assessments for betterments to the Condominium Property.

ARTICLE XIV. ASSESSMENTS

1. Determination and Payment of Condominium Assessments. After adoption of a budget for a Condominium, a determination of the annual Assessment levied against each Unit in the Condominium shall be made by apportioning the total sum of the budget for that Condominium among the Units in that Condominium according to the percentages for sharing Common Expenses set forth in the Declaration for that Condominium. Such annual Assessment shall be paid in advance no less than quarterly.

2. Determination and Payment of Association Assessments. After adoption of a budget for the Association, a determination of the Assessment to be levied against each Unit subject to the Master Declaration shall be made by apportioning the total anticipated expenses shown on the budget equally among all the Units. Such annual Assessment shall be paid in advance no less than quarterly, and may be combined with the Condominium Assessment for each Unit as a single payment.

3. Failure to Adopt a Budget. If an annual budget for the Association or any Condominium has not been adopted for the accounting year at the start of said year, an Assessment in the amount of the last prior annual Assessment for the Association or the Condominium shall continue in force until changed by an amended Assessment, at which time any overage or shortage calculated shall be added or subtracted from each Unit's next due installment.

4. Excess Income. If for any reason the Assessments levied against the Unit Owners of a Condominium produce income in excess of that Condominium's needs, such excess income shall be retained by the Association to be applied to any reserve account for the Condominium or to the next ensuing year's expenses for the Condominium, at the discretion of the Board. Such excess shall not be refunded to the Unit Owners.

5. Amended Budget. Subject to the requirements of Article XIII above, in the event the annual Assessments prove to be insufficient to pay the Operating expenses for the Association or a Condominium, the budget and Assessments may be amended at any time by the Board.

6. Special Assessments. The Board shall have the power to levy special Assessments as necessary for the actual economic needs of the Association or a Condominium with the consent of the appropriate Voting Representatives. If the special Assessment is necessary to pay the Common Expenses of only one Condominium, the special Assessment need be approved only by a majority of the Voting Representatives for that Condominium, and the special Assessment will be levied only against the Units in that Condominium. If the special Assessment is necessary to pay the Common Expenses of the Association, the special Assessment shall be approved by a majority of all Voting Representatives, and will be levied equally against all Units. Special Assessments are due on the date(s) specified in the resolution of the Board approving such Assessment. The specific purpose or purposes of any proposed special Assessment shall be set forth in the written notice of the meeting to approve the special Assessment which shall be sent or delivered to each Voting Representative required to vote on the special Assessment. The funds collected pursuant to a special Assessment shall be used only for the specific purpose or purposes set forth in such notice, or returned to the Unit Owners who paid the special Assessment. In the event that the funds are used for the specific purpose or purposes, and excess funds remain, the excess funds will be retained by the Association.

ARTICLE XV. RULES AND REGULATIONS

1. Purpose. The rules and regulations of the Association shall be a list of certain reasonable restrictions on, and requirements for, the use, maintenance, and appearance of the Condominium Property, Common Property, or any portions thereof. Such rules and regulations shall be in addition to all other requirements of the Association Documents.

2. Modification. The rules and regulations may be modified, amended, or repealed and new restrictions and requirements may be adopted from time to time by the majority vote of the Board.

3. Application. Every Unit Owner, occupant, guest, and invitee shall be subject to the rules and regulations. A copy of such rules and regulations, as amended from time to time, shall be made available by the Association to all Unit Owners and occupants of any Unit on request, although the failure to furnish a copy thereof in any instance shall not affect the enforceability of any rule or regulation.

4. Exceptions. The Board may, under special circumstances, waive or vary specific restrictions or requirements in individual cases upon a vote of two-thirds (2/3) of the entire Board. The Board may impose conditions on any waiver or variance.

ARTICLE XVI. FIDELITY BONDING

The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the President, Secretary, and Treasurer of the Association. The cost of bonding shall be a Common Expense of the Association.

ARTICLE XVII. CONTRACTS FOR PRODUCTS AND SERVICES

1. Contracts in Writing. Subject to the exceptions set forth below, the following contracts with the Association must be executed in writing:

- (a) All contracts for the provision of services.
- (b) Any contract that is not to be fully performed within one (1) year after the making thereof.
- (c) All contracts for the purchase, lease, or renting of materials or equipment to be used by the Association in Operating the Condominium Property or Common Property.

2. Exceptions to Written Contracts. Notwithstanding the foregoing, contracts with employees of the Association and contracts for services with attorneys, accountants, architects, engineers, and landscape architects are not required to be in writing.

3. Competitive Bidding. Where a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association in an aggregate amount that exceeds 5 percent of the total annual

budgets of the Condominiums and the Association, including reserves, the Association shall obtain competitive bids for such materials, equipment or services, but the Association shall not be obligated to accept the lowest bid.

4. Exceptions to Competitive Bidding. The following contracts will not be subject to the competitive bid requirements of Paragraph 3 above:

(a) If the business entity with which the Association desires to enter into a contract is the only source of supply within Sarasota County, Florida.

(b) Renewals of a contract which was originally awarded after competitive bidding if the contract can be canceled by the Association upon no more than thirty (30) days prior notice.

(c) Materials, equipment, and services provided to the Association under a local government franchise agreement by a franchise holder.

5. Emergencies. This Article shall not be construed to limit the ability of the Association to obtain needed products and services in an emergency.

ARTICLE XVIII. BOOKS, RECORDS AND FINANCES

1. Accounting Year. The accounting year for the Association and each Condominium Operated by the Association shall be the calendar year.

2. Books and Records.

(a) The Association shall maintain all of the books and records required by the Condominium Act from time to time. Such books and records shall constitute the official records of the Association. The official records of the Association shall be maintained in Sarasota County, Florida.

(b) The official records of the Association shall be open to inspection and copying by all Unit Owners, Voting Representatives, and their respective agents. The Association shall make such records available within five (5) working days after receipt of a written request; provided, however, this requirement may be complied with by having a copy of the official records of the Association available for inspection or copying on the Condominium Property or Common Property. The Association shall also maintain an adequate number of all Association Documents on the Condominium Property or Common Property to ensure their availability to Unit Owners and prospective purchasers. The Association may adopt reasonable rules regarding the frequency,

time, location, and manner of record inspections and the charge for preparing and furnishing copies of documents requested. The foregoing shall not apply to Association records which are not accessible to Unit Owners pursuant to the Condominium Act, as amended from time to time.

3. Funds.

(a) All funds of the Association shall be deposited from time to time to the credit of the Association in one or more banks, trust companies, or other depositories as the Board may from time to time designate, upon such terms and conditions as shall be fixed by the Board. The Board may from time to time authorize the opening and keeping, with any such depository as it may designate, of general and special bank accounts and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws, as it may deem necessary.

(b) The authorized signers on all depository accounts shall be the President, Vice-President, Secretary, Treasurer, or such other officers or persons as the Board may from time to time designate. Checks shall be issued only for bills within the provisions of the current Association budgets or pursuant to special appropriations made by the Board.

(c) Drafts or other orders for the payment of money, excepting depository accounts, and all notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer, if any, and countersigned by the President.

ARTICLE XIX. HEARING PROCEDURES, MEDIATION AND ARBITRATION

1. Hearing Procedures. Any dispute between the Association and the Owner of a Unit, or its occupant, licensee, or invitee, may be referred by the Board to an informal hearing before a Committee appointed by the Board. The Committee shall be composed solely of Unit Owners and Voting Representatives. No officer or director of the Association shall serve on the Committee. Hearings shall be conducted informally consistent with general principles of due process. Reasonable notice of the hearing will be given to all parties. All parties shall have the right to call and examine witnesses; introduce exhibits; cross examine opposing witnesses; and rebut the evidence presented against the party. Oral evidence shall be taken only on oath or affirmation administered by a member of the Committee. Any

relevant evidence shall be admitted if it is the sort of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objections in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence, but shall not be sufficient in itself to support a finding.

2. Authorized Action Following Hearing. At the conclusion of testimony, the Committee shall deliberate the evidence to determine whether the allegations as presented constitute a violation of any Association Document. If the Committee concludes that a violation has occurred, it shall have the option to levy a fine in such amount as the occasion warrants; provided, however, no fine may exceed \$100.00 per violation except that a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. No fine shall in the aggregate exceed \$1,000.00, and no fine will become a lien against a Unit unless the Unit is unoccupied.

3. Mediation. As an alternative to the foregoing hearing procedure, any internal dispute arising from the Operation of a Condominium between Unit Owners and the Association may be voluntarily submitted to mediation in accordance with Chapter 44 of the Florida Statutes. This alternative shall only be available if all parties to the dispute are agreeable.

4. Arbitration. The procedure set forth herein shall not be construed as an alternative to any obligation to submit disputes between Unit Owners and the Association to mandatory non-binding arbitration in accordance with the provisions of the Condominium Act.

ARTICLE XX. NON-PROFIT OPERATIONS

This Association shall not authorize nor issue shares of stock. No dividend will be paid, and no part of the income of the Association will be distributed to its members, directors, or officers.

ARTICLE XXI. CORPORATE SEAL

The Board shall adopt a corporate seal for the Association which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation, the year of incorporation, and the words "corporation not for profit".

ARTICLE XXII. AMENDMENT OF BYLAWS

These Bylaws may be revised, amended, or repealed, unless specifically prohibited herein, by a majority vote of the Voting Representatives. 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 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 amendment process shall not invalidate an otherwise properly promulgated amendment.

ARTICLE XXII. MISCELLANEOUS

1. Articles and Other Headings. The Articles and other headings contained in these Bylaws are for reference purposes only and shall not affect the meaning or interpretation of these Bylaws.

2. Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.

3. Revocability of Authorizations. No authorization, assignment, referral or delegation of authority by the Board to any Committee, officer, agent, or other official of the Association shall preclude the Board from exercising the authority required to meet its responsibility to operate the Condominiums. The Board shall retain the right to rescind any such authorization, assignment, referral, or delegation in its sole discretion.

4. Validity. Should any of the covenants herein imposed be void or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect. Defects or omissions in the Bylaws shall not affect the validity of the Condominiums or the title to Units.

5. Conflicts. If any provision of these Bylaws conflicts with any provision of the Master Declaration, a Declaration of Condominium, or the Articles of Incorporation, the provisions of the Master Declaration, Declaration of Condominium, or Articles of Incorporation shall control.

SECRETARY'S CERTIFICATE

THIS IS TO CERTIFY that I am the Secretary of Crestwood Villas of Sarasota Multi-Condominium Association, Inc., and the foregoing Bylaws of said Association were duly adopted by the Unit Owners at a duly noticed meeting held on 27 day of November, 2000.1999

A. E. Schuta
Secretary