

BY-LAWS
OF
ABBEY PARK HOMEOWNERS ASSOCIATION, INC.

A Corporation not for profit
under the laws of the State of Florida

ARTICLE I

IDENTITY

These are the By-Laws of the ABBEY PARK HOMEOWNERS' ASSOCIATION, INC., hereafter called "Association" in these ByLaws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on the 13th day of December, 1979. The Association has been organized for the purpose of owning and operating certain lands, and personal property located in Palm Beach County, Florida, which lands, and personal property are to be used in common by the members of the Abbey Park Homeowners Association, Inc., which members shall all be property owners at Abbey Park. Such operation by the Association shall include the management of Abbey Park in keeping with the terms and conditions as set forth in the "Declaration of Covenants, Conditions and Restrictions of Abbey Park," and the enforcement of such covenants, conditions and restrictions.

A. The Office of the Association shall be at 502 Waterview Drive, Palm Springs, Florida 33461, or any other address as shall be selected by the Association.

B. The fiscal year of the Association shall be the calendar year unless changed by the Board of Directors.

C. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation not for profit", the year of incorporation, an impression of which is as follows:

ARTICLE II

MEMBERS' MEETINGS

A. The annual members' meeting shall be held at such location as shall be designated in the Notice of Meeting at 8:00 p.m., Eastern Standard Time, on the first Tuesday in February of each year, after the Association is no longer controlled by CORONET DEVELOPMENT CORPORATION, its successors or assigns, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a legal holiday.

B. Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

C. Notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing by all of the members. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days

EXHIBIT C

prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice.

D. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Articles of Incorporation, or these By-Laws.

E. Voting.

1. In any meeting of members the owners of units shall be entitled to cast one (1) vote as the owner of a unit, unless the decision to be made is elsewhere required to be determined in another manner.

2. If a unit is owned by one (1) person his right to vote shall be established by the record title to his unit. If any unit is owned by more than one (1) person, or is under lease, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote of a unit may be revoked by any owner of a unit. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum or for any other purpose.

F. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

G. Adjourned Meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

H. The order of business at annual members' meetings, and as far as practical at other members' meetings, shall be:

1. Election of chairman of the meeting.
2. Calling of the roll and certifying of proxies.
3. Proof of notice of meeting or waiver of notice.
4. Reading and disposal of any unapproved minutes.
5. Reports of officers.
6. Reports of committees.
7. Election of inspectors of elections.
8. Election of directors.
9. Unfinished business.
10. New business.
11. Adjournment.

I. Proviso. Provided, however, that until the Declarant of Abbey Park has completed all of the contemplated improvements and closed the sales of 95% of the units located at Abbey Park, or until the Declarant elects to terminate its control of the Association, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless approved by the

Board of Directors, which approval shall not be unreasonably withheld.

J. Minutes of all meetings of the Members shall be kept and preserved for a period of at least seven (7) years.

ARTICLE III

DIRECTORS

A. Membership. The affairs of the Association shall be managed by a board of not less than three (3) nor more than five (5) directors, the exact number to be determined at the time of election.

B. Election of Directors shall be conducted in the following manner:

1. Election of Directors shall be held at the annual members' meeting.

2. A nominating committee of 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 then serving. Nominations for additional directorships created at the meeting shall be made from the floor and other nominations may be made from the floor.

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

4. Except as to vacancies created by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

5. Any Director may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

6. Provided, however, that until the Declarant of Abbey Park has completed all of the contemplated improvements and closed the sales of all of the units at Abbey Park or until the Declarant elects to terminate its control of the Association, and vacancies occur on the Board, the vacancies shall be filled by the Declarant. The Declarant shall retain sole control of the Association until all of the contemplated improvements have been completed and sales have been closed on ninety-five percent (95%) of the units. The owners of the units shall be entitled to elect one (1) member to the Board after fifty (50%) percent of the units are sold and closed, and a majority of the Board when ninety-five percent (95%) of the units are sold. During the period the Declarant has sole control of the Association, it has the sole right to amend the Declaration of Protective Covenants, Conditions and Restrictions without the requirement of any joinder of any unit owner. Provided, however, written joinder of and consent of all mortgagees of any property in Exhibit "A" shall be required. The Declarant shall have veto power on any act of the Board of Directors, as long as Declarant owns units, on any decision of the Board that affects the marketability of any units still owned by the Declarant.

C. The term of each Director's service, shall be the one year following his election and subsequently until his successor is

duly elected and qualified or until he is removed in the manner elsewhere provided.

D. The organizational meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

E. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting. All meetings of the Board of Directors shall be open to the membership but members shall not have the right to participate therein.

F. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone, or telegraph which notice shall state the time, place and purpose of the meeting.

G. Waiver of notice. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Articles of Incorporation, or these By-Laws.

I. Adjourned meetings: If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

J. Joinder in meeting by approval of minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

K. The presiding officer of Director's meetings shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer the Directors present shall designate one of their number to preside.

L. The order of business at Directors' meetings shall be:

1. Calling of roll.
2. Proof of due notice of meeting.
3. Reading and disposal of any unapproved minutes.
4. Reports of officers and committees.
5. Election of officers.
6. Unfinished business.
7. New business.
8. Adjournment.

M. Directors' fees, if any, shall be determined by the members.

N. Minutes of all meetings of the Directors shall be kept and preserved for a period of at least seven (7) years.

ARTICLE IV

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by owners where such approval is specifically required.

ARTICLE V

OFFICERS

A. The executive officers of the Association shall be a President, who shall be a Director, a Vice-President, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also be the Secretary or Assistant Secretary. The Board of Directors, from time to time, shall 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.

B. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time, as he, in his discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

C. The Vice-President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it 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 other duties incident to the office of Secretary of an association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

E. The Treasurer shall have the custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and he shall perform all other duties incident to the office of Treasurer.

F. The compensation of all employees of the Association shall be fixed by the Directors. The provision that Directors' fees shall be determined by Members shall not preclude the Board of Directors from employing a Director as an employee of the Association.

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ARTICLE VI

FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Articles of Incorporation shall be supplemented by the following provisions:

A. Accounts. The receipts and expenditures of the Association shall be created and charged to accounts under the following classification as shall be appropriated, all of which expenditures shall be common expenses:

(1) Current Expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, for additional improvements or to operations. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.

(2) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

(4) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be a part of the common facilities.

B. Budget. The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the assessments and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices as follows:

(1) Current expense.

(2) Reserve for deferred maintenance.

(3) Reserve for replacement.

(4) Betterments, which shall include the funds to be used for capital expenditures for additional improvements to the common property, provided, however, that in the expenditure of this fund no sum in excess of One Thousand Dollars (\$1,000.00) shall be expended for a single item or for a single purpose without approval of the members of the Association.

(5) Operation, the amount of which may be to provide a working fund or to meet losses.

(6) Provided, however, that the amount of each budgeted item may be increased over the foregoing limitations when approved by owners entitled to cast not less than two-thirds (2/3) of the votes of the entire membership of the Association; and further provided, that until the Declarant has completed all of the contemplated improvements and closed the sales of all units at Abbey Park, or until the Declarant elects to terminate its control of the Association, whichever shall first occur, the Board of Directors may omit from the budget all allowance for contingencies and reserves.

(7) Copies of the budget and proposed assessments shall be transmitted to each member on or before the commencement of the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each Member.

C. Assessments. Assessments against the owners for their shares of the items of the budget shall be made for the calendar year semi-annually in advance in two (2) equal installments on or before the first day of January and July of the year for which the assessments are made. If a semi-annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and semi-annual installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the semi-annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors if the accounts of the amended budget do not exceed 115% the limitations for that year. Any account that does exceed such limitations shall be subject to the prior approval of the membership of the Association as previously required in these By-Laws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due as determined by the Board of Directors. The first assessment shall be determined by the Board of Directors of the Association. Assessments for repair and maintenance of the common property shall be made as funds are expended or liability therefore is incurred by the Association.

D. Acceleration of assessment installments upon default. If a unit owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the unit owner, and the then unpaid balance of the assessment shall be due upon the date stated in the notice, but not less than thirty (30) days after delivery of the notice to the unit owner, or not less than thirty-two (32) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

E. Assessments for emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such expenditures is given to the unit owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the unit owners concerned, the assessment shall become effective and shall be due after thirty (30) days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

F. The depository of the Association shall be such bank or banks and/or such savings and loan association as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of the monies from such accounts shall be only by check signed by such persons as are authorized by the Directors.

G. Audit. At the Annual Meeting of the Association, the members present shall determine by a majority vote whether an audit of the accounts of the Association for the year shall be made by a Certified Public Accountant, a Public Accountant, or by an auditing committee consisting of not less than three (3) members of the Association none of which shall be Board Members. The cost of the audit shall be paid by the Association.

H. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total of two (2) monthly assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

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ARTICLE VII

AMENDMENT

These By-Laws may be amended in the following manner:

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

B. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by:

(1) Not less than two-thirds (2/3) of the entire membership of the Board of Directors and not less than two-thirds (2/3) of the votes cast at a meeting of the membership of the Association; or

(2) Not less than two-thirds (2/3) of the votes of the entire membership of the Association; or

(3) Until the first election of Directors, by all of the Directors.

C. Proviso. Provided, however, that no amendment shall discriminate against any unit owner nor against any unit or class or group of units unless the unit owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation.

D. Execution and recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the By-Laws, which Certificate shall be executed by the officers of the Association with the formalities of the execution of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Palm Beach County, Florida.

ARTICLE VIII

PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these By-Laws of the corporation or with the Statutes of the State of Florida.

ARTICLE IX

PARAMOUNT PROVISIONS

In the event of any irreconcilable conflict between the provisions of these By-Laws and the provisions of the Declaration, the provisions of the Declaration shall govern and control. However, the Declaration and these By-Laws shall, to the extent possible, be read, construed and interpreted so that they are consistent.

The foregoing were adopted as the By-Laws of ABBEY PARK HOMEOWNERS' ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 13th day of December, 1979.

ABBNEY PARK HOMEOWNERS' ASSOCIATION, INC.

ARTHUR M. KLIGLER, President

LENNARD J. KLIGLER, Secretary

**RECORD VERIFIED
PALM BEACH COUNTY, FLA
JOHN B. DUNKLE
CLERK CIRCUIT COURT**