

BY-LAWS OF
COCO WOOD LAKES ASSOCIATION, INC.

SECTION 1. Identification of Association.

1.1 These are the By-Laws of Coco Wood Lakes Association, Inc. hereinafter referred to as the “Association” as duly adopted by the Board of Directors and the Association. The Association is a corporation not-for-profit, organized pursuant to and under Chapter 617 of the Florida Statutes for the purpose of , among other things, administering, managing, operating and maintaining a residential community to be known as Coco Wood Lakes (“CWL”).

1.2 The office of the Association shall be for the present at 450 N.W. 65th Terrace, Margate, Florida 33063 and thereafter may be located at any place in Broward or Palm Beach County, Florida designated by the Board of Directors of the Association (the “Board”).

1.3 The fiscal year of the Association shall be the calendar year.

1.4 The seal of the Association shall bear the name of the Association, the word “Florida” and the words “Corporation Not-For-Profit.”

SECTION 2. Definitions.

The words and phrases used in these By-Laws (which are identified by initial capital letters and quotation marks when used herein for the first time) shall have the same meanings herein as they have in the Articles of Incorporation of the Association and the other “Documents.”

SECTION 3. Membership, Members’ Meetings, Voting and Proxies.

3.1 The qualification of “Members,” the manner of their admission to membership in the Association and the manner of the termination of such membership shall be set forth in Article VI of the “Articles.”

3.2 The Members shall meet annually at the office of the Association or at such other place in Broward or Palm Beach County, Florida, as determined by the Board and as designated in the notice of such meeting at 8:30 p.m., local time, on the second Tuesday in the month of March each year (the “Annual Members Meeting”) commencing with the year 1978; provided however, that if that day is a legal holiday, then the meeting shall be held at the same hour on the next succeeding Tuesday which is not a legal holiday. The purpose of the Annual Members Meeting shall be to hear reports of the officers, elect members of the Board (subject to the

provisions of Article XI of the Articles) and to transact any other business authorized to be transacted by the Members at such Annual Members Meeting.

3.3 Special meetings of the membership shall be held at any place within the County of Broward or Palm Beach County, State of Florida, whenever called by the President or Vice President of the Association or a majority of the Board. A special meeting must be called by the President or Vice President of the Association upon receipt of a written request from one-third (1/3) of the entire membership.

3.4 A written notice of all meetings of Members (whether the Annual Members Meeting or a special meeting thereto) shall be mailed to each Member entitled to vote thereat at his last known address as it appears on the books of the Association not less than twenty (20) days nor more than forty-five (45) days prior to the date of such meeting. Proof of such mailing shall be given by the affidavit of the person who mailed such notice. The notice shall state the time and place of such meeting and the object for which the meeting is called and shall be signed by an officer of the Association. Any provision herein to the contrary notwithstanding, notice of any meeting may be waived by any Member before, during or after such meeting, which waiver shall be in writing and shall be deemed receipt of notice of such Member of such meeting.

3.5 The membership may, at the discretion of the Board, act by written agreement in lieu of a meeting provided, however, that written notice of the matter or matters to be determined by such Members is given to the membership at the addresses and within the time periods set forth in Section 3.4 hereof, for notices of meetings of any Members or is duly waived in accordance with such Section. Any determination as to the matter or matters to be determined pursuant to such notice shall be determined by the number of persons that would be able to determine the subject matter at a meeting and shall be binding on all of the membership; provided however, that a quorum of the membership responds in writing to such notice in the manner set forth in the notice. Any such notice shall set forth a time period during which time a response may be made thereto.

3.6 A quorum of the Members shall consist of persons entitled to cast a majority of the votes of the entire membership. A Member may join in the action of a meeting by signing the minutes thereof, and such a signing shall constitute the presence of such Member for the purpose of determining a quorum. Matters approved by a majority of the Members present at a meeting at which a quorum is present shall constitute the official acts of the Members, except as

otherwise specifically provided by law, the “Declarations,” the “Articles” or any other document or elsewhere herein.

3.7 A quorum of the Lake Lot Owners called for any purpose with respect to an “Easement Area” shall consist of a majority of the Lake Lot Owners upon whose lake lots the Easement Area in question is located. A Lake Lot Owner may join in the action of a meeting of the Lake Lot Owners by signing the minutes thereof, and such a signing shall constitute the presence of such Lake Lot Owner for the purpose of determining a quorum. Matters approved by a majority of the Lake Lot Owners present at a meeting at which a quorum is present shall constitute the official acts of the Lake Lot Owners, except as otherwise specifically provided by law, the “Declarations,” the “Articles” or any other document or elsewhere herein. Lake Lot Owners are Members and where applicable, the provisions of these By-Laws which use the term “Members” shall apply to the Lake Lot Owners.

3.8 If at any meetings of the membership, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at a meeting as originally called may be transacted at any adjourned meeting thereof. In the case of the adjournment of a meeting, notice to the Members of such adjournment shall be as determined by the Members.

3.9 Minutes of all meetings of the Members shall be kept in a business-like manner and be available for inspection by the Members and Directors at the office of the Association at all reasonable times.

3.10 Voting rights of Members shall be stated in the Articles. Such votes may be cast in person or by proxy. “Proxy” is defined to mean an instrument containing the appointment of a person who is substituted by a Member to vote for him and in his place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournment thereof if so stated. A proxy must be filed with the Secretary before the appointed time of the meeting in order to be effective. Any proxy may be revoked prior to the time a vote is cast pursuant to such proxy.

3.11 At any time prior to a vote upon any matter at a meeting of the membership, any Member may raise the question of the use of a secret written ballot for the voting on any matter and require the use of a secret written ballot. In the event of the use of such secret written ballot,

the chairman of the meeting shall call for nominations and the election of inspectors of election to collect and tally such written ballots upon the completion of the balloting upon such matter.

SECTION 4. Board of Directors, Directors' Meetings

4.1. The business of the Association shall be managed by a Board of Directors ("Board") selected as set forth in the Articles and consisting of three (3) Directors and at no time shall there be less than 3 Directors on the Board.

4.2. The election and, if applicable, designation of Directors shall be conducted in accordance with the Articles.

4.3. Subject to the "Developer's" rights set forth in Section 4.5(b) below, vacancies in the Board shall be filled by persons elected by the remaining Directors. Any such person shall be a Director and have all of the rights, privileges, duties and obligations as a Director elected at an Annual Members Meeting and shall serve for the term prescribed in Section 4.4 of these By-Laws.

4.4. The term of each Director's service shall extend until the next Annual Members Meeting and until his successor is duly elected and qualified, or until he is earlier removed from such service in the manner elsewhere provided herein.

4.5. (a) A Director elected by the Members as provided in the Articles may be removed from office upon the affirmative vote of two-thirds (2/3) of the Members at a special meeting of the Members for any reason deemed by the Members to be in the best interest of the Association; provided, however, before any Director is removed from office, he shall be notified, in writing, twenty (20) days prior to the special meeting at which a motion for his removal will be made, that such a motion will be made, and such Director shall be given an opportunity to be heard at such meeting should he be present thereat.

(b) A Director designated by the Developer, as provided in the Articles, may be removed only by the Developer in its sole and absolute discretion without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy otherwise created on the Board as to a Director designated by it, and the Developer shall notify the Board of such removal or vacancy, of the name of the respective successor Director and of the commencement date for the term of such successor Director.

4.6. The organizational meeting of a newly-elected Board 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. No further notice of the organizational meeting shall be necessary.

4.7. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of Directors. Special meetings of the Board may be called at the direction of the President or Vice President. Special meetings must be called by the Secretary at the written request by one-third (1/3) of the Directors.

4.8. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the date of such meeting. Any provision herein to the contrary notwithstanding, notice of any meeting may be waived by any Director before, during or after such meeting, and such waiver shall be deemed receipt of notice by such Director of such meetings.

4.9. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. A Director may join in the action of a meeting of the Board by signing the minutes thereof, and such a signing shall constitute the presence of such Director for the purpose of determining a quorum. Matters approved by a majority of the Directors present at a meeting at which a quorum is present, shall constitute the official acts of the Board, except as otherwise specifically provided by law, the Articles, any document or elsewhere herein. If at any meetings of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at a meeting of the Board as originally called may be transacted at any adjourned meeting thereof. In the case of the adjournment of a meeting, notice to the Directors of such adjournment shall be as determined by the Board.

4.10. The presiding officer at Board meetings shall be the President. In the absence of the President, the Directors present shall designate any one of their number to preside.

4.11. Directors' fees, if any, shall be determined by the majority of the membership of the Association.

4.12. Minutes of all meetings of the Board shall be kept in a business-like manner and be available for inspection by Members and Directors at the office of the Association at all reasonable times.

4.13. Meetings of the Board may, at the discretion of the Board, be open to all Members. Unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting, the Member shall not be entitled to participate in any meeting of the Board, but shall only be entitled to act as an observer. In the event that a Member not serving as a Director or not otherwise invited by the Directors to participate in a meeting, attempts to participate rather than observe at such meeting, or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient evidence that he is a Member or that he was specifically invited by the Directors to participate in such meeting.

SECTION 5. Powers and Duties of the Board of Directors

All of the powers and duties of the Association, including those under the Declarations, the Articles and any other Documents, shall be exercised by the Board unless otherwise specifically delegated therein to the Members. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Documents and shall include but not be limited to the following:

5.1 Making, establishing, amending and enforcing reasonable rules and regulations governing the portions of the “Coco Wood Lakes Land” under Association jurisdiction.

5.2. Making, levying, collecting and enforcing assessments against Members to provide funds to pay the “Association Expenses.” Such assessments shall be collected by the Association by payments made directly to the Association by Members in the manner set forth in the Documents.

5.3. Maintaining, managing, administering, operating, repairing and replacing the improvements and personal property located within the portions of the CWL land under Association jurisdiction (including the Recreation Area, the Entrance Area and the Easement Areas).

5.4 Constructing and reconstructing improvements located in CWL and the portions of the CWL Land over which the Association has jurisdiction in the event of a casualty or other loss thereof and making further authorized improvements therein.

5.5. Enforcing by legal means the provisions of the Documents.

5.6. Retaining independent contractors and professional personnel and entering into and terminating service, supply and management agreements and contracts to provide for the administration, management, operation, repair and maintenance of CWL and the portions of the CWL Land over which the Association has jurisdiction; and the maintenance, care and repair of improvements located on the portions of the CWL Land over which the Association has jurisdiction, including the delegation to third parties of powers of the Board with respect thereto.

5.7. Hiring and retaining such employees and/or contractors as are necessary to administer and carry out the services required for the proper administration of the purposes of the Association and paying all of the salaries therefor.

5.8. Paying costs of all power, water, sewer and other utility services rendered to the portions of the CWL Land over which the Association has jurisdiction and not billed to individual Owners.

5.9. Paying taxes and assessments which are or may become liens against any property located on the portions of the CWL Land over which the Association has jurisdiction and assessing the same against Lots.

5.10. Purchasing and carrying insurance for the protection of Owners and the Association against casualty and liability with respect to the CWL Land over which the Association has jurisdiction in accordance with the Documents.

SECTION 6. Officers of the Association

6.1 The officers of the Association shall be a President, who shall be a Director, one or several Vice Presidents, a Treasurer, A Secretary and, if the Board so determines, an Assistant Treasurer and an Assistant Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by a vote of the Directors at any meeting of the Board. The Board shall elect, from time to time, such other officers and assistant officers and designate their powers and duties as the Board shall determine to be necessary or appropriate for the management of the affairs of the Association.

6.2 The President shall be the chief executive officer of the Association. He shall have all the powers and duties which are usually vested in the office of a President including, but not limited to, the power to appoint such committees at such times from among the members as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. The President shall preside at all meetings of the Board.

6.3. In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated “First,” “Second,” etc., and shall exercise the powers and perform the duties of the Presidency in such order.

6.4. The Secretary shall keep the minutes of all meetings of the Board and the Members, which minutes shall be kept in a business-like manner and shall be available for inspection at the office of the Association by Members and Directors at all reasonable times. The Secretary shall have custody of the seal of the Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board to do so. He shall keep the records of the Association, except those of the Treasurer and shall perform all of the duties incident to the office of Secretary. The Assistant Secretary, if any, shall assist the Secretary and in the absence or disability of the Secretary, shall exercise the power and perform the duties of the Secretary.

6.5. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of a Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer and in the absence or disability of the Treasurer, shall exercise the power and perform the duties of the Treasurer.

6.6. The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association nor preclude the contracting with a Director or a party affiliated with a Director for the management of any part of CWL.

SECTION 7. Accounting Records; Fiscal Management

7.1. The Board shall adopt a budget of the anticipated expenses of the Association for the forthcoming fiscal year at a special meeting of the Board (the “Budget Meeting”) called for that purpose during the first two weeks of December of each year commencing with the year 1978. Prior to the Budget Meeting, a proposed budget shall be prepared by or on behalf of the Board, which budget shall include, but not be limited to, the following items of Association

Expenses: (i) Salaries; (ii) Services; (iii) Utilities; (iv) Administration of the Association; (v) Supplies and Materials; (vi) Insurance; (vii) Security; (viii) Repairs and Maintenance; (ix) Professional Fees; (x) Taxes; (xi) Operating Capital; and (xii) Other Expenses. Copies of the proposed budget shall be mailed to each Member at the Member's last known address as shown on the books and records of the Association, within thirty (30) days after said Budget Meeting.

7.2. The Board may also include in any such proposed budget either annually or from time to time, as the Board shall determine the same to be necessary, a sum of money for the making of betterments to the improvements and personal property of the Association or for the establishment of reserves for repair or replacement thereof, including any "Capital Contributions" as called for under the Documents.

7.3. No Board shall be required to anticipate revenue from assessments or expend funds to pay for Association Expenses not included in the budget or which exceed budgeted amounts, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from there being greater Association Expenses than income from assessments, then such deficits shall be carried into the next succeeding year's budget as a deficiency or shall be the subject of a special assessment to be levied by the Board as otherwise provided in the Declarations.

7.4. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of such monies from such depository shall be only by checks signed by such persons as are authorized by the Board.

7.5. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred by the Association in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Association Expenses which cover more than such calendar year; (iv) assessments shall be made not less frequently than quarterly in amounts not less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all unpaid operating expenses previously incurred; and (v) Association Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such Association Expenses is

received. Any provision to the contrary notwithstanding, assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses in any calendar year as such expenses are incurred.

7.6. The Association shall use the cash basis method of accounting which shall conform to generally accepted accounting standards and principles, and the Association shall maintain accounting records in accordance with good and accepted accounting practices, which shall be open to inspection to Members or their authorized representatives at reasonable times. Such authorization as a representative of a Member must be in writing and be signed by the Member giving such authorization and dated within sixty (60) days of the date of any such inspection. Written summaries of the accounting records shall be supplied at least annually to the Members. Such records shall include the following: (i) a record of all receipts and expenditures; (ii) an account for each Lot which shall designate the name and address of the Owner; (iii) the amount of each assessment charged to the Lot; (iv) the amount and due dates for each assessment; and (v) the amounts paid upon such account and the balance due thereon.

7.7. A financial statement of the accounts of the Association shall be made annually by an auditor, accountant or Certified Public Accountant designated by the Board and a copy of a report of such audit shall be furnished to each member not later than the first day of April of the year following the year for which the report was made. The report shall be deemed to be furnished to the Member upon delivery or mailing thereof to the Member at the Member's last known address as shown on the books and records of the Association.

SECTION 8. Rule and Regulations

The Board may, at any meeting of the Board, adopt rules and regulations for the operation of CWL, or amend or rescind any such existing rules and regulations; provided however, that such rules and regulations shall not be inconsistent with any of the terms or provisions of any of the Documents. Copies of any rules and regulations as promulgated, amended or rescinded shall be mailed to all Members at the last known address as shown on the books and records of the Association and shall not take effect until forty-eight (48) hours after such mailing.

SECTION 9. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of Members of the Association and of the Board provided, however, if such rules and regulations

are in conflict with any of the Documents, then the respective Documents as the case may be, shall apply and govern.

SECTION 10. Amendment of the By-Laws

10.1. Prior to the “First Conveyance” these By-Laws may be amended by unanimous decision of the Board.

10.2. After the First Conveyance, these By-Laws may be amended by the Members at an Annual Members Meeting or a special meeting of the Members, and by the Board at a regular or special meeting of the Board. An amendment may be first considered by either the Members or the Board and notice of the subject matter of the proposed amendment shall be set forth in the notice of the meeting (whether of the Members or the Board) at which such proposed amendment shall be considered. Upon approval of a proposed amendment by either the Members or the Board, such proposed amendment shall be submitted for approval to the other of said bodies. Approval by the Members must be by a vote of at least a majority of the Members present at a meeting of the Members at which a quorum is present and approval by the Board must be by at least a majority of the Directors present at a meeting of the Directors at which a quorum is present.

10.3. Notwithstanding any provision of this Section 10 to the contrary, these By-Laws shall not be amended in any manner which shall amend, modify or affect any provision, terms, conditions, rights or obligations set forth in any other Documents, as the same may be amended from time to time in accordance with the provisions thereof, including without limitation, any rights of Developer or of an “Institutional Mortgager” having a first mortgage on a Lot, without the prior written consent thereto by Developer or the Institutional Mortgager, as the case may be.

10.4. Any instrument amending the By-Laws shall identify the particular section or sections being amended and give the exact language of such amendment. A certified copy of each such amendment shall be attached to any certified copy of these By-Laws and a copy of each amendment shall be recorded amongst the Public Records of Palm Beach County, Florida.