

BY-LAWS
OF
WATERWOOD COMMUNITY ASSOCIATION, INC.

ARTICLE I. DEFINITIONS

Section 1. "Association" shall mean and refer to the WATERWOOD COMMUNITY ASSOCIATION, INC., a corporation not for profit organized and existing under Chapter 617, Florida Statutes (1979), as amended.

Section 2. The "Declaration" shall mean and refer to that certain WATERWOOD Declaration of Covenants and Restrictions dated SEPT. 5, 1980, filed for recording SEPT. 5, 1980, and recorded in Official Records Book 25, Page 29, 30, 31, of the Public Records of Lake County, Florida.

Section 3. "The Properties" shall mean and refer to the lands situated in the WATERWOOD DEVELOPMENT, more particularly described per the recorded plat of WATERWOOD, as recorded in Plat Book 25, Pages 29, 30 and 31, of the Public Records of Lake County, Florida, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article VI, Section 3 herein, and in Article II of the Declaration.

Section 4. "Common Properties" shall mean and refer to those areas of land, open spaces, green belts, and all streets located thereon, shown on any recorded subdivision plat of the Existing Property or Additions to Existing Property, as defined in the Declaration (TV Properties), and intended to be devoted to the common use and enjoyment of the Owners of all Lots in TV Properties. All streets depicted on any plat of TV Properties shall be included in the definition of "Common Properties".

Section 5. "Lot" shall mean and refer to any plot of land set aside for purposes of improvement as a residential homesite, intended to be subject to exclusive ownership and possession, and shown upon any recorded subdivision plat of TV Properties.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties, including the Developer with respect to an unsold Lot, but, notwithstanding any applicable theory of the law of mortgages, "Owner" shall not mean or refer to the mortgagee of any Lot unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. Every Owner shall be treated for all purposes as a single Owner for each Lot held, irrespective of whether such ownership is joint, in common or tenancy by the entirety.

Section 7. "Member" shall mean and refer to each Owner who is a member of the Association as provided in Article III, Section 1, hereof.

Section 8. "Developer" shall mean and refer to Waterwood, Inc., a Florida corporation, its successors and assigns.

ARTICLE II. LOCATION

Section 1. The principal office of the Association shall be located at Waterwood Drive, Yalaha, Florida 32797.

ARTICLE III. MEMBERSHIP

Section 1. Every person or entity whose is a record Owner of a fee or undivided fee interest in any Lot which is subject to assessment by the Association shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a Member.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by Article VI of the Declaration.

Section 3. The manner of collection of annual and special assessments described in Section 2 hereof, and the effect of non-payment of same shall be as provided for in the Declaration.

ARTICLE IV. VOTING RIGHTS

Section 1. The Association shall have two (2) classes of voting membership:

Class A.

Class A Members shall be all those Owners as defined in Article III, Section 1 herein, with the exception of the Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article III, Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B.

Class B Member shall be the Developer. The Class B Member shall have the following votes, to-wit:

- a. Three (3) votes for each Lot owned by the Developer.
- b. Ten (10) votes for every acre of land which remains undeveloped as a part of the Developer's present or future general plan of development. Said acreage for the purpose of determining the aforementioned vote totals approximately 21.8 acres, exclusive of the Existing Property, as defined in the Declaration.

The Class B Membership shall cease and become converted to Class A Membership and entitled to vote as such on the happening of any of the following events, whichever occurs earlier:

- a. When the total votes outstanding in the Class A Membership equals or exceeds the total votes outstanding in the Class B Membership; or
- b. At the expiration of ten (10) years after the date of recording of the Declaration; provided, however, that if a Supplemental Declaration is recorded annexing Additions to Existing Property pursuant to Article II of the Declaration at any time or times prior to expiration of said ten (10) year period (as the same may have been extended by the filing of any Supplemental Declaration) such period shall be extended each time until the expiration of five (5) years from the date of recording of the last such Supplemental Declaration.

From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot in which it holds the interests required for membership under Article III.

For so long as the Developer is the owner of five percent (5%) or more of the Lots developed or intended to be developed within the Existing and all future Additions to Existing Properties, as defined in the Declaration, no vote, decision or action which requires an approval or a vote of two-thirds (2/3) or more of the Members of the Association voting on said matter, irrespective of Class, shall be effective or implemented until Developer has approved of or consented to same in writing directed to the Board of Directors of the Association. For the purposes of this paragraph, in computing the number of Lots owned by Developer from time to time, any unplatted land now or hereafter owned by Developer and lying adjacent to the Existing or Additions to Existing Property, as defined in the Declaration, shall be considered to contain the maximum number of Lots allowable under the density provisions of the applicable zoning

ordinance, as such provisions exist at the time of such computation.

The vote or votes for each Lot must be cast as a single vote, and fractional votes shall not be allowed. In the event that joint or multiple Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it shall thereafter be conclusively presumed for all purposes that he was or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of said votes shall be counted and said votes shall be deemed void.

In the event that more than one person shall at any time be the Owner of any Lot, all such persons shall be Members and the vote for each such Lot shall, subject to the provisions of the foregoing paragraph, be exercised as such persons among themselves shall determine. In no event shall more than one Class A vote be cast with respect to any Lot. For purposes of determining the votes allowed under this Article, no tenant or lessee of a Lot shall be entitled to any voting rights in the Association.

ARTICLE V. PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Properties and facilities as provided by Article IV, of the Declaration applicable to The Properties.

Section 2. Any Member may delegate his rights and enjoyment in the Common Properties and facilities to the members of his family who reside upon The Properties, to any of his tenants who reside thereon under a leasehold interest, or to his guests, licensees or invitees for the duration of their visit; provided, however, such use shall at all times be consistent with the requirements of the Declaration, the Association Articles of Incorporation, these By-Laws, and the Rules and Regulations of the Association.

ARTICLE VI. ASSOCIATION PURPOSES AND POWERS

Section 1. The purpose for which the Association is organized is to promote the recreation, health, safety, and welfare of the residents within the WATERWOOD DEVELOPMENT, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation or merger.

Section 2. The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its Members and the Association shall make no distributions of income to its Members, directors or officers.

Section 3. Additions to Properties and Membership. Additions to The Properties described in Article I, Section 3 may be made only in accordance with provisions of the Declaration. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such properties.

Section 4. Mergers and Consolidations. Subject to the provisions of the Declaration, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that such merger or consolidation shall have the assent of two-thirds (2/3) vote of the Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Dedication, Conveyance or Encumbrance of Properties. The corporation shall have power to convey, dedicate, or encumber its real properties only as authorized in the Declaration.

ARTICLE VII. BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a Board of Directors consisting of no less than three (3) directors, nor more than seven (7); however, the Board shall consist of an odd number. The initial Board of Directors shall consist of three (3) directors who shall hold office until the election of their successors as specified in Article VIII herein.

Section 2. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Frank G. Proie	Sunset Drive Yalaha, Florida 32797
Robert Zahradnik	Sunset Drive Yalaha, Florida 32797
Carrie Zahradnik	Sunset Drive Yalaha, Florida 32797

Subject to the provisions hereof and of the Declaration and Association Articles of Incorporation, vacancies in the Board of Directors shall be filled by appointment by the remaining directors, any such appointed director to hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

Section 3. Anything in these By-Laws to the contrary notwithstanding, the Developer shall be entitled to elect to the Board of Directors a majority of the members thereof until such time as Developer has sold ninety-five percent (95%) of the Lots within both the Existing and all potential Additions to Existing Properties.

For the purposes hereof, in computing the number of Lots owned by Developer from time to time, any unplatted land now or hereafter owned by Developer and lying adjacent to the Existing or Additions to Existing Property, as defined in the Declaration, shall be considered to contain the maximum number of Lots allowable under the density provisions of the applicable zoning ordinance, as such provisions exist at the time of such computation.

ARTICLE VIII. ELECTION OF DIRECTORS: NOMINATING
COMMITTEE: ELECTION COMMITTEE

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At any election, the Members or their proxies may cast, in respect of each vacancy for which those Members are entitled to vote, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-Laws. The persons receiving the largest number of votes shall be elected.

Section 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the Standing Committees of the Association.

Section 3. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more other persons who shall be either (1) Members of the Association, or (2) agents, representatives, or employees of the Developer. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

Section 4. The Nominating Committee shall make as many nominations for the election to the Board of Directors as it shall in

its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members of the committee as the committee in its discretion shall determine. Nominations shall be placed on a written ballot as provided in Section 5 and shall be made available in advance of the time fixed in Section 5 for the mailing of such ballots to Members.

Section 5. All elections to the Board of Directors shall be made on written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain a space for write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or special meeting called for the elections).

Section 6. Each Member shall receive as many ballots as he has votes. Notwithstanding the fact that a Member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The completed ballot shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot, and the Members shall be advised that because of the verification procedures of Section 7, the inclusion of more than one ballot in any one "Ballot" shall disqualify the return. Such "Ballot" envelope, or envelopes (if a Member or his proxy is exercising more than one vote), shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member or his proxy, the number of ballots being returned, and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary at the following address:

Post Office Box 337
Yalaha, Florida 32797

Section 7. Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day set for the annual or other special meeting in which the elections are to be held. On that day the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election Committee which shall consist of five (5) members appointed by the Board of Directors. The Election Committee shall then adopt a procedure which shall: (a) establish that the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the Member or his proxy identified on the outside envelope containing them; and (b) verify that the signature of the Member or his proxy on the outside envelope is genuine;

and (c) if the vote is by proxy that a proxy has been filed with the Secretary as provided in Article XIV, Section 2, and that such proxy is valid. Such procedure shall be designed and carried out in such manner that the vote of any Member or his proxy shall not be disclosed to anyone, even the Election Committee.

The outside envelopes shall thereupon be placed in a safe or other locked place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one "Ballot", all such ballots shall be disqualified and shall not be counted. Immediately after the announcement of the results, unless a review of the procedure is demanded by the Members present, the ballots and the outside envelopes shall be destroyed.

ARTICLE IX. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. A Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4) of the voting membership, as provided in Article XIII, Section 2 herein.

(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever.

(c) To establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2, herein, and in Article VII of the Declaration.

(d) To adopt and publish Rules and Regulations governing the use of the Common Properties and facilities and the personal conduct of the Members and their guests or tenants thereon.

(e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, by the Declaration, the Articles of Incorporation and these By-Laws; subject, however, to the limitations therein and herein contained.

(f) In the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive

regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such is requested in writing by one-fourth (1/4) of the voting membership, as provided in Article XIII, Section 2.

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.

(c) As more fully provided in Article VII of the Declaration:

(1) To fix the amount of the assessment against each Lot for each assessment period;

(2) To prepare a roster of the Properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member, and;

(3) To send written notice of each assessment to every Owner subject thereto.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person a recordable certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

(e) To act as an Architectural Review Board pursuant to the provisions of Article VIII of the Declaration.

ARTICLE X. DIRECTORS' MEETING

Section 1. A regular meeting of the Board of Directors shall be held on the 5th day of each month at 12:00 o'clock noon, provided that the Board of Directors may, by resolution, change the day and hour of holding such regular meeting.

Section 2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. A transaction of any business at any meeting of the Board of Directors, however called and noticed, or whenever held, shall be valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to a holding of such meeting, or approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI. OFFICERS

Section 1. The officers shall be a President, a Vice President, a Secretary, and a Treasurer. The President and Vice President shall be members of the Board of Directors.

Section 2. The officers shall be chosen by the majority of the Board of Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

Section 5. The Vice President shall perform all duties of the President in his absence.

Section 6. The Secretary shall be the ex-officio Secretary to the Board of Directors, and shall record the votes and keep minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members.

Section 7. The Treasurer shall receive and deposit in an appropriate bank account all moneys of the Association and shall disburse all funds as directed by resolution of the Board of

Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association; provided that such checks and notes shall also be signed by the President or the Vice President.

Section 8. The Treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

ARTICLE XII. COMMITTEES

Section 1. The Standing Committees of the Association shall be: the Nominations Committee, the Recreation Committee, the Maintenance Committee, the Publicity Committee and the Audit Committee.

Unless otherwise provided herein, each committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors for Board contact. Committees shall be appointed by the Board of Directors prior to each annual meeting to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominations Committee shall have the duties and functions described in Article VIII herein.

Section 3. The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 4. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties and facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 5. The Publicity Committee shall inform the Members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association.

Section 6. The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article XI, Section 8. The Treasurer shall be an ex-officio member of the committee.

Section 7. With the exception of the Nominations Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 8. It shall be the duty of each committee to receive complaints from Members about any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented. All such actions or decisions shall be subject to review by the Board of Directors.

ARTICLE XIII. MEETINGS OF MEMBERS

Section 1. The regular annual meeting of membership shall be held on the third Saturday of the month of June in each year, at the hour of 12:00 o'clock, noon. If the day for the annual meeting of the members shall fall upon a holiday, the meeting will be held on the same hour on the first day following which is not a holiday.

Section 2. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two (2) or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth (1/4) of all the votes of the entire membership or who have a right to vote one-fourth (1/4) of the votes of the Class "A" membership.

Section 3. Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to the Member either personally or by sending a copy of the notice through the mails, postage thereon fully prepaid, to his address appearing on the books of the corporation. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided however, that if the business of any meeting shall involve an election governed by Article VIII herein or any action governed by the Articles of Incorporation or by the Declaration applicable to The Properties, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by these By-Laws, the Articles of Incorporation or by the Declaration shall require a quorum as therein provided.

ARTICLE XIV. PROXIES

Section 1. At all corporate meetings of Members, each Member shall vote either in person or by proxy in order for such vote to be effective.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond the meeting for which it was given, and any adjournments thereof. Every proxy shall automatically cease upon sale by the Member of his home, Lot, or other interest in The Properties.

ARTICLE XV. BOOKS AND PAPERS

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection by any Member.

ARTICLE XVI. CORPORATE SEAL

Section 1. The Association shall have a seal in circular form having within its circumference the words: Waterwood Community Association, Inc.

ARTICLE XVII. AMENDMENT

Section 1. These By-Laws may be amended, at any regular or special meeting of the Members, by a vote of two-thirds (2/3) of the Members present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in the Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation or the Declaration and these By-Laws, the Articles or Declaration shall control; and in the case of any

conflict between the Declaration and these By-Laws or the said Articles, the Declaration shall control.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of Waterwood Community Association, Inc., have hereunto set their hands this 20th day of AUGUST, 1980.

Frank G. Prote
FRANK G. PROTE

Robert J. Zahradnik
ROBERT ZAHRADNIK

Carrie P. Zahradnik
CARRIE ZAHRADNIK

This instrument prepared by and should be returned to:

O.R. BOOK 1506 PAGE 2320

RE
Harry W. Carls, Esquire
CURRY, TAYLOR & CARLS, P.A.
1900 Summit Tower Boulevard
Suite 800
Orlando, Florida 32810
(407) 660-1040

Mar. 24, 97

REC 9.00

TE 150

97 21142

**CERTIFICATE OF AMENDMENT TO THE BYLAWS OF
WATERWOOD COMMUNITY ASSOCIATION, INC.**

THIS IS TO CERTIFY THAT attached as Exhibit "A" is a true and correct copy of an amendment to the Bylaws of Waterwood Community Association, Inc., the original of which is attached as Exhibit "B" to the Waterwood Declaration of Covenants and Restrictions dated September 5, 1980 and recorded on September 19, 1980 in Official Records Book 709, Page 337 of the Public Records of Lake County, Florida. This amendment was duly and properly adopted pursuant to the subject Bylaws.

EXECUTED at Lecburg, Lake County, Florida, on this 24th day of March, 1997.

WITNESSES:

WATERWOOD COMMUNITY
ASSOCIATION, INC.

Marlene DAWSON

Print Name:

Marlene Dawson

Print Name:

Marlene DAWSON

Print Name:

Marlene Dawson

Print Name:

By: George Miles

George Miles, President

Address: 106 TIMBER LANE

VALA WA, FL 34797

Attest: Mary Whitaker

Print Name: Mary Whitaker Secretary

Address: 105 Timber Lane

Vala wa, FL 34797-8117

STATE OF FLORIDA
COUNTY OF Lake

The foregoing Certificate of Amendment to the Bylaws of Waterwood Community Association, Inc., was acknowledged before me this 24th day of March, 1997, by George Miles and Mary Whitaker, President and Secretary, respectively, of the corporation named above.

Marlene Dawson
(Signature of Notary)

Marlene F. DAWSON
(Print, Type or Stamp Name of
Notary) (affix notary seal)

Personally Known OR Produced Identification
Type of Identification Produced Produced Identification

RECORDED
VERIFIED
LAKE COUNTY, FL

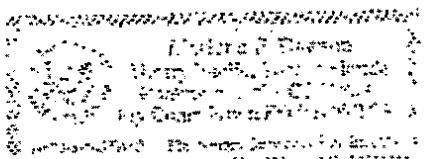


EXHIBIT "A"

1. Article VII, Section 1 of the Bylaws is amended to read as follows:

Section 1. The affairs of the Association shall be managed by a Board of Directors consisting of no less than three (3) directors, nor more than seven (7); however, the Board shall consist of an odd number. The initial Board of Directors shall consist of three (3) directors who shall hold office until the election of their successors as specified in Article VIII herein.

Beginning with the March 1997 Annual Meeting, directors shall be divided into two (2) classes, one class serving a term of two (2) years and the other class serving a term of one (1) year, provided that no more than a simple majority of the directors may be in either class.

To initiate such staggered terms, the Nominating Committee shall in its discretion determine and designate to which of the two classes each nominee for the March 1997 election is being named and the same shall be reflected on the ballot for such election.

Any member nominating himself as a candidate for the Board at the March 1997 Annual Meeting shall specify to which class he seeks election. Write-in votes for such election shall likewise specify which class of directors such person is being selected for.

Each director shall hold office for the term to which he is elected or appointed and until his successor has been elected or appointed and qualified or until his earlier resignation, removal from office, or death.

cabarc\wwc001.cer
3/13/97

CODING: Additions to text are indicated by bold underline;
Deletions (if any) by ~~strikeout~~.

This instrument prepared by and)
should be returned to:)
William Goodman, Secretary of)
Waterwood Community Association)
300 Waterwood Dr.)
Yalaha, FL. 34797)
(315) 573-6366)

CERTIFICATE OF AMENDMENT TO THE BYLAWS OF
WATERWOOD COMMUNITY ASSOCIATION, INC.

THIS IS TO CERTIFY THAT attached Exhibit "C" is a true and accurate copy of an amendment to the ByLaws of Waterwood Community Association, Inc., the original of which is attached as Exhibit "B" of the Waterwood Declaration of Covenants and Restrictions dated September 5, 1980 and recorded on September 19, 1980 in Official Records Book 709, Page 337 of the Public Records of Lake County, Florida, and which original ByLaws were subsequently amended by Amendment to the ByLaws which is attached as Exhibit "A" dated March 24, 1997 and recorded on March 24, 1997, in Official Records Book 1506, Page 2320 of the Public Records of Lake County, Florida. This Amendment, Exhibit

"C" was duly and properly adopted pursuant to the subject Original ByLaws and the subsequent Amendments thereto.

EXECUTED at LEESBURG, Lake County, Florida, on this 17th day of JUNE, 2026.

WITNESSETH: WATERWOOD COMMUNITY

Witness #1 ASSOCIATION, INC.

Thomas T. Schell

(signature)

By: Eric Owens

Eric Owens, President

THOMAS T. SCHELL

(Printed Name)

Address: 602 Waterwood Dr

Yalaha FL 34797

Address:

1001 CLUSTERWOOD DR Attested: By: William Goodman

YALAHUA, FL 34797

William Goodman, Secretary

Address: 208 Waterwood Dr.

Yalaha, FL 34797

Witness #2

Chirag Kumar Patel

(signature)

Chirag Kumar Patel

(Printed Name)

Address:

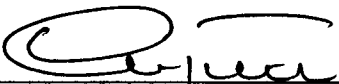
2761 US Hwy 27, #109

Leesburg, FL 34748

STATE OF FLORIDA

COUNTY OF LAKE

The foregoing Certificate of Amendment to the ByLaws of Waterwood Community Association, Inc., was sworn to, subscribed, and acknowledged before me a Notary Public, this 17TH day of JUNE, 2026, by, Eric Owens and William Goodman, President and Secretary, respectively;, of the corporation named above, who produced their respective Florida Drivers License as Identification.

 Chirag Kumar Patel

Notary Public, Lake County, Florida Print, Type or Stamp Name

of Notary, affix notary seal

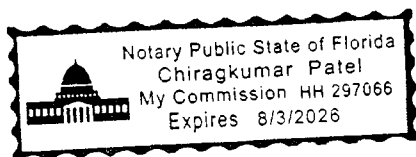


EXHIBIT C

EXHIBIT "C"

1. Article VII , Sections 1, 2 and 3 of the Original Bylaws and the subsequently amended Bylaws are amended to read as follows:

Section 1. The affairs of the Association shall be managed by the Board of Directors consisting of no less than three (3) directors, nor more than seven (7) **depending upon the number of volunteers willing to serve;** however, the Board shall consist of an odd number **(i.e., either 3, 5, or 7).** ~~The initial Board of Directors shall consist of three (3) directors who shall hold office until the election of their successors as specified in Article VIII herein.~~

Beginning with the March 1997 Annual Meeting, directors shall be divided into two (2) classes, one class serving a term of two (2) years and the other class serving a term of one (1) year, provided that no more than a simple majority of the directors may be in either class.

To initiate such staggered terms, the Nominating Committee shall in its discretion determine and designate to which of the two classes each nominee for the March 1997 election is being named and the same shall be reflected on the ballot for such election.

Any member nominating himself as a candidate for the Board at the March 1997 Annual Meeting shall specify to which class he seeks election. Write-in votes for such election shall likewise specify which class of directors such person is being selected for.

Each director shall hold office for the term to which he is elected or appointed and until his successor has been elected or appointed and qualified or until his earlier resignation, removal from office, or death.

~~Section 2. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:~~

Frank G. Proie	Sunset Drive
	Yalaha, Florida 32797
Robert Zahradnik	Sunset Drive
	Yalaha, Florida 32797
Carrie Zahradnik	Sunset Drive
	Yalaha, Florida 32797

Section 2. Subject to the provisions hereof and to the Declarations and Association Articles of Incorporation, vacancies in the Board of Directors shall be filled by appointment by the remaining directors, such appointed director to hold office until his/**her** successor **is seated at the conclusion of** ~~is elected by the Members, who may make such election~~ at the next annual meeting of the Members or at any special meeting duly called for that purpose.

~~**Section 3.** Anything in these By-Laws to the contrary notwithstanding, the Developer shall be entitled to elect to the Board of Directors a majority of the members thereof until such time as Developer has sold ninety-five percent (95%) of the Lots within both the Existing and all potential Additions to Existing Properties.~~

~~—— For the purposes hereof, in computing the number of Lots owned by Developer from time to time, an unplatted land now or hereafter owned by Developer and lying adjacent to the Existing or Additions to Existing Property, as defined in the Declaration, shall be considered to contain the maximum number of Lots allowable under the density provisions of the applicable zoning ordinance, as such provisions exist at the time of such computation.~~

CODING: Additions to text are indicated by **bold underlines**:

Deletions (if any) by ~~strikeout~~.

EXHIBIT B

BY-LAWS OF WATERWOOD COMMUNITY ASSOCIATION, INC.

ARTICLE I. DEFINITIONS

Section 1. "Association" shall mean and refer to the WATERWOOD COMMUNITY ASSOCIATION, INC., a corporation not for profit organized and existing under Chapter 617, Florida Statutes (1979), as amended.

Section 2. The "Declaration" shall mean and refer to that certain WATERWOOD Declaration of Covenants and Restrictions dated SEPT. 5, 1980, filed for recording SEPT. 5, 1980, and recorded in Official Records Book 25, Page 29, 30, 31, of the Public Records of Lake County, Florida.

Section 3. "The Properties" shall mean and refer to the lands situated in the WATERWOOD DEVELOPMENT, more particularly described per the recorded plat of WATERWOOD, as recorded in Plat Book 25, Pages 29, 30 and 31, of the Public Records of Lake County, Florida, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article VI, Section 3 herein, and in Article II of the Declaration.

Section 4. "Common Properties" shall mean and refer to those areas of land, open spaces, green belts, and all streets located thereon, shown on any recorded subdivision plat of the Existing Property or Additions to Existing Property, as defined in the Declaration (TV Properties), and intended to be devoted to the common use and enjoyment of the Owners of all Lots in TV Properties. All streets depicted on any plat of TV Properties shall be included in the definition of "Common Properties".

Section 5. "Lot" shall mean and refer to any plot of land set aside for purposes of improvement as a residential homesite, intended to be subject to exclusive ownership and possession, and shown upon any recorded subdivision plat of TV Properties.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties, including the Developer with respect to an unsold Lot, but, notwithstanding any applicable theory of the law of mortgages, "Owner" shall not mean or refer to the mortgagee of any Lot unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. Every Owner shall be treated for all purposes as a single Owner for each Lot held, irrespective of whether such ownership is joint, in common or tenancy by the entirety.

Section 7. "Member" shall mean and refer to each Owner who is a member of the Association as provided in Article III, Section 1, hereof.

Section 8. "Developer" shall mean and refer to Waterwood, Inc., a Florida corporation, its successors and assigns.

ARTICLE II. LOCATION

Section 1. The principal office of the Association shall be located at Waterwood Drive, Yalaha, Florida 32797.

ARTICLE III. MEMBERSHIP

Section 1. Every person or entity whose is a record Owner of a fee or undivided fee interest in any Lot which is subject to assessment by the Association shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a Member.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by Article VI of the Declaration.

Section 3. The manner of collection of annual and special assessments described in Section 2 hereof, and the effect of non-payment of same shall be as provided for in the Declaration.

ARTICLE IV. VOTING RIGHTS

Section 1. The Association shall have two (2) classes of voting membership:

Class A.

Class A Members shall be all those Owners as defined in Article III, Section 1 herein, with the exception of the Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article III, Section 1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B.

Class B Member shall be the Developer. The Class B Member shall have the following votes, to-wit:

a. Three (3) votes for each Lot owned by the Developer.

b. Ten (10) votes for every acre of land which remains undeveloped as a part of the Developer's present or future general plan of development. Said acreage for the purpose of determining the aforementioned vote totals approximately 21.8 acres, exclusive of the Existing Property, as defined in the Declaration.

The Class B Membership shall cease and become converted to Class A Membership and entitled to vote as such on the happening of any of the following events, whichever occurs earlier:

a. When the total votes outstanding in the Class A Membership equals or exceeds the total votes outstanding in the Class B Membership; or

b. At the expiration of ten (10) years after the date of recording of the Declaration; provided, however, that if a Supplemental Declaration is recorded annexing Additions to Existing Property pursuant to Article II of the Declaration at any time or times prior to expiration of said ten (10) year period (as the same may have been extended by the filing of any Supplemental Declaration) such period shall be extended each time until the expiration of five (5) years from the date of recording of the last such Supplemental Declaration.

From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot in which it holds the interests required for membership under Article III.

For so long as the Developer is the owner of five percent (5%) or more of the Lots developed or intended to be developed within the Existing and all future Additions to Existing Properties, as defined in the Declaration, no vote, decision or action which requires an approval or a vote of two-thirds (2/3) or more of the Members of the Association voting on said matter, irrespective of Class, shall be effective or implemented until Developer has approved or consented to same in writing directed to the Board of Directors of the Association. For the purposes of this paragraph, in computing the number of Lots owned by Developer from time to time, any unplatted land now or hereafter owned by Developer and lying adjacent to the Existing or Additions to Existing Property, as defined in the Declaration, shall be considered to contain the maximum number of Lots allowable under the density provisions of the applicable zoning

ordinance, as such provisions exist at the time of such computation.

The vote or votes for each Lot must be cast as a single vote, and fractional votes shall not be allowed. In the event that joint or multiple Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it shall thereafter be conclusively presumed for all purposes that he was or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of said votes shall be counted and said votes shall be deemed void.

In the event that more than one person shall at any time be the Owner of any Lot, all such persons shall be Members and the vote for each such Lot shall, subject to the provisions of the foregoing paragraph, be exercised as such persons among themselves shall determine. In no event shall more than one Class A vote be cast with respect to any Lot. For purposes of determining the votes allowed under this Article, no tenant or lessee of a Lot shall be entitled to any voting rights in the Association.

ARTICLE V. PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTY

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Properties and facilities as provided by Article IV, of the Declaration applicable to The Properties.

Section 2. Any Member may delegate his rights and enjoyment in the Common Properties and facilities to the members of his family who reside upon The Properties, to any of his tenants who reside thereon under a leasehold interest, or to his guests, licensees or invitees for the duration of their visit; provided, however, such use shall at all times be consistent with the requirements of the Declaration, the Association Articles of Incorporation, these By-Laws, and the Rules and Regulations of the Association.

ARTICLE VI. ASSOCIATION PURPOSES AND POWERS

Section 1. The purpose for which the Association is organized is to promote the recreation, health, safety, and welfare of the residents within the WATERWOOD DEVELOPMENT, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation or merger.

Section 2. The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its Members and the Association shall make no distributions of income to its Members, directors or officers.

Section 3. Additions to Properties and Membership. Additions to The Properties described in Article I, Section 3 may be made only in accordance with provisions of the Declaration. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such properties.

Section 4. Mergers and Consolidations. Subject to the provisions of the Declaration, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that such merger or consolidation shall have the assent of two-thirds (2/3) vote of the Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Dedication, Conveyance or Encumbrance of Properties. The corporation shall have power to convey, dedicate, or encumber its real properties only as authorized in the Declaration.

ARTICLE VII. BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a Board of Directors consisting of no less than three (3) directors, nor more than seven (7); however, the Board shall consist of an odd number. The initial Board of Directors shall consist of three (3) directors who shall hold office until the election of their successors as specified in Article VIII herein.

Section 2. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Frank G. Proie	Sunset Drive Yalaha, Florida 32797
Robert Zahradnik	Sunset Drive Yalaha, Florida 32797
Carrie Zahradnik	Sunset Drive Yalaha, Florida 32797

Subject to the provisions hereof and of the Declaration and Association Articles of Incorporation, vacancies in the Board of Directors shall be filled by appointment by the remaining directors, any such appointed director to hold office until his successor is elected by the Members, who may make such election at the next annual meeting of the Members or at any special meeting duly called for that purpose.

Section 3. Anything in these By-Laws to the contrary notwithstanding, the Developer shall be entitled to elect to the Board of Directors a majority of the members thereof until such time as Developer has sold ninety-five percent (95%) of the Lots within both the Existing and all potential Additions to Existing Properties.

For the purposes hereof, in computing the number of Lots owned by Developer from time to time, any unplatted land now or hereafter owned by Developer and lying adjacent to the Existing or Additions to Existing Property, as defined in the Declaration, shall be considered to contain the maximum number of Lots allowable under the density provisions of the applicable zoning ordinance, as such provisions exist at the time of such computation.

ARTICLE VIII. ELECTION OF DIRECTORS: NOMINATING
COMMITTEE: ELECTION COMMITTEE

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At any election, the Members or their proxies may cast, in respect of each vacancy for which those Members are entitled to vote, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-Laws. The persons receiving the largest number of votes shall be elected.

Section 2. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the Standing Committees of the Association.

Section 3. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more other persons who shall be either (1) Members of the Association, or (2) agents, representatives, or employees of the Developer. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

Section 4. The Nominating Committee shall make as many nominations for the election to the Board of Directors as it shall in

its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members of the committee as the committee in its discretion shall determine. Nominations shall be placed on a written ballot as provided in Section 5 and shall be made available in advance of the time fixed in Section 5 for the mailing of such ballots to Members.

Section 5. All elections to the Board of Directors shall be made on written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain a space for write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or special meeting called for the elections).

Section 6. Each Member shall receive as many ballots as he has votes. Notwithstanding the fact that a Member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The completed ballot shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot, and the Members shall be advised that because of the verification procedures of Section 7, the inclusion of more than one ballot in any one "Ballot" shall disqualify the return. Such "Ballot" envelope, or envelopes (if a Member or his proxy is exercising more than one vote), shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member or his proxy, the number of ballots being returned, and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary at the following address:

Post Office Box 337
Yalaha, Florida 32797

Section 7. Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day set for the annual or other special meeting in which the elections are to be held. On that day the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election Committee which shall consist of five (5) members appointed by the Board of Directors. The Election Committee shall then adopt a procedure which shall: (a) establish that the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the Member or his proxy identified on the outside envelope containing them; and (b) verify that the signature of the Member or his proxy on the outside envelope is genuine;

and (c) if the vote is by proxy that a proxy has been filed with the Secretary as provided in Article XIV, Section 2, and that such proxy is valid. Such procedure shall be designed and carried out in such manner that the vote of any Member or his proxy shall not be disclosed to anyone, even the Election Committee.

The outside envelopes shall thereupon be placed in a safe or other locked place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one "Ballot", all such ballots shall be disqualified and shall not be counted. Immediately after the announcement of the results, unless a review of the procedure is demanded by the Members present, the ballots and the outside envelopes shall be destroyed.

ARTICLE IX. POWERS AND DUTIES OF THE
BOARD OF DIRECTORS

Section 1. A Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4) of the voting membership, as provided in Article XIII, Section 2 herein.

(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever.

(c) To establish, levy and assess, and collect the assessments or charges referred to in Article III, Section 2, herein, and in Article VII of the Declaration.

(d) To adopt and publish Rules and Regulations governing the use of the Common Properties and facilities and the personal conduct of the Members and their guests or tenants thereon.

(e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, by the Declaration, the Articles of Incorporation and these By-Laws; subject, however, to the limitations therein and herein contained.

(f) In the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive

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regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such is requested in writing by one-fourth (1/4) of the voting membership, as provided in Article XIII, Section 2.

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.

(c) As more fully provided in Article VII of the Declaration:

(1) To fix the amount of the assessment against each Lot for each assessment period;

(2) To prepare a roster of the Properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member, and;

(3) To send written notice of each assessment to every Owner subject thereto.

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person a recordable certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

(e) To act as an Architectural Review Board pursuant to the provisions of Article VIII of the Declaration.

ARTICLE X. DIRECTORS' MEETING

Section 1. A regular meeting of the Board of Directors shall be held on the 5th day of each month at 12:00 o'clock noon, provided that the Board of Directors may, by resolution, change the day and hour of holding such regular meeting.

Section 2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by any officer of the Association or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 4. A transaction of any business at any meeting of the Board of Directors, however called and noticed, or whenever held, shall be valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to a holding of such meeting, or approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 5. The majority of the Board of Directors shall constitute a quorum thereof.

ARTICLE XI. OFFICERS

Section 1. The officers shall be a President, a Vice President, a Secretary, and a Treasurer. The President and Vice President shall be members of the Board of Directors.

Section 2. The officers shall be chosen by the majority of the Board of Directors.

Section 3. All officers shall hold office during the pleasure of the Board of Directors.

Section 4. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

Section 5. The Vice President shall perform all duties of the President in his absence.

Section 6. The Secretary shall be the ex-officio Secretary to the Board of Directors, and shall record the votes and keep minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members.

Section 7. The Treasurer shall receive and deposit in an appropriate bank account all moneys of the Association and shall disburse all funds as directed by resolution of the Board of

Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association; provided that such checks and notes shall also be signed by the President or the Vice President.

Section 8. The Treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

ARTICLE XII. COMMITTEES

Section 1. The Standing Committees of the Association shall be: the Nominations Committee, the Recreation Committee, the Maintenance Committee, the Publicity Committee and the Audit Committee.

Unless otherwise provided herein, each committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors for Board contact. Committees shall be appointed by the Board of Directors prior to each annual meeting to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominations Committee shall have the duties and functions described in Article VIII herein.

Section 3. The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines.

Section 4. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties and facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 5. The Publicity Committee shall inform the Members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association.

Section 6. The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article XI, Section 8. The Treasurer shall be an ex-officio member of the committee.

Section 7. With the exception of the Nominations Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 8. It shall be the duty of each committee to receive complaints from Members about any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented. All such actions or decisions shall be subject to review by the Board of Directors.

ARTICLE XIII. MEETINGS OF MEMBERS

Section 1. The regular annual meeting of membership shall be held on the third Saturday of the month of June in each year, at the hour of 12:00 o'clock, noon. If the day for the annual meeting of the members shall fall upon a holiday, the meeting will be held on the same hour on the first day following which is not a holiday.

Section 2. Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by any two (2) or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth (1/4) of all the votes of the entire membership or who have a right to vote one-fourth (1/4) of the votes of the Class "A" membership.

Section 3. Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to the Member either personally or by sending a copy of the notice through the mails, postage thereon fully prepaid, to his address appearing on the books of the corporation. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided however, that if the business of any meeting shall involve an election governed by Article VIII herein or any action governed by the Articles of Incorporation or by the Declaration applicable to The Properties, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action governed by these By-Laws. Any action governed by these By-Laws, the Articles of Incorporation or by the Declaration shall require a quorum as therein provided.

ARTICLE XIV. PROXIES

Section 1. At all corporate meetings of Members, each Member shall vote either in person or by proxy in order for such vote to be effective.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond the meeting for which it was given, and any adjournments thereof. Every proxy shall automatically cease upon sale by the Member of his home, Lot, or other interest in The Properties.

ARTICLE XV. BOOKS AND PAPERS

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection by any Member.

ARTICLE XVI. CORPORATE SEAL

Section 1. The Association shall have a seal in circular form having within its circumference the words: Waterwood Community Association, Inc.

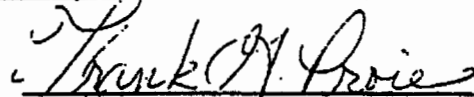
ARTICLE XVII. AMENDMENT

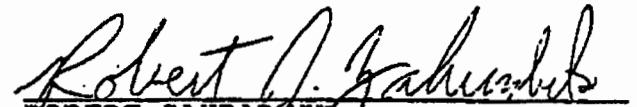
Section 1. These By-Laws may be amended, at any regular or special meeting of the Members, by a vote of two-thirds (2/3) of the Members present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in the Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation or the Declaration and these By-Laws, the Articles or Declaration shall control; and in the case of any

conflict between the Declaration and these By-Laws or the said Articles, the Declaration shall control.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of Waterwood Community Association, Inc., have hereunto set their hands this 20th day of AUGUST, 1980.


FRANK G. PROIE


ROBERT ZAHRADNIK

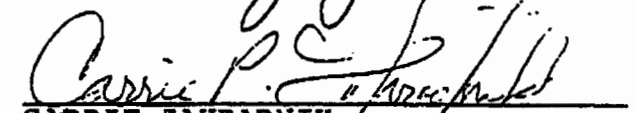

CARRIE ZAHRADNIK

EXHIBIT A

This instrument prepared by and should be returned to:

O.A. 1505 PAGE 2320
BOOK

RE
Harry W. Carls, Esquire
CURRY, TAYLOR & CARLS, P.A.
1900 Summit Tower Boulevard
Suite 800
Orlando, Florida 32810
(407) 660-1040

Mar. 24, 97

REC 9.00

TR. 150

97-21142

**CERTIFICATE OF AMENDMENT TO THE BYLAWS OF
WATERWOOD COMMUNITY ASSOCIATION, INC.**

THIS IS TO CERTIFY THAT attached as Exhibit "A" is a true and correct copy of an amendment to the Bylaws of Waterwood Community Association, Inc., the original of which is attached as Exhibit "B" to the Waterwood Declaration of Covenants and Restrictions dated September 5, 1980 and recorded on September 19, 1980 in Official Records Book 709, Page 337 of the Public Records of Lake County, Florida. This amendment was duly and properly adopted pursuant to the subject Bylaws.

EXECUTED at Leesburg, Lake County, Florida, on the 24th day of March, 1997.

WITNESSES:

WATERWOOD COMMUNITY
ASSOCIATION, INC.

Marlene DAWSON

Print Name:

Marlene Dawson

Print Name:

Marlene DAWSON

Print Name:

Marlene Dawson

Print Name:

By: George Miles

George Miles, President

Address: 106 TIMBER LANE

YALAHUA, FL 34797

Attest: Mary Whitaker

Print Name: Mary Whitaker Secretary

Address: 105 Timber Lane

Yalaha, FL 34797-8117

STATE OF FLORIDA
COUNTY OF Lake

The foregoing Certificate of Amendment to the Bylaws of Waterwood Community Association, Inc., was acknowledged before me this 24th day of March, 1997, by George Miles and Mary Whitaker, President and Secretary, respectively, of the corporation named above.

(Signature of Notary)

Marlene F. DAWSON
(Print, Type or Stamp Name of
Notary) (affix notary seal)

Personally Known OR Produced Identification
Type of Identification Produced dures none

RECORDED
VERIFIED
LAKE COUNTY, FL

APR 2 12 20 PM '97

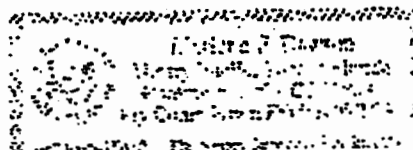


EXHIBIT "A"

1. Article VII, Section 1 of the Bylaws is amended to read as follows:

Section 1. The affairs of the Association shall be managed by a Board of Directors consisting of no less than three (3) directors, nor more than seven (7); however, the Board shall consist of an odd number. The initial Board of Directors shall consist of three (3) directors who shall hold office until the election of their successors as specified in Article VIII herein.

Beginning with the March 1997 Annual Meeting, directors shall be divided into two (2) classes, one class serving a term of two (2) years and the other class serving a term of one (1) year, provided that no more than a simple majority of the directors may be in either class.

To initiate such staggered terms, the Nominating Committee shall in its discretion determine and designate to which of the two classes each nominee for the March 1997 election is being named and the same shall be reflected on the ballot for such election.

Any member nominating himself as a candidate for the Board at the March 1997 Annual Meeting shall specify to which class he seeks election. Write-in votes for such election shall likewise specify which class of directors such person is being selected for.

Each director shall hold office for the term to which he is elected or appointed and until his successor has been elected or appointed and qualified or until his earlier resignation, removal from office, or death.

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3/13/97

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