

EXHIBIT C
BYLAWS
OF
OCEAN GARDEN ASSOCIATION, INC.
(A Florida Not For Profit Corporation)

ARTICLE I

Section 1. - Identity. These are the Bylaws of OCEAN GARDEN ASSOCIATION, INC., called "Association in these Bylaws, a corporation not for profit under the laws of the State of Florida. The Articles of Incorporation of the Association (hereinafter referred to as "Articles") were filed in the office of the Secretary of State on July 6, 2006. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called The Condominium Act in these Bylaws, which condominium is identified by the name OCEAN GARDEN CONDOMINIUM, (hereinafter referred to as the "Condominium") and is located at **102 S. Peninsula Drive, Daytona Beach, Florida 32118**.

Section 2. The office of the Association shall be **102 S. Peninsula Drive, Daytona Beach, Florida 32118**.

Section 3. The fiscal year of the Association shall be the calendar year.

Section 4. The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "Corporation not for profit" and the year of incorporation, an impression of which is as follows:

(impression of seal)

ARTICLE II

Membership, Voting, Majority of Owners, Quorum, Proxies

Section 1. - Membership. The Owner of each Unit (hereinafter referred to as "Owner" and "Unit", respectively, with the same definitions as stated in the Declaration), shall automatically be members (hereinafter referred to as "Members") of the Association during the term of ownership, as provided in the Declaration of Condominium of OCEAN GARDEN CONDOMINIUM (The Declaration). An individual Owner may be referred to as a "Member".

Section 2. - Voting. Voting shall be based on Unit ownership as provided in the Declaration and each Unit shall be entitled to one vote, except that where a Unit is owned by the Association no vote shall be allowed for such Unit. If a Unit is owned by one person, the Owner's right to vote shall be established by the record title to the Unit. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record Owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by an artificial entity, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the person or persons legally entitled to bind the entity, and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by

a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote of a Unit may be revoked by any record owner of a Unit. If such a certificate is not on file, the vote of such Owners shall not be considered in determining the requirement for a quorum nor for any other purpose. The person designated to vote for a Unit is hereinafter referred to as the "Designated Voter".

Section 3. - Majority of Owners. As used in these Bylaws, the term "Majority of Owners", shall mean those Owners holding a majority of the votes in accordance with the votes as assigned in the Declaration.

Section 4. - Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "Majority of Owners" as defined in Section 3 of this Article shall constitute a quorum.

Section 5. - Proxies. Votes may be cast in person or by proxy to the extent permitted by applicable laws. Owners may vote by General Proxy only on items where permitted by law; Unit Owners may vote only by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation in the following matters: Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with 718.112(2)(f)2.; for votes taken to waive financial statement requirements as provided by s. 718.111(14); for votes taken to amend the Declaration pursuant to s. 718.110; for votes taken to amend the Articles of Incorporation or Bylaws pursuant to s. 718.112(2)(b)2; and for any other matter for which chapter 718 requires limited proxies to be used. No proxy, limited or general, shall be used in the election of Board Members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given.

Notwithstanding the foregoing provisions, Unit Owners may vote in person at Unit Owner meetings. A proxy may be made by any person entitled to vote and shall name the person authorized to vote, shall state the date, time and place of the meeting for which the proxy is given and shall be valid only for the particular meeting designated in the proxy or if adjourned to date, time and place certain, and any continuation thereof. A proxy must be filed with the Secretary at or before the appointed time of the meeting, or if given for the continued portion of an adjourned meeting, before the time to which the meeting is adjourned. In no event shall any proxy be valid for a period longer than Ninety (90) days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the Unit Owner executing it.

ARTICLE III Administration

Section 1. - Association Responsibilities. The Owners of the Units are the Members of this non-profit corporation. The Association has the responsibility for administering the Condominium, approving the annual budget, establishing and collecting monthly assessments, managing the Condominium and performing any other act required or permitted by the Condominium Act, the Administrative Rules implemented in accordance with the Condominium Act, the Declaration and the Articles, and the Rules and Regulations of the Condominium.

Section 2. - Place of Meetings. Meetings of the Association shall be held at the principal office of the development or such other suitable place convenient to the Owners as may be designated by the of Directors (referred to hereafter collectively as the "Board" or "Board of Directors" and individually as the "Directors" or "Board Members").

Section 3. - Annual Meeting. The annual Members' meeting of the Association shall be held at 3:00 o'clock P.M. on the first Monday in December in each year, unless otherwise noticed by the Board of Directors, for the purpose of electing Directors and transacting any other business authorized to be transacted by the Members. Florida Statutes require that Unit Owners meet at least once in each calendar year and such meeting shall be the annual meeting.

Section 4. - Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by Twenty-five (25%) percent of the Owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy. The "turnover" meeting, as provided in Article IV, Section 2. e., shall be considered a special meeting, unless it takes place at the annual meeting.

Section 5. - Notice of Meetings. It shall be the duty of the Secretary to mail to each Unit Owner at least Fourteen (14) days prior to the annual meeting and to post at a conspicuous place on the condominium property for at least Fourteen (14) continuous days preceding the annual meeting, a notice of each annual meeting, stating the purpose thereof as well as the time and place where it is to be held, which notice shall include an agenda. A certificate of mailing shall be retained as proof of such mailing. Unit Owners may waive notice of meetings in writing prior to, at or after said meeting, which waiver shall be filed as part of the minutes of the meeting. Notice of special meetings of the Owners of Units shall be given as required by applicable law. Where a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to the address and in the name of the Designated Voter, and if no address is given or no valid Designated Voter exists, one notice shall be sent to the Owners at the address provided on the deed of record.

Section 6. - Adjourned Meetings. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either by proxy or in person, may adjourn the meeting to a time not more than Forty-eight (48) hours from the time the original meeting was called. If the business for which the meeting is called is not completed, the meeting may be adjourned to a date, time and place certain, not more than Ten (10) days from the time the original meeting was called.

Section 7. - Order of Business. At annual Members' meetings and as far as practical at other Members' meetings, the order of business shall be:

- a. Collection of Election Ballots
- b. Selection of chairman of meeting
- c. Calling of the roll and certifying of proxies
- d. Proof of notice of meeting or waiver of notice
- e. Reading and disposal of any unapproved minutes
- f. Reports of officers
- g. Reports of committees
- h. Election of inspectors of election
- i. Election of Directors
- j. Unfinished business
- k. New business
- l. Adjournment.

Section 8. - Parliamentary Rules. Roberts Rules of Order (latest revision and edition) shall govern the conduct of the Association and Board of Directors meetings when not in conflict with the Declaration of Condominium or these Bylaws.

Section 9. - Indemnification of Directors and Officers. The Association shall indemnify any and all persons who may serve or who have served at any time as Directors or officers, and their respective heirs, administrators, successors and assigns, against any and all expenses, including amounts paid upon judgments, counsel fees, and amounts paid in settlements (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, or which may be asserted against them, or any of them, by reason of having been Directors or officers, or a Director or officer of the Association, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance, or malfeasance, in the performance of his duties. Such indemnification shall be in addition to any rights to which those indemnified may be entitled under any law, bylaw, agreement, vote of Members, or otherwise.

ARTICLE IV
Board of Directors

Section 1. - Number and Qualifications. The initial Board of Administration, referred to herein as the Board of Directors, consists of the three (3) persons named in the Articles of Incorporation. After turnover of control of the Association to Owners, the number shall be increased to five (5).

Section 2. - Election. Election of Directors shall be conducted in the following manner:

- a. Election of Directors shall be held at the annual Members' meeting.
- b. At least Sixty (60) days prior to the scheduled election, the Association shall mail or deliver a first notice to all Unit Owners of the date of the election. Unit Owners or other eligible persons who desire to run for the board must give written notice to the secretary not less than Forty (40) days prior to the scheduled election. The Association shall then mail or deliver a second notice of the election to all Unit Owners, together with a ballot listing all the candidates, no less than fourteen (14) days and no more than thirty four (34) days prior to the election. If requested by a candidate, an information sheet, furnished by the candidate not less than Thirty-five (35) days prior to the election, will be included with the mailing of the ballot. Ballots received shall be handled as set forth in Florida Administrative Rule 61B-23.0021. At the meeting of the Association at which an election will be held, ballots not yet cast shall be collected as the first order of business.
- c. The election shall be by written ballot or voting machine and by a plurality of the votes cast, each person voting being entitled to cast his or her vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting and no minimum number of votes necessary for election; however, at least Twenty (20%) percent of the eligible voters must cast a ballot in order to have a valid election of Directors. Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the board.
- d. Except as to vacancies provided by removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members may be filled by the remaining Directors. This section is subject to the provisions of section 15 below.
- e. Pursuant, to 718.301, Florida Statutes, when Unit Owners other than the Developer own 15 percent or more of the Units in the Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect one-third of the members of the Board of Directors of the Association. Unit Owners other than the Developer are entitled to elect a majority of the members of the Board of Directors of the Association:

1. Three years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
2. Three months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
3. When all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business;
4. When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
5. When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
6. Seven years after recordation of the Declaration of Condominium, whichever occurs first.

In order to comply with Fannie Mae guidelines, Unit Owners other than the Developer shall be entitled to elect a majority of the members of the Board of Directors of the Association, earlier than required by statute being Five years after the first unit is conveyed.

Pursuant to Florida Statute, the Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%), in condominiums with fewer than five hundred (500) units, of the Units operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Directors.

f. Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call, and give not less than sixty (60) days' notice of an election for the members of the Board of Directors. The election shall proceed as provided in s. 718.112(2)(d), Florida Statutes. The notice may be given by any Unit Owner if the Association fails to do so. Upon election of the first Unit Owner other than the Developer to the Board of Directors, the Developer shall forward to the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation, the name and mailing address of the Unit Owner Board Member.

g. If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

1. Assessment of the Developer as a Unit Owner for capital improvements.
2. Any action by the Association that would be detrimental to the sales of Units by the Developer. However, an increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

Section 3. - Term. The term of each Director's service shall extend until the next annual

meeting of the Members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

Section 4. - Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the Owners.

Section 5. - Other Duties. In addition to the duties imposed by these Bylaws or by the resolutions of the Association, the Board of Directors shall be responsible for the following:

- a. Compliance with all the terms and conditions of the Declaration.
- b. Care and upkeep of the condominium and the common areas and facilities and limited common areas and facilities.
- c. Collection of monthly assessments from the Owners.
- d. Employment, dismissal, and control of the personnel necessary for the maintenance and operation of the project, the common elements, limited common elements, and facilities of the Condominium.

Section 6. - Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners as herein provided shall be filled by the vote of a majority of the remaining Directors, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. This section is subject to the provisions of section 1 below.

Section 7. - Compensation. The Board Members shall serve without compensation, although they shall be reimbursed for reasonable costs incurred in the performance of their duties. In the event that a Board Member is requested to perform duties beyond those expected of a Director, he or she, if approved by a Majority of Directors, receive reasonable compensation for the performance of the unique duties performed .

Section 8. - Removal of Directors. At the annual or any special meeting of the Members duly called for that purpose; or by agreement in writing, any one or more of the Directors may be removed with or without cause by a majority vote of all Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. A meeting to remove a member or Board Members may be called by Ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners and such notice shall state the purpose of the meeting. This section is subject to the provisions of section 15 below.

Section 9. - Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within Ten (10) days after election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 10. - Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least Four (4) such meetings shall be held during each fiscal year. Notice of regular

meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least Three (3) days prior to the time set for such meeting.

Section 11. - Special Meetings. Special meetings of the Board of Directors may be called by the President on three days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the meeting time, place (as herein above provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least One (1) Director.

Section 12. - Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. - Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. - Notice of Board of Directors Meetings to Unit Owners. Notwithstanding any other provision of these Bylaws, all meetings of the Board of Directors shall be open to all Unit Owners and notices of meetings and adjourned meetings shall be posted at a conspicuous place on the condominium property for at least Forty-eight (48) continuous hours in advance of the meeting for the attention of Unit Owners except in an emergency.

Section 15. - When Both Developer and Unit Owners are Entitled to Representation on the Board of Directors. When both the Developer and other Unit Owners are entitled to representation on the Board of Directors, the following provisions apply:

- a. Only Units owned by the Developer shall be counted to establish a quorum for a meeting to recall and/or replace a Board Member who was elected or appointed by the Developer.
- b. The percentage of voting interests required to recall a Board Member who was elected or appointed by the Developer is a majority of the total Units owned by the Developer.
- c. A Board Member who is elected or appointed by the Developer may be recalled only by the Developer.
- d. Only the Developer may vote, in person or by limited proxy, to fill a vacancy on the board previously occupied by a Board Member elected or appointed by the Developer.
- e. Only Units owned by Unit Owners other than the Developer shall be counted to establish a quorum for a meeting to recall and/or replace a Board Member who was elected by Unit Owners other than the Developer.

f. The percentage of voting interests required to recall a Board Member who was elected by Unit Owners other than the Developer is a majority of the total Units owned by Unit Owners other than the Developer.

g. A Board Member who is elected by Unit Owners other than the Developer may be recalled only by Unit Owners other than the Developer.

h. Only Unit Owners other than the Developer may vote, in person or by limited proxy, to fill a vacancy on the board previously occupied by a Board Member elected by Unit Owners other than the Developer.

ARTICLE V Officers

Section 1. - Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers, including one or more vice presidents, as in their judgment may be necessary. The officers of the Association shall have a fiduciary relationship to the Unit Owners.

Section 2. - Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board.

Section 3. - Removal of Officers. Upon an affirmative vote of a majority of the Board Members, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. - President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of an association including, but not limited to, the power to appoint committees from among the Owners, from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. - Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. - Secretary. The Secretary shall keep in a book in a businesslike manner the minutes of all meetings of the Board of Directors of all meetings of the Association, all of which minutes shall be available for inspection by Unit Owners and Board Members at all reasonable times; such minutes shall be retained for a period of not less than Seven (7) years; she shall have charge of such books and papers as the Board of Directors may direct; and she shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. - Treasurer. The Treasurer shall also have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association in accordance with good accounting practices which shall be open to Unit Owners or their authorized representatives at reasonable times and written summaries of which shall be supplied at least annually to Unit Owners or their authorized representatives. Such accounting records shall include a record of all receipts and expenditures,

an account for each Unit which shall designate the name and address of the Unit Owners, the amount of each assessment, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due; all such accounting records shall be maintained for a period of not less than Seven (7) years. She shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

Section 8. - Fidelity Bonding. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association at any one time. The phrase "persons who control or disburse funds of the association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the association. The Association shall bear the cost of bonding.

ARTICLE VI Fiscal Management

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

Section 1. - Accounts. The receipts and expenditures of the Association set forth in the Declaration and Articles of Incorporation shall be documented by the Association.

Section 2. - Budget. The Board of Directors shall adopt a budget for each calendar year. A copy of the proposed annual budget of common expenses shall be mailed to the Unit Owners not less than Fourteen (14) days prior to the meeting at which the budget will be considered. The Unit Owners shall be given written notice of the time and place at which the meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the Unit Owners. If a budget is adopted by the Board of Directors providing for assessment against the Unit Owners in any fiscal or calendar year exceeding one hundred and fifteen percent (115%) of the assessment for the preceding fiscal year, the board shall conduct a special meeting of the unit owners to consider a substitute budget if the board receives, within twenty-one (21) days after adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least fourteen (14) days prior to such special meeting, the Board shall hand deliver to each Unit Owner, or mail to each Unit Owner at the address last furnished to the association, a notice of the meeting. Unit Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a Majority of all Owners, which Florida statute defines as majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the board shall take effect as scheduled. Provided, however, that so long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for a year greater than one hundred and fifteen (115%) of the prior fiscal or calendar year's assessments without approval of a Majority of all Owners, which Florida Statute defines as majority of all the voting interests. The budget shall take into account those items specified in the Declaration and these Bylaws and as may be provided by law from time to time.

Section 3. - Assessments. Assessments against the Unit Owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 10 preceding the year for which the assessments are made. Such assessment shall be payable in Twelve (12) equal monthly installments on the 1st day of each month commencing on January 1st of the year for which the assessment is made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessment shall be due upon each installment

payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended by the Board of Directors if the accounts of the amended budget do not exceed the limitations for that year. The amendments of any account that does exceed the limitation as provided in these Bylaws shall be subject to notices and procedures as required in these Bylaws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due in monthly payments. Assessments shall be paid monthly and in amounts no less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Any funds remaining at the end of the year or at the direction of the Board of Directors may be applied to reduce the assessment for the following year.

Section 4. Interest; Late Fee; Application of Payments. Pursuant to Section 718.116(3); interest shall be charged on delinquent installments at the rate of Eighteen (18%) percent per annum, or such maximum amount as is permitted at the time of assessment. Furthermore, a late fee shall be charged in an amount not to exceed the greater of Twenty-five dollars (\$25.00) or Five (5%) percent of the assessment for each delinquent installment, but said late fee may not be included in a lien. Any payment received by an association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in the collection, and then to the delinquent assessment. The Declaration contains additional provisions regarding the Association's right to impose a lien and foreclose said lien in the event of non-payment.

Section 5. - Acceleration of Assessment Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may to the maximum extent permitted by law accelerate the remaining installments of the assessment upon notice to the Unit owner. Accelerated assessments shall be due and payable on the date the claim of lien is filed. Such accelerated assessments shall include the amounts due for the remainder of the budget year in which the claim of lien was filed.

Section 6. - Assessments for Emergencies. Assessments for common expenses in the case of emergencies for which there are not sufficient funds available from payment of annual assessments for common expenses shall be made only after notice of the need for such is given to the Unit Owners. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the Unit Owners, the assessment shall become effective, and it shall be due after Thirty (30) days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

Section 7. - Additional Assessments. Additional assessments may be made, upon affirmative vote of a majority of the Unit Owners, to establish reserves for capital improvements. Such funds are to be earmarked for specific capital improvements and are to be considered as contributions of capital.

Section 8. - Legal Action, Requirement to Notify Unit Owners. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners who may be exposed to the liability and they shall have the right to intervene and defend. A copy of each insurance policy obtained by the Association shall be made available for inspection by Unit Owners at reasonable times.

ARTICLE VII

Obligations of the Owners

Section 1. - Assessments. Owners are obligated to pay monthly assessments imposed by this Association against their respective Units to meet all common expenses.

Section 2. - Maintenance and Repair.

a. Each Unit Owner must perform promptly all maintenance and repair work within the Owner's Unit, which if omitted would affect the condominium in its entirety or a part belonging to other Owners, each Unit Owner being expressly responsible for the damage and liability that his failure to do so may cause.

b. Repairs to installations within the Unit, such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, lamps, and other accessories belonging to the Unit are, except those items which by the Declaration are specifically the responsibility of the Association, shall be at the owner's expense, unless the repair is covered by insurance.

Section 3. - Use of Units - Internal Changes.

a. All Units shall be utilized for residential purposes only.

b. An owner, other than the Developer, shall not make structural modifications, alterations or installations in the Owner's Unit except after following the procedures provided in the Declaration and these Bylaws.

Section 4. - Use of Common Elements and Facilities and Restricted Common Elements and Facilities. An owner shall not place or cause to be placed in the stairways, vestibules, and other Common Elements and facilities furniture, obstructions, or objects of any kind. Such areas shall be furnished by the Association and used for normal transit through them.

Section 5. - Right of Entry. The Association has the irrevocable right of access to each Unit during reasonable hours, when necessary for maintenance, repair, or replacement of any common elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the common elements or to Unit or Units.

Section 6. - Rules of Conduct. The Board of Directors of the Association may adopt Rules and Regulations governing the conduct of Unit Owners in accordance with the provisions of these Bylaws.

ARTICLE VIII

Rules and Regulations, Committees

Section 1. - Adoption. The Board of Directors of the Association shall have the power by a two-thirds ($\frac{2}{3}$) vote of all of the Board Members, to adopt Rules and Regulations for the operation of the condominium, for the use of condominium property and governing the conduct of the Unit Owners. They may also amend the Rules and Regulations by implementing new rules, deleting rules or amending rules upon the vote of two-thirds ($\frac{2}{3}$) of the Directors at a properly called and noticed Board of Directors meeting.

Section 2. - Committees. The Board of Directors of the Association shall have the power, by a two-thirds ($\frac{2}{3}$) vote of all of the Board Members, to adopt rules and regulations establishing committees for the following purposes:

- a. Budget
- b. Parking control
- c. Pet control
- d. Such other purposes as the Board of Directors may establish

The Board of Directors may establish by resolution the purpose of each committee, outline its mission and its authority, and determine the number of Committee Members to serve on the committees and their qualifications and appoint the Committee Members of such committees who shall serve at the pleasure of the Board of Directors. Members of committees are referred to as Committee Members.

ARTICLE IX

Enforcement

Section 1. - Review Committee. For the purposes of enforcing the terms and provisions of the Declaration of Condominium and the Articles of Incorporation of OCEAN GARDEN ASSOCIATION, INC., enforcing these Bylaws and the Rules and Regulations adopted by the Board of Directors, the OCEAN GARDEN REVIEW COMMITTEE (hereinafter referred to as "Review Committee") is hereby created and established.

a. Composition. The Review Committee shall consist of Three (3). The members of the committee (hereinafter referred to as "Review Committee Members") shall be appointed by the Board of Directors and shall serve for a term of One (1) year and thereafter until their successor is appointed. The Review Committee shall elect from its members its own chairman and its own secretary who shall keep minutes of all proceedings of the Review Committee.

b. Duty to Investigate. It shall be the duty of the Review Committee to investigate any alleged violation of the terms and provisions of the Declaration of Condominium, the Articles of Incorporation of the OCEAN GARDEN ASSOCIATION, INC., these Bylaws and the Rules and Regulations adopted by the Board of Directors of the Association. Alleged violations may be brought to the Review Committee by a complaint in writing signed by a Unit Owner and referred to the Review Committee by the Board of Directors, or the Review Committee may act upon its own motion.

c. Written Complaint. An action under this section may be initiated upon the filing of a written complaint with the Board by any Member of the Association or by any officer or member of the Board of Directors. The complaint shall constitute a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the respondent is charged, to the end that the respondent will be able to prepare his defense. The complaint shall specify the specific provisions of The Condominium Act, the Declaration of Condominium, Articles of Incorporation, Bylaws or Rules and Regulations which the respondent is alleged to have violated, but shall not consist merely of charges phrased in the language of such provisions without supporting facts.

d. Service of Complaint. Upon the filing of the complaint, the Board shall serve a copy thereof on the respondent by any of the following means: (1) personal delivery or (2) by registered or certified mail, return receipt requested, and addressed to respondent, at the address appearing on the books of the Association. Service by mailing or posting shall be deemed delivered and effective two (2) days after such posting and mailing in a regular depository of the United States mail. The complaint shall be accompanied with a post card or other written form entitled "Notice of Defense" which, when signed by the respondent, or on behalf of respondent, will constitute a notice of defense hereunder. No order adversely affecting the rights of the respondent shall be made in any case, unless the respondent shall have been served as provided herein. The matter shall then be referred to the Review Committee for hearing.

e. Notice of Hearing. Along with service of complaint, the Review Committee shall serve a Notice of Hearing, as provided herein, on all parties at least Ten (10) days prior to

the hearing. The notice to the respondent shall be substantially in the following form but may include other information:

"You are hereby notified that a hearing will be held before the OCEAN GARDEN REVIEW COMMITTEE, 102 S. Peninsula Drive, Daytona Beach, Florida 32118, on the ____ day of _____, 200__, at the hour of ____ upon the charges made in the complaint served upon you. You may be present at the hearing, may but need not be represented by counsel, may have a court reporter present at the hearing, may present any relevant evidence and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to compel the attendance of witnesses and the production of books, documents or other items by applying to the Board of Directors of the Association."

If any of the parties can, within Twenty-four (24) hours, show good cause as to why they cannot attend the hearing on the set date and indicate times and dates on which they would be available the Review Committee may reset the time and date of hearing and promptly deliver notice of the new hearing date.

f. Notice of Defense. Service of complaint and Notice of hearing shall be accompanied by a Notice of Defense.

The Notice of Defense shall state the respondent may:

(1) Attend a hearing before the Review Committee as hereinafter provided;

(2) Object to a complaint upon the grounds that it does not state acts or omissions upon which the Review Committee may proceed;

(3) Object to the form of the complaint on the grounds that it is so indefinite or uncertain that the respondent cannot identify the violating behavior or prepare his defense; or

(4) Admit to the complaint in whole or in part. In such event the Review Committee shall meet to determine appropriate action or penalty, if any. Any objections to the form or substance of the complaint shall be considered by the Review Committee within Ten (10) days of their receipt. The Review Committee shall make its determination and notify all parties within said Ten (10) day period. If the complaint is insufficient, the complaining party shall have Seven (7) day within which to amend the complaint to make it sufficient. The same procedure as set forth above shall be followed with respect to any amended or supplemental complaint. If it is determined by the Review Committee that the complaint is still insufficient, then the matter shall be dismissed by the Review Committee.

g. Cease and Desist Orders. The Review Committee may, at its own discretion, issue a cease and desist order, along with the complaint statement to respondent and Notice of Defense, such cease and desist order to be substantially in the following form:

"The OCEAN GARDEN REVIEW COMMITTEE has received the attached complaint.

The Review Committee hereby requests that you CEASE AND DESIST such acts or actions until such time, if any, as a ruling of the Review Committee or court of law permits.

Failure to comply with this request may result in penalty greater than that which would be imposed for a single violation."

h. Amended or Supplemental Complaints. At any time prior to the hearing date, the Review Committee may file or permit the filing of an amended or supplemental complaint. All parties shall be notified thereof in the manner herein provided. If the amended or supplemental complaint presents new charges, the Review Committee shall afford the respondent a reasonable opportunity to prepare his defense thereto.

i. Discovery. Upon written request to the other party, made prior to the hearing and within Fifteen (15) days after service of the complaint by the Review Committee or within Ten (10) days after service of any amended or supplemental complaint, either party is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, and (2) inspect and make a copy of any statements, writing and investigative reports relevant to the subject matter of the hearing. Nothing in this section, however, shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product. Any party claiming his request of discovery has not been complied with shall submit a petition to compel discovery with the Review Committee. The Review Committee shall make a determination and issue a written order setting forth the matters or parts thereof which the petitioner is entitled to discover.

j. Notarized Statements. At any time Ten (10) or more days prior to a hearing or a continued hearing, any party shall mail or deliver to the opposing party a copy of any sworn statement which that party proposes to introduce in evidence, together with a notice as provided below. Unless the opposing party, within Seven (7) days after such mailing or delivery, mails or delivers to the proponent a request to cross-examine the statements' author, his right to cross-examine such author is not afforded after request is made as herein provided; the statement may be introduced in evidence, but shall be given only the same effect as hearsay evidence.

k. Constraints on the Committee. It shall be incumbent upon each Review Committee Member to make a determination as to whether he is able to function in a disinterested and objective manner in consideration of the case before it. Any member incapable of such objective consideration of the case shall disclose such to the Review Committee and remove himself from the proceedings and have it so recorded in the minutes. In any event, the respondent may challenge any Review Committee Member for cause, where a fair and impartial hearing cannot be afforded, at any time prior to the taking of evidence and testimony at the hearing. In the event of such a challenge, the Review Committee shall meet to determine the sufficiency of the challenge. If a majority of the Review Committee sustains the challenge, the President shall appoint a member to replace the challenged Review Committee Member.

l. Hearing.

(1) Whenever the Review Committee has commenced to hear the matter and a Review Committee Member is forced to withdraw prior to a final determination, the remaining members shall continue to hear the case and the President shall replace the withdrawing member. Oral evidence shall be taken only on oath or affirmation administered by an officer of the Association.

(2) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses; and to rebut the evidence against him. Even if the respondent does not testify on his own behalf, he may still be called and examined as if under cross-examination.

(3) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Generally, any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may

be used for the purpose of supplementing or explaining other evidence, but shall not be sufficient in itself to support a finding.

(4) The chairman of the Review Committee shall serve as hearing officer and preside over the hearing. At the beginning of the hearing, the hearing officer shall explain the rules and procedures by which the hearing is to be conducted. Generally, each principal is entitled to make an opening statement, starting with the complainant. Then each party is entitled to produce evidence, witnesses and testimony and to cross-examine the witnesses and opposing party. Then each party is entitled to make a closing statement. Any party may waive the rights to exercise any part of this process, and the Review Committee is entitled to exercise its discretion as to the specific manner in which the hearing will be conducted, so long as the above rights are protected.

m. Authorized Action. At the conclusion of testimony, the Review Committee shall deliberate the evidence. By a vote of its members, the Review Committee shall determine whether the allegations as presented constitute a violation. If the Review Committee concludes that a violation has taken place, it may have the following elections:

(1) Reprimand.

(2) Levying a fine in such amount as may be reasonable under the circumstances which shall not exceed the maximum amount permitted by Statute.

n. Fines. Fines levied by the Review Committee pursuant to this Article IX shall be collectible by any means permitted by law.

o. Appeals. In the event either party is aggrieved by the decision or actions of the Review Committee, procedural or final, the aggrieved party may appeal the decision or action within Ten (10) days of the action to the Board of Directors who shall review the matter on the record and render a decision within Thirty (30) days from the receipt of the record of the hearing.

Section 2. Alternative Dispute Resolution; Voluntary Mediation; Mandatory Nonbinding Arbitration. Prior to the institution of court litigation, a party to a dispute shall comply with Florida Statute 718.1255 and applicable rules regarding arbitration, mediation, and dispute resolution.

ARTICLE X Amendments

Section 1. - Bylaws. These Bylaws may be amended from time to time by resolution adopted at any regular or special meeting of the Unit Owners of the condominium called in accordance with the Bylaws at which a quorum is present, such adoption to be by the affirmative vote of Two-thirds ($\frac{2}{3}$) of the total number of votes to which the Unit Owners present and voting shall be entitled, but not less than a majority of the total number of votes authorized. Such amendment shall be duly recorded in compliance with requirements of The Condominium Act. Amendments that would materially affect a mortgagee must, in addition, be approved by Institutional Mortgagees as defined in the Declaration who represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Institutional Mortgagees. Pursuant to Florida Statutes, a change to any of the following would be considered material: A change in the configuration or size of any condominium Unit in any material fashion; a material alteration or modification of the appurtenances to the Unit; or a change in the proportion or percentage by which the owner of the parcel shares the common expenses and owns the common surplus. Approval may be assumed when an institutional Mortgagee fails to submit a response to any written proposal for an amendment within Thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

ARTICLE XI

Mortgagees

Section 1. - Notice to Association. An Owner who encumbers a Unit with a Mortgage shall notify the Association through its Secretary of the name and address of mortgagee, and shall file with the Secretary a copy of such mortgage; and the Association shall maintain such information in a book entitled "Mortgagees of Units".

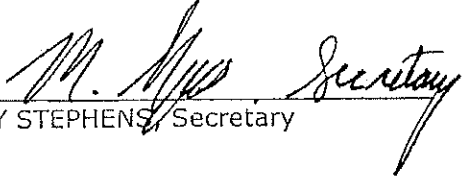
Section 2. - Notice of Unpaid Assessments. The Association shall at the request of a mortgagee, report any unpaid assessment due from the owner of a Unit upon which such mortgagee holds a mortgage.

ARTICLE XII

Compliance

Section 1. - Conflict with Declaration. In the event these Bylaws in any way conflict with the provisions of the Declaration of Condominium, it is hereby agreed and accepted that the provisions of the Declaration of Condominium will control.

9 The foregoing were adopted as the Bylaws of OCEAN GARDEN ASSOCIATION, INC., on the day of August, 2006.



MARY STEPHENS, Secretary