

BY-LAWS
OF
GLEN EAGLE COMMUNITY ASSOCIATION, INC.,
A Florida Corporation Not-for-Profit

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GLEN EAGLE COMMUNITY ASSOCIATION, INC.

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BY-LAWS
OF
GLEN EAGLE COMMUNITY ASSOCIATION, INC.,
A Florida Corporation Not-for-Profit

GLEN EAGLE COMMUNITY ASSOCIATION, INC. (the "Association") is a Florida corporation not-for-profit which has been organized pursuant to the provisions of Chapter 617, Florida Statutes, for the purposes stated in its Articles of Incorporation (the "Articles"), these By-Laws, and in that certain Declaration of Covenants, Conditions, Restrictions, Easements and Reservations for Glen Eagle (the "Declaration") recorded or to be recorded in the Public Records of Seminole County, Florida. The following are hereby adopted by the Board of Directors of the Association as the By-Laws of the Association, to wit:

ARTICLE I

DEFINITIONS

The definitions of terms set forth in the Declaration and in the Articles are hereby specifically incorporated into these By-Laws by reference thereto as if they were fully set forth herein verbatim and at length, and such defined terms shall have the same meanings in the context of these By-Laws as is ascribed to them in the context of the Declaration and the Articles.

ARTICLE II

NAME AND PRINCIPAL OFFICE

2.1 Name. The name of the Association is GLEN EAGLE COMMUNITY ASSOCIATION, INC.

2.2 Principal Office. The principal office of the Association shall initially be located at 900 N. Maitland Avenue, Maitland, Florida 32751, until another office is otherwise designated by the Board of Directors of the Association; but meetings of members and directors of the Association may be held, upon proper notice, at such other places within Orange County or Seminole County, Florida, as may from time to time be designated by the Board of Directors.

ARTICLE III

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "GLEN EAGLE COMMUNITY ASSOCIATION, INC. 1989."

ARTICLE IV

OBJECTS AND PURPOSES

The Association has been created and established for the objects and purposes of, and shall have exclusive jurisdiction over and the sole responsibility for, the ownership, administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Property; the establishment, levy, imposition, enforcement and collection of all Assessments for which provision is made in the Declaration; the payment of all Common Expenses as defined in the Declaration; and the promotion and advancement of the health, safety and general welfare of the members of the Association; all as more particularly provided in the Declaration and in the Articles, these By-Laws and the Rules and Regulations of the Association, and all having to do with and being related to Glen Eagle. In the event of any inconsistency between the Declaration and any of the constituent documents of the Association, the provisions of the Declaration shall control over inconsistent provisions of any of the constituent documents of the Association. In the event of any inconsistency between any of the constituent documents of the Association, the Articles shall control over the Bylaws and Rules and Regulations and the Bylaws shall control over the Rules and Regulations.

ARTICLE V

POWERS AND DUTIES

The powers and duties of the Association shall be as set forth in the Declaration and Articles, which are specifically incorporated into these By-Laws by reference thereto as if they were fully set forth herein verbatim and at length, as the same may be amended from time to time. Any amendments to the powers and duties of the Association as specified in the Declaration and the Articles shall be and hereby are similarly incorporated into these By-Laws by reference.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS

The qualifications for membership in the Association, the voting rights of members in the Association, the limitations on such membership and voting rights, and the manner of termination of membership in the Association shall all be as set forth in the Declaration and the Articles, which are specifically incorporated into these By-Laws by reference thereto as if they were fully set forth herein verbatim and at length, as the same may be amended or modified from time to time. Any amendments to the Declaration or the Articles having to do with membership and voting rights in the Association shall be and hereby are similarly incorporated into these By-Laws by reference.

ARTICLE VII

MEETINGS OF MEMBERS

7.1 Annual Meetings. The annual meeting of the members of the Association shall be held on the second Wednesday in the month in which these Bylaws were adopted of each year, at the hour of 7:30 P.M. The first annual meeting of members shall be held on such date and hour in the month which is one year from the month in which these Bylaws were adopted.

7.2 Special Meetings. Special meetings of the members may be called at any time for any purpose permitted pursuant to the terms and provisions of the Declaration, the Articles or these By-Laws, when directed by the President or by a majority of the members of the Board of Directors, or upon the written request of members who have a right to vote not less than one-fourth (1/4) of all of the total voting power of the Association from time to time.

7.3 Notice of Meetings. Notice of any meetings, whether regular or special, shall be given to the members in writing by or at the direction of the Secretary of the Association or such other person as is authorized to call the meeting in the following manner:

7.3.1 Delivery. Notice to a member shall be deemed to have been properly delivered when delivered to the residence located on the member's Lot, whether the member owning such Lot personally receives said notice or not, or when placed in the first class United States mail, postage prepaid, to the most recent address filed by such member in writing to the Association as required in these By-Laws, or if no such address shall has been filed, then such notice shall be deposited in the United States mail, postage prepaid, in such fashion as the Secretary of the Association may believe is most likely to cause its prompt delivery to such member. Notwithstanding the foregoing provisions of this Section 7.3.1, any notice so deposited in the mail within the County shall be deemed delivered forty-eight (48) hours after such deposit. In the case of co-owners, any such notice may be delivered or sent to any one of the co-owners on behalf of all co-owners and shall be deemed to be and constitute delivery on all such co-owners.

7.3.2 Time of Delivery and Contents. Notice of any meeting, whether regular or special, shall be given at least ten (10) days in advance of the meeting for which such notice is given, and shall set forth the location where such meeting shall be held and in general the nature of the business to be transacted at such meeting; provided, however, that if the business of any meeting shall involve an election of directors of the Association otherwise governed by Article X

of these By-Laws or any action governed by the Declaration or the Articles, notice of such meeting shall be given as therein provided.

7.4 Quorum. The presence at the meeting of members of the Association, or their proxies, entitled to cast ten percent (10%) of the votes of the entire membership shall constitute a quorum for any action of members governed by these By-Laws.

7.5 Voting; Proxies. At all meetings of members held pursuant to this Article VII, each member shall be entitled to vote either in person or by proxy. All proxies shall be in writing and signed by the member voting by such proxy, and shall be filed with the Secretary of the Association not less than twenty-four (24) hours prior to the meeting at which such proxies are to be exercised. Proxies shall be valid only for the particular meeting or meetings specified therein. In the event that a Lot is owned jointly by two or more co-owners, and if said co-owners have not designated one (1) of them as the voting member with respect to such Lot, then a proxy, to be valid and exercisable by a third party, must be signed by all such co-owners. Notwithstanding anything to the contrary set forth in this Article VII, every proxy shall automatically cease upon sale, transfer, devise, or other disposition by the member of such member's Lot.

7.6 Majority Vote. Unless otherwise provided in these By-Laws, or pursuant to the Declaration or the Articles, matters approved by a majority vote of the members voting in person or by proxy at a meeting at which a quorum is present, shall constitute official action by the members of the Association.

ARTICLE VIII

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Association shall not relieve or release any such former member from any liability or obligations incurred pursuant to the Declaration, the Articles, these By-Laws or the Rules and Regulations of the Association, or in any way connected with the Association during the period of such membership in the Association, or impair any rights or remedies which the Association may have against such former member arising out of or in any way connected with membership in the Association.

ARTICLE IX

BOARD OF DIRECTORS

9.1 Purposes. The property, business and affairs of the Association shall be managed and governed by a Board of Directors of the Association.

9.2 Number. The number of directors on the Board of Directors from time to time shall never be less than three (3) nor more than twelve (12), but shall always be a number divisible by three (3). The number of directors shall be determined from time to time by the Board of Directors, and may be increased or decreased by the Board of Directors from time to time, but shall never be less than three (3). The number of directors to be elected at any annual or special meeting of members shall be specified in the notice of such meeting. If no such number shall be specified in such notice, the number of directors to be elected at such meeting shall be one-third of the total number of directors then in office.

9.3 Qualification. Except for the initial directors designated in Section 7.6 of the Articles and any directors thereafter from time to time appointed or elected by the Developer, all directors of the Association must be members of the Association in good standing.

9.4 Term of Office. With the exception of the first term of the initial Board of Directors, the directors shall serve for staggered terms of three (3) years ending on the date of the third (3rd) annual meeting of the members of the Association following the meeting at which such director was elected, or until such director's resignation or removal in accordance with these By-Laws. In the event that the number of directors of the Association shall be increased from time to time in accordance with Section 9.2 of these By-Laws, the term of office of any new directors so elected shall be staggered such that at all times one-third (1/3) of the total number of directors shall be elected at each annual meeting of the members of the Association. In the event that the number of directors of the Association shall be decreased from time to time in accordance with Section 9.2 of these By-Laws, then the terms of office, respectively, of the directors remaining after such decrease shall be adjusted by vote of the membership such that at all times one-third (1/3) of the total number of directors shall be elected at each annual meeting of the members of the Association.

9.5 Initial Board of Directors. For organizational purposes the initial Board of Directors, as set forth in Section 7.6 of the Articles, shall consist of three (3) directors who shall hold office until the annual meeting of the members of the Association in 1990, at which time their successors shall be elected by the members of the Association.

9.6 Second Board of Directors. For organizational purposes to facilitate the staggering of terms of directors as set forth in Section 9.4 of these By-Laws, the first term of the directors elected by the members of the Association after the first term of the initial Board of Directors as set forth in Section 7.6 of these By-Laws shall be as follows:

9.6.1 Class A Director(s). The director or directors elected by the Class A members shall serve a term of one (1) year in office.

9.6.2 Class B Director(s). The directors elected by the Class B members shall serve for terms of two (2) and three (3) years, respectively, as designated by the Class B members at the time of such election.

9.7 Removal and Vacancies. Except in the case of directors elected pursuant to the Special Class A Voting Right for which provisions are made in Section 7.7 of the Articles, any director may be removed from the Board of Directors at any time, with or without cause, by a majority vote of the total voting power of the entire membership of the Association. Directors elected pursuant to the Special Class A Voting Right may only be removed and/or replaced by the Class A members. Except in the cases of directors elected pursuant to such Special Class A Voting Rights, as aforesaid, vacancies in the Board of Directors arising for any reason, including, without limitation, death, resignation or removal of a director shall be filled by majority vote of remaining directors; provided, however, that if there are fewer than three (3) such remaining directors, then the vacancies shall be filled by a vote of the members at the annual meeting of the members or at any special meeting duly called for that purpose. Any director appointed by the Board of Directors to fill a vacancy shall hold office until such director's successor is elected by the members, either at the next annual meeting of the members or at any special meeting duly called for that purpose. In the event that any director shall be absent from three (3) consecutive regular meetings of the Board of Directors, then the Board of Directors may, in its discretion, declare, by action taken at the meeting during which said third absence occurs, that the office of said absent director is vacant.

9.8 Past President as Member Ex-Officio. In addition to the directors of this Association, as set forth in Section 9.2 of these By-Laws, the immediate past President of the Association, shall become an ex-officio member of the Board of Directors, for the year immediately following his term of office as President, but shall not be entitled to vote, unless said immediate past President remains on the Board of Directors by virtue of his election to or continued service on the Board of Directors, as otherwise provided herein.

9.9 Compensation. Subject to the provisions of Section 4.4.4 of the Articles, no director shall receive compensation for any service which such director may render to or on behalf of the Association. However, any director may be reimbursed for the actual amount of expenses reasonably incurred by such director in the performance of his duties as a director or officer of the Association.

ARTICLE X

ELECTION OF DIRECTORS; NOMINATIONS COMMITTEE; ELECTION COMMITTEE

10.1 Election. Election to the Board of Directors shall be by written ballot as set forth in Section 10.6 of these By-Laws. At such election, the members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and the Articles. Subject to the election of directors by the Class A members pursuant to the Special Class A Voting Right as set forth in Section 7.7 of the Articles, the persons receiving the largest number of votes shall be elected. Cumulative voting shall be prohibited.

10.2 Nominations. Nominations for election to the Board of Directors may be made by the Board of Directors by a committee appointed by the Board of Directors or by the Class B member. At the meeting of the members of the Association at which directors are to be elected, the members present at such meeting shall be entitled to nominate any members of the Association for election to the Board of Directors. All such Nominations made by members at such meeting must be seconded by another member present at such meeting.

10.3 Ballots. All elections to the Board of Directors shall be made on written ballots which shall: (a) set forth the names of those, if any, nominated as herein provided prior to such meeting; and (b) contain a space for a write-in vote by the members for each vacancy. Each member shall receive as many ballots as such member has votes. Notwithstanding that a member may be entitled to several votes, such member shall exercise on any one ballot only one vote for each vacancy shown thereon; provided, however, that the Class B members shall be entitled to vote all of the votes of such members, respectively, on one (1) ballot.

10.4 Vote at Meeting. All members of the Association, and their proxies, present at the meeting at which the election of directors is held shall be entitled to vote at such meeting by delivery of a completed written ballot.

10.5 Election; Vote Tabulation. Upon receipt of the written ballots from the members or their proxies present at the meeting at which directors are to be elected, Board of Directors or a committee appointed by the Board of Directors shall do the following:

10.5.1 Tabulate Votes. Tabulate all of the votes of the members and proxies present at the meeting.

10.5.2 Announce the Class A Director(s). Announce the name or names of the director or directors, if any, elected

by the Class A members pursuant to the Special Class A Voting Right for which provision is made in Section 7.7 of the Articles.

10.5.3 Announce Other Directors. Announce the names of the other directors elected by the membership of the Association.

10.6 Secrecy. The aforesaid election and vote tabulation procedures shall be undertaken by the Election Committee in such a manner that the vote of any member or proxy shall not be disclosed to any person, even to the members of the Election Committee.

ARTICLE XI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

11.1 Powers and Duties, Generally. All of the powers and duties of the Association as are, respectively, conferred and imposed upon it pursuant to Chapter 617 Florida Statutes, the Declaration, the Articles and these By-Laws shall be exercised by and through the Board of Directors.

11.2 Specific Powers and Duties. The Board of Directors shall, in addition to those general and specific powers and duties as are, respectively, conferred and imposed upon the Association as set forth in Article V of these By-Laws, have the following specific powers and duties:

11.2.1 Call Meetings. To call special meetings of the members whenever it deems necessary, provided, also, that the Board of Directors shall call a special meeting of the members at any time upon written request of one-fourth (1/4) of the total voting power of the Association.

11.2.2 Keep Records. To cause to be kept a complete record of all of its acts and all affairs of the Association, including specifically, but without limitation, financial records and accounts in accordance with Article XVII of these By-Laws.

11.2.3 Elect Officers, Etc. In accordance with Section 14.2 of these By-Laws, to elect all officers of the Association, and with respect to such officers prescribe such duties as the Board of Directors may deem expedient.

11.2.4 Hire and Fire Employees and Agents. To hire and fire such employees and agents of the Association, as it deems necessary to carry out and discharge the duties and responsibilities of the Association including, without limitation, a manager or executive director of the Association who shall not be an elected officer or director of the Association, in accordance with the terms and

provisions of any contracts of employment or agency between the Association and such employees or agents, and with respect to such employees and agents to prescribe their duties and fix their compensation as the Board of Directors may deem expedient; all subject, however, to the provisions of Section 4.3.6 of the Articles.

11.2.5 Supervise Officers, Etc.. To supervise and direct all officers, employees and agents of the Association, and to see that their duties are properly performed.

11.2.6 Approve Budget. To cause to be prepared, and to receive, review and approve budgets for costs and expenses incurred, or to be incurred, (a) in connection with the upkeep and maintenance of the Common Property, including, without limitation, the Common Streets and Roads, if applicable, and (b) in connection with the performance of all other duties of the Association as set forth in the Declaration, the Articles and these By-Laws.

11.2.7 Prepare Membership Roster. To prepare a roster of all members and their Lots and the status of all Assessments applicable thereto, which shall be kept at the offices of the Association and be open to inspection by any member in the presence of an officer or other employee of the Association designated by the Board of Directors at any reasonable time during normal business hours.

11.2.8 Adopt Rules and Regulations. To adopt, publish and enforce the Rules and Regulations governing the use of the Common Property and the facilities incident thereto and the personal conduct of the members and their guests thereon, as more particularly set forth in the Declaration.

11.2.9 Require Bonding. To require and cause, at the expense of the Association, all or any officers or employees of the Association having fiscal responsibilities for the Association to be bonded, as the Board of Directors may deem appropriate.

11.2.10 Exercise Powers and Discharge Duties. To generally exercise all powers, rights and privileges of the Association and to generally discharge all duties, obligations and responsibilities of the Association, as the same are conferred by and imposed in the Declaration, the Articles and these By-Laws, and to take any action which it deems necessary or advisable in connection therewith.

ARTICLE XII

MEETINGS OF THE BOARD OF DIRECTORS

12.1 All Business. The business and affairs of the Association may be transacted by the Board of Directors at any regular or special meeting.

12.2 Regular Meetings. Regular meetings of the Board of Directors shall be held as scheduled by resolution of the Board of Directors; provided, however, that the Board of Directors may, by resolution, change the day, date, hour and frequency of holding such regular meetings from time to time as the business of the Association may require. Once established by resolution, notice of any such regular meeting may be dispensed with. If the day for any regular meeting shall fall upon a Saturday, Sunday or a holiday, the meeting shall be held at the same hour on the first day following which is not a Saturday, Sunday or a holiday, and no notice thereof need be given.

12.3 Special Meeting. Special meetings of the Board of Directors shall be held when called by the President or the Vice President or by a majority of directors after not less than three (3) days' notice to each director.

12.4 Majority Vote. Matters approved by a majority vote of the directors present at a meeting of the Board of Directors at which a quorum is present shall constitute official action of the Board of Directors, except as may be otherwise specifically provided or required by the terms and provisions of the Declaration, the Articles, and these By-Laws.

12.5 Waiver of Notice and Consent. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as 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 the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed by the Secretary of the Association with the corporate records of the Association and made a part of the minutes of the meeting.

12.6 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

12.7 Quorum. A majority of the members of the Board of Directors from time to time shall constitute a quorum thereof. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those directors present

may adjourn the meeting from time-to-time until a quorum is present. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given unless otherwise determined by a majority of those directors present at the time of adjournment.

12.8 Open Meeting. Any meeting of the Board of Directors of the Association shall be open to all members of the Association for purposes of observation. Member participation at Board of Directors meeting may or may not be permitted within the sole and absolute discretion of the Board of Directors.

12.9 Minutes. Except as otherwise provided in these By-Laws, minutes of all meetings of the Board of Directors and any committee thereof shall be kept in a businesslike manner and shall be available for inspection by any director or member of the Association at any time during normal business hours. The Secretary of the Association shall keep the minutes of all meetings of the Board of Directors.

12.10 Presiding Officer. The presiding officer at all meetings of the Board of Directors shall be the President of the Association and in his or her absence the Vice President shall preside. In the absence of the President or Vice President, the directors present at such meeting shall designate a presiding officer from among themselves.

ARTICLE XIII

PARLIAMENTARY RULES

All meetings of the members of the Association and all meetings of the Board of Directors of the Association shall be governed by the latest edition of Roberts' Rules of Order; provided, however, that if such rules of order are in conflict with any terms or provisions of the Declaration, the Articles or these By-Laws, then the applicable terms and provisions of the Declaration, the Articles or these By-Laws shall control.

ARTICLE XIV

OFFICERS

14.1 Officers. The day to day business and affairs of the Association shall be administered by a President, Vice President, Secretary, Treasurer, and such other officers as the Board of Directors may from time to time by resolution determine. The offices of Vice President, Secretary and Treasurer, or any other offices may be combined from time to time by the Board of Directors in its discretion, except that the office of President shall not be combined with any other office. All officers of the Association must be members of the Board of Directors.

14.2 Election. Except as provided in Section 8.5 of the Articles with respect to the designation of the initial officers of the Association, the officers shall be elected by the directors of the Association from among themselves by majority vote at a meeting of the directors held immediately following the termination of the annual meeting of the members at which the directors are elected.

14.3 Term. All officers shall hold office for a term of one (1) year or until their successors are elected, but may be removed from office by the Board of Directors, with or without cause, at any time.

14.4 President. The President of the Association 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 shall sign all notes, checks, contracts, leases, mortgages, deeds and all other written instruments required to be executed by or on behalf of the Association.

14.5 Vice President. The Vice President of the Association shall perform all the duties of the President in the absence of the President and shall have such other duties as may from time to time be imposed upon him by the Board of Directors.

14.6 Secretary. The Secretary of the Association shall be the Secretary of the Board of Directors. The Secretary shall record the votes and keep or cause to be kept the minutes of all meetings of the Board of Directors and members of the Association in a minute book or books to be kept for that purpose; shall sign all certificates of membership, shall keep all other records of the Association; shall see that all notices are duly given as required by law and as provided in accordance with the Declaration, the Articles, these By-Laws or the Rules and Regulation of the Association; shall record in a book kept for that purpose the names of all members of the Association together with their addresses as filed by such members; and shall, in general, perform all duties incident to the office of Secretary and such duties as from time to time may be assigned by the President or imposed by the Board of Directors.

14.7 Treasurer. The Treasurer of the Association shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such 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 of funds made in the ordinary course of business of the Association conducted within the limits of the budget adopted by the Board of Directors. Further, the Treasurer shall sign all checks of the Association; provided that such checks shall also be signed by the President, or the Vice President in the absence of the President. Additionally, the Treasurer shall keep or cause to be kept proper books of account of the Association; shall supervise and assist the Budget Committee in the

preparation of an annual budget and other financial statements of the Association; shall establish adequate reserves in accordance with the Declaration and as required by law; and shall, in general, perform all duties incident to the financial affairs of the Association, and such other duties as may from time to time be assigned by the President or imposed by the Board of Directors.

ARTICLE XV

COMMITTEES

15.1 Standing Committees. The standing committees of the Association shall be the Design Review Board established in accordance with Article XV of the Declaration.

15.2 Other Committees. The Board of Directors may establish and make appointments to such other committees as it deems necessary or desirable in order to facilitate the operation of the Association and to fulfill the duties and functions of the Association.

ARTICLE XVI

TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

16.1 Contracts Valid. All contracts or transactions between the Association and any other individual, corporation, partnership, association, or other organization or entity in which one or more of the officers or directors of the Association are officers or directors, or has a direct or indirect financial interest, including the Developer and any affiliate of the Developer, shall be as valid as if the same were engaged in or entered into by or with a disinterested party. No such contract or transaction shall be invalid, void, or voidable solely for this reason, or solely because the officer or director is present at or participates in the meeting of the Board of Directors which authorized the contract or transaction, or solely because the vote of said officer or director is counted for such purpose. No officer or director of the Association shall incur liability by reason of the fact that said officer or director may be interested in any such contract or transaction.

16.2 Interested Directors Counted in Quorum. Interested directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors at which a contract or transaction in which such director may be interested is authorized.

16.3 Duty to Disclose. Notwithstanding the foregoing, any officer or director of the Association shall have a duty to disclose to the Board of Directors of the Association that such officer or director is also an officer or director of or

otherwise has a financial interest, direct or indirect, in any individual or business organization or entity with which the Association proposes to contract or otherwise transact business. Such disclosure shall be reflected in the minutes of the meeting at which any vote is taken on a proposed contract or business transaction with any individual or business organization or entity in which an officer or director of the Association has any interest.

ARTICLE XVII

FISCAL MANAGEMENT

17.1 Fiscal Year. The fiscal year of the Association shall be the calendar year.

17.2 Accounting; Accounts. The Association shall use the accrual basis method of accounting and shall maintain accounting records in accordance with good accounting practices, which shall be open to inspection in accordance with Section 18.1 of these By-Laws. Written summaries of the accounting records shall be prepared by the Treasurer and shall be made available at least annually to the members of the Association. Such records shall include, but not be limited to, a record of all receipts and expenditures, and an accurate account for each Lot which shall designate the name and address of the owner thereof, the amount of the Regular Assessments and all other Assessments, if any, assessed against or charged to such Lot, the amounts and due dates for payment of same, and the amounts paid upon the account and the balance due thereunder.

17.3 Assessments. All Assessments, whether the Initial Fee, Regular Assessments, Special Assessments, Capital Expenditure Assessments or Individual Lot Assessments, shall be fixed, assessed, levied, enforced and collected in accordance with, and pursuant to, the terms and provisions of the Declaration.

17.4 Budget. The Board of Directors shall adopt an annual budget for the Association.

17.5 No Deficit Spending. The Board of Directors shall not be required to anticipate revenue from any Assessments nor to expend funds to pay any expense of the Association not budgeted or which shall exceed budgeted items, and further the Board of Directors shall not be required to engage in any deficit spending. Should there exist any deficiency as a result of Association expenses exceeding monies received from Assessments for such expenses, then such deficits shall be carried into the Association's next succeeding year's budget as a deficiency or shall be the subject of a supplemental Regular Assessment, but only in accordance with and pursuant to the Declaration or such other action as the Board of Directors may determine.

17.6 Deposit of Funds. The monies of the Association, whether collected by Assessments or otherwise, shall be deposited in accounts in such banks or banks as shall be designated from time to time by the Board of Directors. Withdrawal of monies from such accounts shall be only by checks signed by such officers as are authorized pursuant to Article XIV of these By-Laws. All sums collected by the Association from Assessments or any other source may be commingled in a single fund or divided into more than one fund, as determined by the Board of Directors; provided, however, that all reserve funds shall be maintained as, and deposited in, a separate bank account, and shall be used only for the purpose or purposes for which such reserve fund is created and maintained.

17.7 Financial Statements. Financial statements of the Association, including, without limitation, a statement of income and expenses and a balance sheet shall be prepared annually and a copy thereof shall be furnished to each member of the Association not later than the last day of April of the year following the year for which the statements are prepared.

ARTICLE XVIII

BOOKS AND RECORDS

18.1 Accounting Records. All accounting records of the Association shall be open to inspection by members of the Association or their respective authorized representatives at reasonable times in the presence of an officer of the Association designated by the Board of Directors. Such authorization as a representative of a member must be in writing and signed by the person giving such authorization and dated not more than sixty (60) days prior to such inspection.

18.2 Other Books, Etc.. All books, records, minutes and papers of the Association shall be kept by the Association at the Association office and shall at all times, during reasonable business hours, be subject to the inspection of any member in the presence of an officer of the Association designated by the Board of Directors.

ARTICLE XIX

COMPLIANCE AND DEFAULT

19.1 Violations. In the event of a violation (other than the nonpayment of an Assessment) by a member of any of the provisions of the Declaration or of the Articles, these By-Laws, or the Rules and Regulations of the Association, the Association, through its Board of Directors, may notify the violating member by written notice in accordance with Article XX of these By-Laws of such violation and demand that such violation cease and be discontinued immediately and direct that any damages or injury caused thereby be immediately repaired or corrected at the sole

cost and expense of the violating member. If such violation shall continue for a period of thirty (30) days from date of such notice as aforesaid, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional, inexcusable and material breach of the Declaration, or the Articles, these By-Laws or the Rules and Regulations of the Association, as appropriate, and the Association may then, at its option, elect to undertake any of the rights provided to the Association in the Declaration, the Articles and these By-Laws, including, without limitation, the following:

19.1.1 Action at Law. The Association may undertake an action at law against the violating member to recover for damages suffered by or on behalf of the Association or its members; and/or

19.1.2 Action in Equity; Specific Performance. The Association may undertake an action in equity against the violating member to enforce specific performance on the part of the violating member; and/or

19.1.3 Action in Equity; Injunctive Relief. The Association may undertake an action in equity against the violating member for such equitable relief as may be necessary under the circumstances, including injunctive relief.

19.2 Emergency Action. Notwithstanding the foregoing provisions of this Article XIX, any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the violating member as an Individual Lot Assessment in accordance with the terms and provisions of the Declaration.

19.3 Nonpayment of Assessments. In the event of nonpayment of Assessments pursuant to the Declaration, the Association, through its Board of Directors, shall be entitled to exercise all of the rights conferred upon the Association in the Declaration, including, without limitation, the right to impose, collect, enforce and foreclose any lien for Assessments in accordance with the terms and provisions of the Declaration.

19.4 Negligence or Carelessness of Member. Each member shall be liable for the costs and expenses incurred by the Association for any maintenance, repair or replacement rendered necessary by said member's acts, neglect or carelessness or by that of the member's family, guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of any insurance carried by the Association. Such liability shall include, without limitation, any increase in insurance rates occasioned by the use, misuse, occupancy or abandonment of any Lot or any Common Property, or the appurtenances thereto. Nothing herein contained, however, shall

be construed so as to constitute any waiver by any insurance company of its rights of subrogation. The costs and expenses for any maintenance, repair or replacement required, as provided in this Section 19.4, shall be charged to said member as an Individual Lot Assessment pursuant to the Declaration.

19.5 Costs and Attorneys' Fees. In any proceeding arising because of an alleged default by a member under the Declaration, or the Articles, these By-Laws or the Rules and Regulations of the Association, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, including costs and reasonable attorneys' fees on appeal, as may be determined by the Court.

19.6 No Waiver of Rights. The failure of the Association or of any member to enforce any right, provision, covenant or condition which may be granted by the Declaration, the Articles, these By-Laws or the Rules and Regulations of the Association shall not constitute a waiver of the right of the Association or any member to enforce such right, provision, covenant or condition in the future.

19.7 Election of Remedies. All rights, remedies and privileges granted to the Association or any other party pursuant to any terms provisions, covenants or conditions of the Declaration, the Articles, these By-Laws or the Rules and Regulations of the Association, or at law or in equity, shall be deemed to be cumulative and the exercise of any one (1) or more of the same shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same, or any other party, from exercising such other and additional rights, remedies or privileges as may be granted by the Declaration, the Articles, these By-Laws or the Rules and Regulations of the Association, or at law or in equity.

ARTICLE XX

NOTICE

20.1 Notice to Members. Except as may be specifically provided to the contrary in these By-Laws, any notice required or permitted to be given to a member pursuant to the provisions of these By-Laws shall be given in accordance with Section 7.3.1 of these By-Laws. Within fourteen (14) days after becoming a member of the Association, each member shall file with the Secretary of the Association, in writing, a statement of the mailing address to which such member wishes all notices and other mailings, statements, or other communications sent. Such address may be changed from time to time by such member upon a proper filing of a revised statement by such member in accordance with this Section 20.1.

20.2 Notice to Association. Any notice required or permitted to be given to the Association shall be in writing and

shall be deemed to have been properly delivered forty-eight (48) hours after the time when such notice is placed in the first class certified United States mail, postage prepaid and with return receipt requested, within the County to the address furnished by the Association or to the address of the principal place of business of the Association.

20.3 Notice to the Developer. Any notice required or permitted to be given to the Developer shall be in writing and shall be deemed to have been properly delivered forty-eight (48) hours after the time when such notice is placed in the first class certified United States mail, postage prepaid and with return receipt requested, within the County to the address furnished by the Developer to the Association or to the address of the principal place of business of the Developer.

20.4 Affidavit. The affidavit of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any member at the address shown on the records of the Association, or otherwise in accordance with Section 7.3.1 of these By-Laws, shall be deemed conclusive proof of the delivery of such notice, whether or not such notice is actually received.

ARTICLE XXI

PARAMOUNT RIGHTS OF DEVELOPER

With respect to any rights, privileges or powers reserved by, conferred upon or granted to the Developer pursuant to the Declaration, all of the terms and provisions of these By-Laws shall be subject to the terms and provisions of the Declaration, and the rights, privileges and powers, so reserved by, conferred upon or granted to the Developer pursuant to the terms and provisions of the Declaration shall be deemed to be paramount to any provisions of these By-Laws or any amendments hereto, which in any manner purport to limit or restrict any such rights, privileges and powers.

ARTICLE XXII

AMENDMENTS

22.1 Vote of Directors. These By-Laws may be changed, amended, modified or repealed, and any new By-Laws of the Association may be adopted, only by resolution approved by at least two-thirds (2/3) of the members of the Board of Directors at a regular or special meeting of the Board of Directors duly called for such purpose or by written consent of all of the directors in accordance with Section 12.6 of these By-Laws.

22.2 Limitations on Amendment. Notwithstanding anything to the contrary set forth in the Declaration, the Articles or these By-Laws of the Association, these By-Laws may not be changed,

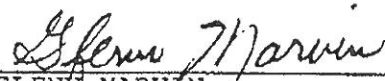
amended, modified or rescinded in any fashion or respect which would result in any change, amendment, modification, diminution or elimination of, or otherwise affect the rights, privileges of or benefits accruing hereunder to, either the Developer or the City without first receiving the prior written consent and approval of the Developer and such other of these parties as may be or whose rights, privileges, benefits or interest may be adversely or otherwise affected by any such amendment to these By-Laws.

22.3 Instrument of Amendment. Any resolution of the Board of Directors amending, modifying, or repealing any provisions of, or adding any provisions to, these By-Laws shall identify the particular Articles and Sections affected and set forth the exact language of such modification, amendment, or addition, or of the provisions repealed. A copy of each such resolution, certified by the Secretary of the Association shall be placed in the record books of the Association, and a copy thereof shall be delivered to each member in accordance with the provisions of Article XX of these By-Laws.

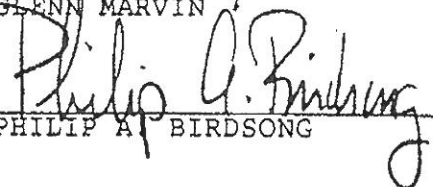
IN WITNESS WHEREOF, we, being all of the initial directors of GLEN EAGLE COMMUNITY ASSOCIATION, INC. have hereunto set our hands and seals this 18th day of August, 1989, as evidence of the adoption of these By-Laws by the initial Board of Directors of GLEN EAGLE COMMUNITY ASSOCIATION, INC.



CHARLES A. THOMPSON (SEAL)



GLENN MARVIN (SEAL)



PHILIP A. BIRDSONG (SEAL)