

BYLAWS OF HIDDEN BEACH HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME

The name of the Corporation is Hidden Beach Homeowners' Association, Inc., hereinafter referred to as the "Association."

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to HIDDEN BEACH HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

Section 2. "Property" or "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions of Hidden

Beach Homeowners' Association, Inc. and any amendments there to recorded in the Public

Records of Orange County, Florida, and such additions thereto as may hereafter be brought

within the jurisdiction of the Association.

Section 3. "Common Areas" and "Common Property" shall be defined as set forth in the Declaration.

Section 4. "Lot" shall be defined as set forth in the Declaration.

Section 5. "Owner" shall be defined as set forth in the Declaration.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of Hidden Beach Homeowners' Association, Inc., and any

supplemental Declarations or Amendments applicable to the Properties recorded in the Public Records of Orange County, Florida.

Section 7. "Member" shall mean and refer to those persons entitled to Membership in

the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The Association shall hold an Annual Meeting of the Membership each calendar year on a date and at an hour to be set by the Board of Directors.

Section 2. Special Meetings. Special Meetings of the Members may be called at any

time by the President or by the Board of Directors, or upon written request of ten percent (10%) of the Members who are entitled to vote.

Section 3. Notice of Meetings. The Association shall give all members notice of all

membership meetings, which shall be mailed or delivered to the members and must be posted in conspicuous place in the community at least fourteen (14) continuous days in advance of a meeting. Notices shall specify the date and time and place of the meeting, and, in the case of a Special Meeting, the purpose of

that meeting. All member meetings will be held in the gated common area unless otherwise posted. Adjournment of any members' meeting to a different date, time, or place must be announced at that meeting before an adjournment is taken, or notice must be given of the new date, time, or place, which shall be mailed or delivered to the members and must be posted in a conspicuous place in the community at least fourteen (14) continuous days in advance of there convened meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If however, such quorum shall not be present or represented at a meeting, the members entitled to vote there at shall have power to adjourn the meeting, with notice as provided in Section 3, above. The reconvened meeting must be at least 14 days after the original meeting. At the reconvened meeting, ten percent (10%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. All decisions that require a vote of the members must be made by the concurrence of a majority of the voting interests present, in person or by proxy.

Section 5. Proxies. At all meetings of the Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors who must be Members of the Association. The Board will normally consist of seven (7) Directors. The number of Directors may be changed from time to time by the Board of Directors at a meeting of the Board held prior to the Annual meeting but may never be less than three (3) and shall always be an odd number.

Section 2. Term of Office. Directors shall be elected for a term of one year each, commencing with the adoption of these Bylaws and at every election held thereafter.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual

expenses incurred in the performance of his duties.

Section 5. 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 provided it is ratified at a subsequent Board meeting.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. The Nominating Committee may be appointed by the Board, in which case it shall consist of three(3)Members of the Association,who may also be Board Members. Nominations may also be made from the floor at the Annual Meeting.

Section 2. Election. Election to the Board of Directors shall be by voice vote. At such election,the Members or their proxies may cast,in respect to each vacancy,as many votes as they are entitled to exercise under the provisions of the Declaration.The persons receiving the largest number of votes shall be elected.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by Resolution of the Board.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association,or by any two Directors,after not less than 48 hours notice to each Director.

Section 3. Notice of Meetings. Notice of all Board meetings must be posted in a conspicuous place in the community at least forty-eight(48) hours in advance of a meeting,

except in an emergency. Notices shall specify the date and time of the meeting. Meetings will usually be held at a Directors home or in the gated common area but may also be held in other locations as needed. Members have the right to attend all meetings of the Board, except as provided for by Chapter 720, Florida Statutes.

Section 4. Quorum. A majority of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly noticed meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) Adopt and publish Rules and Regulations governing the use of the Common Area,

Lots and facilities, personal conduct of the Members, their family members, tenants and

guests thereon, participation and conduct at meetings, the inspection and copying of records and to establish penalties for the infraction thereof;

(b) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(c) Employ a manager, an independent contractor, or such other employees as deemed necessary, and to prescribe their duties.

(d) Levy fines and impose suspensions of use and voting rights against Members and

their family, tenants and guests for violation of the Association's governing documents and

published rules and regulations pursuant to the procedures and requirements of Section 720.305, Florida Statutes, as amended from time to time.

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

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members;

(b) Supervise all Officers, agents and employees of the Association, and to see that

their duties are properly performed;

(c) As more fully provided in the Declaration, to:

1) Fix the amount of the Annual Assessment against each Lot in advance of each Annual Assessment period;

2) Send written notice of each Assessment to every Member subject thereto in advance of each Annual Assessment period; and

3) Bring an action at law against the Member personally obligated to pay Assessments and for foreclosure of any lien for unpaid Assessments against the Member's Lot for which Assessments are not paid by the due date.

(d) Issue, upon demand by any person, a certificate setting forth whether or not any

Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate set at an Assessment has

been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on property owned

by the Association;

(f) Cause all Officers or employees having fiscal responsibilities to be bonded or insured, as the Board of Directors may deem appropriate;

(g) Cause the Common Areas to be maintained.

(h) Appoint not less than three (3) but not more than nine (9) people, who must be

Members, to the Architectural Review Board to carry out the duties and functions described in Article VIII of the Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. The following Officers of the Association shall at all times be Members of

the Board of Directors and shall serve at the pleasure of the Board:

(a) President. The President shall preside at all meetings of the Board of Directors,

see that orders and Resolutions to the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments.

(b) Vice President(s). The Vice President(s) shall act in the place of the President in

the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members, keep the corporate seal of the Association and affix it on all papers requiring said seal, serve notice of meetings of the Board of Directors and of the Members, keep appropriate and current records showing the Members of the Association together with their addresses, and shall perform such other duties as may be required by the Board of Directors. The duties of the Secretary may be delegated to an agent of the Association, provided such agent is a licensed community association manager management company.

(d) Treasurer. The Treasurer shall receive and deposit in the appropriate bank accounts all monies of the Association and shall disburse such funds as directed by Resolution of the Board of Directors, keep proper books of account, prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its Regular Annual Meeting and deliver a copy of each to any Member, as requested.

Section 2. Issuing of Association Checks:

(a) Signing of Checks

1) All Officers of the Association may cosign checks. All checks must be cosigned by two Officers.

2) The President and Treasurer should normally cosign all checks. In the absence of either the President or Treasurer, another officer may cosign a check.

3) The President or Treasurer must always be one of the cosigners on every check.

4) If a check is to be written to an Officer, that Officer shall not cosign that check.

(b) Issuance of checks and instruments of payment may be delegated to an Agent of

the Association by written contract. An Officer of the Association would not need to cosign a

check signed by the Agent.

ARTICLE IX
COMMITTEES

The Association shall appoint an Architectural Review Board, as provided in the Declaration, and may appoint a Nominating Committee, as provided in these Bylaws. In

addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose. All committee members shall serve at the pleasure of the Board.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall be subject to inspection by any

Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member. Copies may be purchased at a reasonable cost. The Board of Directors may adopt reasonable rules regarding the frequency and manner of records inspections.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Annual Assessments, Special Assessments and charges. If a Member fails to pay the installment of an Assessment when due, such Assessment shall then become delinquent and the installment balance of the Assessment together with the cost of collection thereof shall thereupon be the continuing personal obligation of the Member against whom the Assessment was levied and may become a lien against the Member's Lot. If the Assessment is not paid, the Association may at any time thereafter bring a suit on the personal obligation against the Member as well as record a claim of lien against the

Member's Lot and foreclose on the lien in the same manner as a mortgage.

There shall be added to the amount of such Assessment all costs associated with the collection of the Assessment(s), including, but not limited to, costs of collection, late charges, reasonable attorneys' fees and court costs. No Member may waive or otherwise escape liability for the Assessments provided herein by non-use of the Common Property or abandonment of his lot.

ARTICLE XII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the

words:

HIDDEN BEACH HOMEOWNERS' ASSOCIATION, INC.

a not-for-profit Florida Corporation

ARTICLE XIII
AMENDMENTS

Section 1. These Bylaws may be amended at a Regular or Special Meeting of the

Board of Directors by a vote of a majority of a quorum of the Board of Directors

after mailing a copy of the proposed changes to the Bylaws along with a notice of the meeting to the Members, postage prepaid, at least fourteen (14) days before such meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Members to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and that the purpose of the meeting is to consider amending the Bylaws.

Section 2. In the case of any conflict between the Articles of Incorporation and these

Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the

Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV

ENFORCEMENT

Section 1. The Board of Directors may suspend, for a reasonable period of time, the

rights of a Member and/or a Member's tenants, guests, or invitees, to use Common Areas and facilities and may levy reasonable fines, not to exceed \$100 per violation per day, against any Member or any tenant, guest, or invitee. A fine may be levied on the basis of each day of a 10 continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000 in the aggregate. A fine may become alien against a Lot as provided for in Chapter 720, Florida Statutes, as amended from time to time. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by a court of law.

Section 2. A fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the Board of Directors who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

Section 3. The requirements of this Article do not apply to the imposition of suspensions upon any Member because of the failure of the Member to pay assessments or other charges, which suspension the Board of Directors may impose in the event a Member becomes more than 90 days delinquent in their payment of assessments or any other monetary obligations owed to the Association.

Section 4. The Board of Directors may suspend the voting rights of a Member for the

nonpayment of Assessments and other monetary obligations owed to the Association that are delinquent in excess of 90 days, provided the Association notifies the Member in writing of the suspension, which suspension shall remain in effect until the Member pays their Assessments and monetary obligations in full.

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ARTICLE XV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31 st day of December of every year.