

EXHIBIT C

**BYLAWS
FOR
BAINEBRIDGE ESTATES UNIT TWO HOMEOWNERS' ASSOCIATION, INC.**

**A Corporation Not for Profit
Under the Laws of the State of Florida**

**ARTICLE 1.
DEFINITIONS**

All terms in these Bylaws shall have the meanings as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Bainebridge Estates Unit Two Homeowners' Association, Inc.

**ARTICLE 2.
BOOKS AND PAPERS**

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

**ARTICLE 3.
MEMBERSHIP**

3.1 Membership of the Association is as set forth in Article 6 of the Articles of Incorporation of the Association.

3.2 The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner of, and becomes a lien upon, that portion of the Property against which such assessments are made as provided in the Declaration.

**ARTICLE 4.
BOARD OF DIRECTORS**

4.1 Number of Directors. The affairs of the Association shall be managed by a Board of Directors. There shall be three (3) Directors of the Association prior to Turnover. The first Board of Directors after Turnover shall include three (3) Directors. All Directors shall be elected or appointed in accordance with the applicable provisions contained in the Articles of Incorporation of the Association and herein.

4.2 Election and Removal.

(a) Appointment of Directors Prior to Turnover. Prior to Turnover, Directors shall be appointed by the Class B Member, which Directors need not be Members of the Association; provided however Members other than the Developer are entitled to elect at least one Member of the Board of Directors if 50% of the Lots in all phases of the Bainebridge Estates

Unit Two which will ultimately be operated by the Association have been conveyed to the Members.

(b) Election of Directors After Turnover.

(i) If Developer Owns 5% or More of the Total Number of Lots. After Turnover, for so long as the Developer owns at least five percent (5%) of the total number of Lots, there may be five (5) Members of the Board of Directors with the Developer appointing one (1) Director to the Board of Directors of the Association and the Class A Members voting to elect the remaining Directors.

(ii) If Developer Owns Less Than 5% of the Total Number of Lots. After Turnover, if the Developer owns less than five percent (5%) of the total number of Lots, the Developer may no longer appoint members to the Board of Directors, and the Class A Members will vote to elect all of the Directors.

(iii) Timing of Selection. Directors of the Association shall be selected at the annual meeting of the Members in the manner determined by and subject to the qualifications set forth in these Bylaws. Notwithstanding the foregoing, each Director elected at the Turnover meeting to serve a one (1) year term shall serve until the first annual meeting following the turnover meeting; provided however that if such period shall be less than six (6) months, such directors shall serve until the second annual meeting following the turnover meeting. An election is not required unless more candidates are nominated than vacancies exist.

(iv) Removal of Directors. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in Section 4 of these Bylaws.

4.3 Any director elected to the Board in accordance with the provisions of Section 4.2 above may be removed from office at any time with or without cause by the affirmative majority vote of the Board of Directors and the Board of Directors shall then fill the vacancy. Notwithstanding anything herein contained to the contrary, in the event that a Director appointed by the Developer is removed from office, said seat shall be filled by a replacement designated by the Developer rather than by the remaining directors.

4.4 After Turnover, the first meeting of the duly elected Board of Directors, for the purposes of organization, shall be held immediately after the annual meeting of Members, provided the majority of the members of the Board elected be present. Any action taken at such meeting shall be by a majority of the whole Board. If the majority of the members of the Board elected shall not be present at that time, or if the directors shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty (30) days after the annual meeting of Members upon three (3) days notice in writing to each member of the Board so elected, stating the time, place and object of such meeting.

4.5 Subject to the provisions of Section 4.7 below, regular meetings of the Board of Directors may be held at any place or places in Florida as designated by the Board, on such days and at such hours as the Board of Directors may, by resolution, designate.

4.6 Subject to the provisions of Section 4.7 below, special meetings of the Board of Directors may be called at any time by the President or by any three (3) members of the Board and may be held any place or places within Florida as designated by the Board, and at any time.

4.7 Except only for meetings between the Board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be protected by the attorney-client privilege, regular and/or special meetings of the Board of Directors shall be open to all Owners, and notices of Board meetings shall be posted in a conspicuous place on the property governed by the Association at least forty-eight (48) hours prior to the meeting, except in the event of an emergency. In the alternative, if notice is not conspicuously posted, notice of the Board meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in an emergency. Notice of any meeting in which Assessments against Lots are to be considered shall specifically contain a statement to that effect as well as a statement of the nature of such assessments.

4.8 Directors (including affiliates of the Developer) shall have the absolute right to resign at any time and the remaining directors in office shall then fill the vacancies. Notwithstanding anything herein contained to the contrary, in the event that a Director appointed by the Developer resigns, said seat shall be filled by a replacement designated by the Developer rather than by the remaining directors.

4.9 Each Director shall have one (1) vote and Directors may not vote by proxy or secret ballot, provided, however, that secret ballots may be used for the election of officers.

4.10 The Directors of the Association have a fiduciary duty to the Owners.

4.11 Within ninety (90) days after being elected or appointed to the Board of Directors, each Director shall certify in writing to the secretary of the Association that he or she has read the Association's Declaration, Articles of Incorporation, Bylaws and current written rules and policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the Association's members.

4.12 In lieu of the written certification, the newly elected or appointed Director may submit a certificate of having completed the educational curriculum administered by an education provider as approved by the Division of Condominiums, Timeshares, and Mobile Homes ("Division") within one (1) year before or ninety (90) days after being elected or appointed. The educational certificate is valid and does not have to be resubmitted as long as the Director serves on the Board of Directors without interruption.

ARTICLE 5. TURNOVER OF CONTROL

5.1 Timing of Turnover.

Members other than the Developer are entitled to elect at least a majority of the Members of the Board of Directors when the earlier of the following events occurs:

(a) Three months after 90 percent of the Lots in all phases of the community that will ultimately be operated by Association have been conveyed to Members other than the Developer;

(b) Such other percentage of the Lots has been conveyed to Members, or such other date or event has occurred, as is set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of property;

(c) Upon the Developer abandoning or deserting its responsibility to maintain and complete the amenities or infrastructure as disclosed in the governing documents;

(d) Upon the Developer filing a petition seeking protection under Chapter 7 of the Federal Bankruptcy Code;

(e) Upon the Developer losing title to the property through a foreclosure action or the transfer of a deed in lieu of foreclosure, unless the successor owner has accepted an assignment of developer rights and responsibilities first arising after the date of such assignment; or

(f) Upon a receiver for the Developer being appointed by a circuit court and not being discharged within 30 days after such appointment, unless the court determines within 30 days after such appointment that Turnover would be detrimental to the Association or its Members.

For purposes of this section, the term "Members other than the developer" shall not include builders, contractors, or others who purchase a parcel for the purpose of constructing improvements thereon for resale.

5.2 Members Other than Developer.

Members other than the Developer are entitled to elect at least one member of the Board of Directors if 50 percent of the Lots in all phases of the community which will ultimately be operated by the association have been conveyed to Members.

5.3 Developer Rights.

The Developer is entitled to elect at least one member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least 5 percent of the Lots in all phases of the community. After the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned voting interests in the same manner as any other Member, except for purposes of reacquiring control of the Association or selecting the majority of the members of the Board of Directors.

5.4 Delivery of Records.

At the time the Members are entitled to elect at least a majority of the Board of Directors, the Developer shall, at the Developer's expense, within no more than 90 days deliver to the Board of Directors all documents required to be so delivered under Chapter 720, Florida Statutes.

**ARTICLE 6.
OFFICERS**

6.1 Any officer may be removed at any time by the affirmative vote of a majority of the Board of Directors at any duly called regular or special meeting of the Board.

6.2 The President shall preside at all meetings of the Members of the Association and of the Board of Directors. He shall have the general powers and duties of supervision and management of the Association which usually pertain to his office, and shall perform all such duties as are properly required of him by the Board of Directors. The Board of Directors shall elect at least one (1) Vice President, who shall have such powers and perform such duties as usually pertain to such office or as are properly required of him by the Board of Directors. In the absence or disability of the President, any Vice President shall perform the duties and exercise the powers of the President. If more than one (1) Vice President is elected, the Board shall designate which Vice President is to perform which duties. The Secretary shall issue notices of all meetings of the membership of the Association and the directors where notices of such meetings are required by law or in these Bylaws. He shall keep the minutes of the meetings of the membership and of the Board of Directors. The Treasurer shall have the care and custody of all the monies and securities of the Association. He shall enter on the books of the Association, to be kept by him for that purpose, full and accurate accounts of all monies received by him and paid by him on account of the Association. He shall sign such instruments as require his signature and shall perform all such duties as usually pertain to his office or as are properly required of him by the Board of Directors.

6.3 Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.

6.4 The officers of the Association have a fiduciary duty to the Owners.

**ARTICLE 7.
MEETINGS OF MEMBERS**

7.1 The regular annual meeting of the Members shall be held at such time and place as shall be determined by the Board of Directors. The election of directors shall be held at, or in conjunction with, the annual meeting.

7.2 Special meetings of the Members for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or by the majority of the members of the Board of Directors, or upon written request of the Members who have a right to vote one-third (1/3) of all the votes of the entire membership. Business conducted at a special meeting shall be limited to the purposes set forth in the notice of meeting.

7.3 Notice may be given to the Members either personally, or by sending a copy of the notice through the mail, postage thereon fully paid, to the addresses appearing on the records of the Association. Each Member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed

or personally delivered at least six (6) days in advance of the meeting and shall set forth the general nature of the business to be transacted, provided, however, that if any business of any meeting shall involve any action governed by the Articles of Incorporation, notice of such meeting shall be given or sent as therein provided.

7.4 The presence in person or by proxy at the meeting of Members entitled to cast at least thirty percent (30%) of the votes of the membership shall constitute a quorum for any action governed by these Bylaws. Unless a greater percentage is expressly required, decisions of the members shall be made by a majority of the voting interests represented at a meeting at which a quorum is present.

7.5 Members have the right to vote in person or by proxy. To be valid, a proxy must be in writing and be signed by the Member and the proxy must state the date, time and place of the meeting for which it was given. A proxy is effective only for the meeting for which it was given, as the meeting may be legally adjourned and reconvened from time to time, and automatically expires ninety (90) days following the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form so provides, the proxy holder may appoint, in writing, a substitute to act in the proxy holder's place.

7.6 Any Owner may tape record or videotape meetings of the Members, subject however to the rules established from time to time by the Board regarding such tapings.

7.7 Except when specifically or impliedly waived by the chairman of a meeting (either of Members or Directors) Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration the Articles or these Bylaws; provided, however, that a strict or technical reading of said Robert's Rules of Order shall not be made as to frustrate the will of the persons participating in said meeting.

ARTICLE 8. AMENDMENTS

8.1 Procedure. Until Turnover, and subject to the reasonableness standard set forth in Section 720.3075(5), Florida Statutes, these Bylaws may be amended by the Class B Member without the consent or joinder of any other Member. Thereafter, these Bylaws may be amended at a regular or special meeting of the Board of Directors by a majority vote of the Directors. Amendments to these Bylaws need only be filed in the minute book, and need not be recorded in the public records of the County. Within thirty (30) days after recording an amendment, the Association shall provide a copy of the amendment to each Lot Owner.

8.2 Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall prevail. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall prevail.

ARTICLE 9. OFFICIAL RECORDS

The Official Records of the Association shall consist of all documents and information set forth in Section 720.303, Florida Statutes

9.1 Financial Records. Accounting records for the Association shall be kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years and in compliance with the requirements of Section 720.303, Florida Statutes. The financial and accounting records must include, but are not limited to:

(d) Accurate, itemized, and detailed records of all receipts and expenditures;

(e) A current account and a periodic statement of the account for each Member of the Association, designating the name and current address of each Member who is obligated to pay Assessments, the due date and amount of each Assessment or other charge against the Member, the date and amount of each payment on the account, and the balance due;

(f) All tax returns, financial statements and financial reports of the Association; and

(g) Any other records that identify, measure, record or communicate financial information.

9.2 Inspection and Copying of Records. The foregoing official records shall be maintained for at least seven (7) years and must be made available for inspection or photocopying by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. Such records must be maintained within forty-five (45) miles of Bainebridge Estates Unit Two or within the County. At the option of the Association, the Official Records may be made available to a Lot Owner electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. The Association may adopt reasonable rules and regulations governing the frequency, time, location, notice and manner of inspections and may impose fees to cover the costs of providing copies of official records. The Association shall maintain an adequate number of copies of the Declaration. The Association may charge a member for the costs required for personnel to retrieve and copy the records if (1) the time spent retrieving and copying the records exceeds one-half hour; (2) the personnel costs do not exceed \$20 per hour; and (3) the copies made exceed 25 pages. Owners may be charged no more than \$.25 per page for copies of Official Records made on the Association's copier. If the Association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the Association may have the copies made by an outside duplicating service and may charge the actual cost of copying, as supported by the vendor invoice.

ARTICLE 10.

FISCAL YEAR; MINUTES; BUDGETS; FINANCIAL REPORTS

10.1 The fiscal year of the Association shall be the twelve month period commencing January 1st and terminating December 31st of each year.

10.2 Minutes of all meetings of the Members and of the Board must be maintained in written form or in another form that can be converted into written form within a reasonable time. The vote or abstention from voting on each matter voted upon for each director present at a Board meeting must be recorded in the minutes.

10.3 The Association shall prepare an annual budget reflecting, among other things, the estimated revenues and expenses for the budgeted year and the estimated surplus or deficit for the end of the current year. The budget must separately set out all fees or charges for recreational amenities, whether owned by the Association or another person. The Association shall provide each Member with a copy of the annual budget or a written notice advising that a copy of the budget is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.2 above.

10.4 The Association shall prepare an annual financial report within sixty (60) days following the close of each fiscal year of the Association. The financial report must consist of either, at the determination of the Board, (a) financial statements presented in conformity with generally accepted accounting principles, or (b) a financial report of actual receipts and expenditures, cash basis, showing, the amount of receipts and expenditures by classification and the beginning and ending cash balances of the Association. The Association shall provide each Member with a copy of the annual financial report or a written notice advising that a COPY of the report is available upon request at no charge to the Member. The copy must be provided to the Member in accordance with the time limits set forth in Section 9.2 above.

The foregoing Bylaws of Bainebridge Estates Unit Two Homeowners' Association, Inc., a corporation not-for-profit under the laws of the State of Florida, were adopted at the first meeting of the Board of Directors.

EXHIBIT D

COMMON PROPERTY DESCRIPTION

[Note: To be designated by way of an amendment to this Declaration]