

EXHIBIT "C"BY LAWS

of

FAIRWAY BAY III ASSOCIATION, INC.

A nonprofit corporation
existing under the laws
of the State of Florida

I.

PRINCIPAL OFFICE

The principal office of the Association shall be located at 595 Bay Isles Road, Longboat Key, Florida. The address of the principal office may be changed at the discretion of the Board of Directors.

II.

MEMBERSHIP

1. MEMBERS. All persons owning a vested present interest in the fee title to any of the condominium units in Fairway Bay III, a condominium created pursuant to the provisions of Chapter 718, Florida Statutes, which interest is evidenced by a duly recorded proper instrument in the Public Records of Sarasota County, Florida, shall automatically be members of this Association and their respective membership shall automatically terminate as their vested interest in the fee title terminates. Such membership may be evidenced by the issuance of a membership certificate which shall be deemed automatically cancelled when the membership it evidences is terminated as provided herein.

2. VOTING RIGHT. Each condominium unit shall have the voting rights provided in the Articles of Incorporation and Declaration of Condominium and any such vote may be cast in person or by mail or by proxy executed in writing and filed with the secretary.

3. ANNUAL MEETING. An annual meeting of the members shall be held at the principal office of the Association or at such other place within Sarasota County as may be designated by the Board of Directors and shall be held on such day in the month of

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March and at such hour as may be designated by the board for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

4. SPECIAL MEETINGS. Special meetings may be called by the president or by the board of directors, or by a written request of a majority of the voting rights of the members, for any purpose and at any time within Sarasota County. Notice of special meetings shall be mailed by regular or air mail or delivered by the secretary at least fourteen days before such meeting to each member at his address as shown in the Association records, which notice shall state the purpose of such meeting. Members may waive such notice and may act by written agreement without meetings.

5. QUORUM. One-third of the voting rights represented in person, by written ballot or vote, or by proxy, shall constitute a quorum, and if a quorum is not present, a majority of the voting rights present may adjourn the meeting from time to time. A member shall be deemed present for purposes of a quorum with respect to any question or election upon which his written and signed vote shall have been received by the secretary. A simple majority of all voting rights present in person, by written ballot or vote, or by proxy shall decide any question brought before the meeting, except when otherwise required by the Condominium Act, Declaration of Condominium, Articles of Incorporation or these Bylaws.

III.

BOARD OF DIRECTORS

1. POWERS. The board of directors shall have all powers necessary to manage the affairs of the Association and to discharge its rights, duties and responsibilities as provided in the Declaration of Condominium, Articles of Incorporation and the Condominium Act.

2. NUMBER. The number of directors shall be determined by resolution of the membership from time to time, but in no event

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shall be less than three directors. Each shall be a member of the Association or a person exercising the rights of an owner who is not a natural person (except as provided in Article XII Of the Articles of Incorporation). All directors shall act without compensation unless otherwise provided by resolution of the membership. Each director shall hold office for two years. However, directors may be elected for shorter terms and shall be elected in such manner at the annual meetings that the directors serving on the board from time to time shall have their terms of office evenly divided so far as possible so that approximately one-half of the terms shall expire at the time of each annual meeting of members.

3. REGULAR MEETINGS. A regular meeting of the board of directors shall be held immediately after, and at the same place as, the annual meeting of the membership. Additional regular meetings may be held as provided by resolution of the board.

4. SPECIAL MEETINGS. Special meetings of the board may be called by the president or a majority of the directors for any purpose and at any time or place. Notice thereof stating the purpose shall be mailed by regular or air mail or delivered to each director at his address shown in the Association records at least five days before such meeting, unless such notice is waived by any director or directors. Notices of all meetings of the directors, except the annual meeting and emergency meetings, shall be posted conspicuously on the condominium property at least forty-eight hours in advance of the meeting. All meetings of the board shall be open to all members.

5. QUORUM. A majority of the directors shall constitute a quorum. If a quorum is not present, a majority of those present may adjourn the meeting from time to time. A director shall be deemed present for the purposes of a quorum with respect to any question or election upon which his written and signed vote shall have been received by the secretary. The vote of a majority of directors present shall decide any matter before the

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board, except as may be otherwise required in the Article of Incorporation, these Bylaws or the Declaration of Condominium.

6. REMOVAL. Any director may be removed by a majority vote of the membership at a special meeting called for that purpose and the vacancy created thereby shall be filled by the election of a new director at the same meeting.

7. LIABILITY AND INDEMNIFICATION. Directors shall not be liable to the members for any mistake of judgment and shall only be liable for their own individual willful misconduct or bad faith. The members shall indemnify and hold harmless each director against all contractual liability to others arising out of contracts made on behalf of the Association unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

IV.

OFFICERS

1. NUMBER. The officers shall be a president, a vice-president, a secretary and a treasurer, each of whom shall be elected by the board of directors. Such assistant officers as may be deemed necessary may be elected by the board of directors. Two offices may be held by the same person except the offices of the president and secretary. Officers must be members of the Association or a person exercising the membership rights of a unit owner which is not a natural person. The president must be a member of the board of directors. All officers shall act without compensation unless otherwise provided by resolution of the membership.

2. ELECTION AND TERM. Each officer shall be elected annually by the board of directors at the first meeting of directors following the annual meeting of members and shall hold office until his successor shall have been elected and duly qualified, unless sooner removed by the board of directors.

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3. **PRESIDENT.** The president shall be the principal executive officer of the Association and shall supervise all of the affairs of the Association. He shall preside at all meetings of the members and of directors. He shall sign all documents and instruments in behalf of the Association.

4. **VICE-PRESIDENT.** In the absence of the president, the vice-president shall perform the duties of the president, and when so acting, shall have all the powers and responsibilities of the president. The vice-president shall perform such other duties as may be designated by the board of directors.

5. **SECRETARY.** The secretary shall countersign all documents and instruments in behalf of the Association, record the minutes of meetings of members and directors, and give notices required by these Bylaws. He shall have custody and maintain the records of the Association, other than those maintained by the treasurer.

6. **TREASURER.** The treasurer shall have custody of all funds of the Association, shall deposit the same in such depositories as may be selected as hereinafter provided, shall disburse the same, and shall maintain financial records of the Association which shall be available for inspection by any member during the business hours on any week day. At the discretion of the board of directors, the functions of the treasurer may be delegated to and performed by a financial institution located in Sarasota County, in which event, no bond will be required.

7. **FIDELITY BONDS.** All officers and directors shall be bonded by a surety company selected by the board in an amount determined by the board to be sufficient to insure the proper handling of all cash funds and other corporate assets. The cost of such bond shall be paid by the Association.

8. **REMOVAL.** Any officer may be removed by a majority vote of the board of directors called for that purpose and the vacancy thereby created shall be filled by an election by the remaining directors at the same meeting.

V.

MANAGER AND EMPLOYEES

The board of directors may employ the services of a manager and other employees and agents as they shall determine appropriate to actively manage, operate, and care for the condominium property, with such powers and duties and at such compensation as the board may deem appropriate and provide by resolution from time to time. Such manager, employees and agents shall serve at the pleasure of the board.

VI.

CONTRACTS AND FINANCES

1. **CONTRACTS.** The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authority may be general or confined to specific instances.

2. **LOANS.** No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. The board may authorize the pledge and assignment of any regular or special assessment and the lien rights of the Association as security for the repayment of such loans.

3. **CHECKS, DRAFTS, ETC.** All checks, drafts or other orders for payment of money, and all notes or other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

4. **DEPOSITS.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such savings and loan associations, banks, trust companies, or other depositories as the board of directors may select.

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5. FISCAL YEAR. The fiscal year of the Association shall begin on the first day of January of each year.

VII.

VACANCIES

A vacancy in any office or in the board of directors shall be filled by the board of directors, although less than a quorum remains by reason of such vacancy.

VIII.

AMENDMENTS

These Bylaws may be altered or repealed by new bylaws adopted by majority vote of the voting rights at the annual meeting or at any special meeting of the members. No modification of or amendment to the Bylaws shall be valid unless set forth in or annexed to an amendment to the Declaration of Condominium and duly recorded in the Public Records of Sarasota County in the manner provided in the Declaration.

IX.

RULES AND REGULATIONS

The board of directors may from time to time adopt such uniform administrative rules and regulations governing the details of the operation of the condominium, and restrictions upon and requirements respecting the use and maintenance of the units and of the common elements of the condominium as may be deemed necessary and appropriate from time to time to assure the enjoyment of all unit owners and to prevent unreasonable interference with the use of the units and the common elements, as shall not be inconsistent with the Condominium Act, the Declaration of Condominium, the Articles of Incorporation, and these Bylaws. A copy of such rules and regulations shall be furnished to each unit owner and subsequent purchasers of units and shall be posted and remain available in the offices of the Association.

K.

SEAL

The board of directors shall provide a corporate seal, circular in form, showing the corporate name, the year and the state of incorporation, and the words "Corporation Not For Profit."

XI.

COLLECTION OF ASSESSMENTS

Assessments for the payment of common expenses shall be made and collected in the manner provided in the Declaration of Condominium.

XII.

VOLUNTARY BINDING ARBITRATION

In the event of a dispute among Unit Owners, the Association, or their agents or assigns, arising from the operation of the condominium, then, upon the voluntary agreement of all parties to said dispute, same shall be submitted to binding arbitration in accordance with the rules of procedures promulgated by the Division of Florida Land Sales and Condominiums.

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RECORDED IN OFFICIAL
RECORDS
JAN 13 9 52 AM '98
KAREN E. RUSSELL
CLERK OF CIRCUIT COURT
SARASOTA COUNTY, FL

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