

EXHIBIT "B"

BYLAWS

OF

THOUSAND OAKS HOMEOWNERS ASSOCIATION OF POLK COUNTY, INC.,  
a Florida corporation not-for-profit

1. General.

1.1 Identity. These are the Bylaws of THOUSAND OAKS HOMEOWNERS ASSOCIATION OF POLK COUNTY, INC. (the "ASSOCIATION"), a corporation not-for-profit formed under the laws of the State of Florida. The ASSOCIATION has been organized for the purposes stated in the Articles of Incorporation (the "Articles"), and the DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR THOUSAND OAKS (the "Declaration"). The ASSOCIATION shall have all of the powers provided in these Bylaws, the Articles, the Declaration (collectively, the "Governing Documents"), and any other statute or law of the State of Florida or any other power incident to any of the above powers.

1.2 Principal Office. The principal office of the ASSOCIATION shall be at such place as the BOARD may determine from time to time.

1.3 Fiscal Year. The fiscal year of the ASSOCIATION shall be the calendar year.

1.4 Seal. The seal of the ASSOCIATION shall have inscribed upon it THOUSAND OAKS HOMEOWNERS' ASSOCIATION OF POLK COUNTY, INC., the year "1994" and the words "Corporation Not-For-Profit". The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the ASSOCIATION.

1.5 Inspection of Books and Records. The records of the ASSOCIATION shall be open to inspection by any MEMBER of the ASSOCIATION, upon request, during normal business hours or under other reasonable circumstances. The records of the ASSOCIATION shall include current copies of the Declaration, the Articles, the Bylaws, any Rules and Regulations of the ASSOCIATION, any contracts entered into by the ASSOCIATION, and the books, records and financial statements of the ASSOCIATION. The ASSOCIATION shall be required to make available to perspective purchasers of any Lot, current copies of the Governing Documents and the most recent annual financial statement of the ASSOCIATION.

1.6 Definitions. Unless the context otherwise requires, all forms used in these Bylaws shall have the same meaning as are attributed to them in the Declaration and the Articles.

## 2. Membership in General.

2.1 Qualification. The qualification of MEMBERS, the manner of their admission to membership, changes in membership, and the termination of such membership, shall be as set forth in the Declaration and the Articles.

2.2 MEMBER Register. The Secretary of the ASSOCIATION shall maintain a register in the office of the ASSOCIATION showing the names and addresses of the MEMBERS of the ASSOCIATION. Each MEMBER shall at all times advise the Secretary of any change of address of the MEMBER or of any change of ownership of the MEMBER's Lot. The ASSOCIATION shall not be responsible for reflecting any changes until notified of such change in writing.

## 3. Membership Voting.

3.1 Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present, shall be binding upon all MEMBERS for all purposes, except where otherwise provided by law or in the Governing Documents.

3.2 Determination of Voting Rights. The ASSOCIATION shall have two (2) classes of membership:

Class A. Class A Members shall be all OWNERS with the exception of the DEVELOPER, and shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be MEMBERS. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the DEVELOPER and the DEVELOPER shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occur earlier:

(a) 75% of the units are deemed to class A members, or

(b) On December 31, 2000.

From and after the happening of these events, whichever occur earlier, the Class B Members shall be deemed Class A Members entitled to one (1) vote for each Lot in which it holds the interest required under this Article.

3.3 Voting by CO-OWNERS. If the Lot associated with the membership of a MEMBER is owned by more than one individual or by

an entity, the vote(s) of the MEMBER may be cast at any meeting by any co-OWNER of the Lot. If when the vote(s) is (are) to be cast, a dispute arises between the co-OWNERS as to how the vote(s) will be cast, they shall lose the right to cast their vote(s) on the matter being voted upon, but their vote(s) shall continue to be counted for purposes of determining the existence of a quorum.

3.4 Proxies. Every MEMBER entitled to vote at a meeting of the MEMBERS, or to express consent or dissent without a meeting, may authorize another Person to act on the MEMBER's behalf by a proxy signed by such MEMBER. Any proxy shall be delivered to the Secretary of the ASSOCIATION or the Person acting as Secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. No proxy shall be valid after the expiration of eleven (11) months from the date thereof, unless otherwise provided in the proxy. Every proxy shall be revocable at any time at the pleasure of the MEMBER executing it.

3.5 Calculation of Votes. Any question concerning the number of votes which may be cast by a MEMBER shall be decided by the BOARD.

#### 4. Membership Meetings.

4.1 Who May Attend. Any Person entitled to cast the votes of the MEMBER, and in the event any Lot is owned by more than one Person, all co-OWNERS of the Lot may attend any meeting of the MEMBERS. However, the votes of any MEMBER shall be cast in accordance with the provisions of Section 3 above. Any Person not expressly authorized to attend a meeting of the MEMBERS, as set forth above, may be excluded from any meeting of the MEMBERS by the presiding officer of the meeting.

4.2 Place. All meetings of the MEMBERS shall be held at the principal office of the ASSOCIATION or at any other location as designated by the BOARD and stated in the notice of meeting.

4.3 Quorum Requirements. Except as set forth hereinafter or unless otherwise so provided, at any regular or special meeting of the MEMBERS, the presence in person or by proxy of MEMBERS entitled to cast a majority of the votes of the entire membership at the time of such vote shall constitute a quorum. If any meeting of the MEMBERS cannot be organized because a quorum is not present, a majority of the votes of the MEMBERS present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of MEMBERS holding at least twenty-five percent (25%) of the votes of the entire membership. Such an adjourned meeting may be held without notice thereof as provided in subsection 4.4, provided that notice is given by announcement at the meeting at which such adjournment is taken. If,

however, such an adjourned meeting is actually attended, in person or by proxy, by MEMBERS entitled to cast less than one-third (1/3) of the total votes of the membership, notwithstanding the presence of a quorum, no matter may be voted upon except such matters notice of the general nature of which was given pursuant to subsections 4.4 and 4.7 hereof. If a meeting of MEMBERS is adjourned for more than thirty (30) days from the originally scheduled meeting date, or if the MEMBERS adjourn a meeting without specifying a date for holding the adjourned meeting, the quorum and-notice requirements for the holding of such adjourned meeting shall then be the same as the notice and quorum requirements prescribed for special meetings.

4.4 Notices. Written notice stating the location, day and hour of any meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each MEMBER not less than five (5) nor more than sixty (60) days before the date of the meeting, by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The notice of any meeting at which members of the BOARD are to be elected shall include the names of all those who are nominees at the time the notice is given to the MEMBERS. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the MEMBER at the MEMBER'S address as it appears on the records of the ASSOCIATION, unless such MEMBER shall have filed a written request with the Secretary of the ASSOCIATION stating that notices to him be mailed to some other address. All notices shall be dated and shall be mailed to the MEMBERS as soon after the date of the notice as is practical. The date of the notice shall be the date used for the purpose of determining MEMBERS entitled to notice of, or to vote at, any meeting of the MEMBERS of the ASSOCIATION, or in order to make a determination of the MEMBERS for any other purpose. The BOARD shall not be required to take into account any changes in membership occurring after that date but may, in their sole and absolute discretion, do so. If the Lot of a MEMBER is owned by more than one Person, only one notice shall be required to be sent with respect to the MEMBER, which shall be made to the person designated in the records of the ASSOCIATION.

4.5 Waiver of Notice. Whenever any notice is required to be given to any MEMBER under the provisions of the Articles or these Bylaws, or as otherwise provided by law, a waiver in writing signed by the Person or Persons entitled to such notice whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a MEMBER at a meeting shall constitute a waiver of notice of such meeting except when the MEMBER objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.6 Annual Meeting. The annual meeting for the purpose of

electing members of the BOARD and transacting any other business shall be held at 7:00 p.m. on the first Tuesday in April or at such other time in the month of April as shall be selected by the BOARD. If the BOARD fails to call the annual meeting by the end of April, then within thirty (30) days after the written request of any MEMBER, Officer or member of the BOARD of the ASSOCIATION, the Secretary shall call the annual meeting.

4.7 Special Meetings. Special meetings of the MEMBERS may be requested by written notice to the Secretary by any member of the BOARD, the President, or any MEMBERS having not less than ten percent (10%) of the votes of the entire membership, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notice of any special meeting shall be given in accordance with subsection 4.3 to all of the MEMBERS within thirty (30) days after a special meeting is duly requested.

4.8 Adjournments. Any meeting may be adjourned or continued by a majority of the votes present at the meeting in person or by proxy, regardless of a quorum, or if no MEMBER entitled to vote is present at a meeting, then any Officer of the ASSOCIATION may adjourn the meeting. If any meeting is adjourned or continued to another time or place, it shall not be necessary to give any notice of the adjourned meeting, if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to MEMBERS not present at the original meeting, without giving notice to the MEMBERS who were present at such meeting.

4.9 Organization. At each meeting of the MEMBERS, the President, or in his absence, the Vice President shall act as chairman of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting shall act as Secretary of the meeting.

4.10 Minutes. The minutes of all meetings of the MEMBERS shall be kept in a book available for inspection by the MEMBERS or their authorized representatives, and the members of the BOARD, at any reasonable time.

4.11 Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the MEMBERS may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the MEMBERS having not less than the minimum number of votes that would be necessary to authorize or

take such action at a meeting at which all MEMBERS entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those MEMBERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If the Lot(s) for which membership is established in the ASSOCIATION is owned by more than one Person or by an entity, the consent for such Lot(s) need only be signed by one Person who would be entitled to cast the vote(s) for the Lot(s).

5. BOARD.

5.1 Number of Directors of the BOARD.

5.1.1 The affairs of the ASSOCIATION shall be managed by a BOARD comprised of not less than three (3) nor more than nine (9) Directors. So long as the DEVELOPER is entitled to appoint all Directors of the BOARD pursuant to the Articles, the number of Directors of the BOARD will be determined, and may be changed from time to time, by the DEVELOPER by written notice to the BOARD. In the absence of such notification, there shall be three (3) Directors of the BOARD.

5.1.2 When the DEVELOPER is no longer entitled to appoint all Directors of the BOARD, the number of Directors of the BOARD shall be increased to at least five (5).

5.1.3 Notwithstanding the foregoing, in no event shall there be less than three (3) Directors of the BOARD, and the number of Directors of the BOARD shall always be an odd number. The MEMBERS shall not have the right to change the number of Directors of the BOARD so long as the DEVELOPER has the right to determine the number of Directors of the BOARD as set forth above.

5.2 Election of Directors of the BOARD. Election to the BOARD by the MEMBERS of the ASSOCIATION shall be conducted in the following manner:

5.2.1 At any time after the DEVELOPER no longer has the right to appoint one or more Directors of the BOARD or upon the earlier voluntary relinquishment by the DEVELOPER of its right to appoint any of all Directors of the BOARD, the existing BOARD shall appoint a nominating committee composed of MEMBERS. The BOARD shall send a notice to all MEMBERS advising of the impending election of Directors to the BOARD, the names and addresses of members of the nominating committee, and the date the committee will make decisions concerning nominations for election to the BOARD, which date shall be no less than fifteen (15) days after the date of the notice. MEMBERS may then submit names in writing of proposed Directors of the BOARD to members of the nominating committee.

5.2.2 The nominating committee shall make as many nominations for election to the BOARD as it shall in its discretion determine, but not less than the number of vacancies that are to be filled (see subsection 5.1.2). Such nominations may be made from among MEMBERS or nonmembers as the committee in its discretion shall determine. Nominations shall be placed on a written ballot provided in subsection 5.2.3 for the mailing of such ballots to the MEMBERS.

5.2.3 All elections to the BOARD shall be made by written ballot which shall:

(a) indicate the number of vacancies to be filled;

(b) set forth the names of those nominated by the nominating committee;

(c) contain a space for write-in vote by the MEMBERS; and

(d) contain a requirement that the MEMBER must cast the same number of votes as the number of vacancies on the BOARD. For example, if the MEMBER has one (1) vote, there are five (5) nominees and three (3) vacancies, the MEMBER must vote for no more and no less than three (3) nominees or the ballot will not be counted. If the MEMBER is entitled to, for instance, five (5) votes, in the example in the previous sentence, the MEMBER must vote his five (5) votes as a block for no more and no less than three (3) nominees or the ballot will not be counted. That is, three (3) nominees on that ballot will receive exactly five (5) votes each.

Such ballots shall be prepared and mailed by the Secretary to the MEMBERS at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting). The Secretary shall include with the ballot a brief summary and description of each Person nominated by the BOARD.

5.2.4 The completed ballot shall be returned as follows:

(a) Each ballot shall be placed in a sealed envelope which shall bear on its face the name and signature of the MEMBER or his proxy, the number of votes of that MEMBER, and such other information as the BOARD may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary at the address of the ASSOCIATION.

5.2.5 Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day set for the return of all ballots. On that day the envelopes containing the ballot(s) shall be turned over, unopened, to a separate Election Committee which shall consist of three (3) Persons appointed by the BOARD. The Election Committee shall then adopt a procedure which shall:

(a) establish that the number of votes set forth on the envelope and on the ballot corresponds to the number of votes allowed to the MEMBER or his proxy; and

(b) that the signature of the MEMBER or his proxy on the outside envelope is genuine; and

(c) if the vote is by proxy that a proxy has been filed with the Secretary as provided herein, and that such proxy is valid.

The Election Committee shall proceed to the opening of the envelopes and the counting of the votes. The Election Committee shall immediately send written notice to all MEMBERS advising of the results of the election. The ballots and the outside envelopes shall be returned to the Secretary to be kept in a safe or other locked place for a minimum of thirty (30) days. If no MEMBER requests a review of the procedures and vote within said thirty (30) days, the ballots and outside envelopes shall be destroyed.

5.3 Term of Office. On the first occasion that the MEMBERS, other than the DEVELOPER, have the opportunity to elect any Directors of the BOARD, the MEMBERS shall have the right to elect at least two (2) Directors of the BOARD. The term of office of the Director of the BOARD receiving the highest number of votes shall be two (2) years and the term of office of the Director(s) of the BOARD receiving the next highest number of votes shall be one (1) year. Each Director of the BOARD shall hold office until his successor has been elected or until his death, resignation, removal or judicial adjudication of mental incompetence. Just prior to each annual meeting thereafter, new Directors of the BOARD shall be elected to fill vacancies created by the death, resignation, removal, judicial adjudication of mental incompetence or expiration of the terms of past Directors of the BOARD and the term of each such Director of the BOARD shall be two (2) years.

On the first occasion that the MEMBERS, other than the DEVELOPER, have the opportunity to elect all Directors of the BOARD, the new Directors of the BOARD shall be elected to replace the Directors of the BOARD appointed by the DEVELOPER as provided in these Bylaws. The term of office of the two (2) Directors of the BOARD receiving the highest number of votes shall be two (2) years and the term of office of the other member of the BOARD shall be one (1) year. It is the intention of this provision to create



staggered terms so that at least one-third (1/3) of the Directors of the BOARD shall be elected each year. The term of office of each Director of the BOARD elected to fill a vacancy created by the expiration of the term of office of the respective past Director of the BOARD shall be two (2) years. The term of office of each Director of the BOARD elected or appointed to fill a vacancy created by the resignation, death or removal of his predecessor shall be the balance of the unserved term of his predecessor. Any Person serving as a Director of the BOARD may be re-elected, and there shall be no limitation on the number of terms during which he may serve.

5.4 Organizational Meeting. The newly elected BOARD shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the Directors of the BOARD, and no further notice of the organizational meeting shall be necessary.

5.5 Regular Meetings. Regular meetings of the BOARD may be held at such time and place as shall be determined, from time to time, by a majority of the Directors of the BOARD.

5.6 Special Meetings. Special meetings of the BOARD may be called by any Director of the BOARD, or by the President if not otherwise a Director of the BOARD, at any time.

5.7 BOARD Action Without a Meeting. Any action required to be taken at a meeting of the Directors of the BOARD, or any action which may be taken at a meeting of the Directors of the BOARD, may be taken without a meeting if a consent in writing setting forth the action so to be taken is signed by all Directors of the BOARD and is filed in the minutes of the proceedings of the BOARD. Such consent shall have the same effect as a unanimous vote.

5.8 Notice of Meetings. Notice of each meeting of the BOARD shall be given by the Secretary, or by any other officer or Director of the BOARD, stating the day, location and time of the meeting. Notice of such meeting shall be delivered to each Director of the BOARD either personally or by telephone or telegraph, at least twenty-four (24) hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, at least three (3) days before the day on which such meeting is to be held. Notice of a meeting of the BOARD need not be given to any Director of the BOARD who signs a waiver of notice either before or after the meeting. Attendance of a Director of the BOARD at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place, the time or the manner in which the meeting has been called or convened, except when a Director of the BOARD states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened.