

EXHIBIT "C"

**BY-LAWS**

**OF**

**CARNEGIE HILLS HOMEOWNERS' ASSOCIATION, INC.**

**A NON-PROFIT CORPORATION**

**ARTICLE I**

**NAME AND LOCATION**

The name of this corporation is Carnegie Hills Homeowners Association, Inc. hereinafter referred to as "Association". The principal office of the Association is located at 93 E. Kathy Lane, Freeport, Florida 32439; but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

**ARTICLE II**

**DEFINITIONS**

Section 1 "ASSOCIATION" shall mean and refer to Carnegie Hills Homeowners' Association, Inc., a Florida Non-Profit Corporation, its successors and assigns.

Section 2 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple interest to any of the lots described on the Plat of Carnegie Hills recorded in Plat Book 23, at Page 23 & 24 of the Public Records of Okaloosa County, Florida as Carnegie Hills Phase I and the plat of subsequent phases of Carnegie Hills.

Section 3 "Properties" shall mean and refer to that certain real property hereinabove described on the Plat of Carnegie Hills recorded in Plat Book 23, at Page 23 & 24, of the Public Records of Okaloosa County, Florida as Carnegie Hills Phase I and subsequent phases of Carnegie Hills.

Section 4 "Maintained Area" shall mean and include all of that certain property that is located within a road or right-of-way of a road within CARNEGIE HILLS, and said certain property

being agreed to be maintained by the Association, together with all the tangible personal property required for the use, maintenance and operation of the Maintained Area situated thereupon . The foregoing notwithstanding, the Maintenance Area shall also include all easement(s) so designated on the Plat upon any Lot and also includes all streets, roads, parking areas, retention areas, Park Preservation Area(s), buffer and drainage areas, pedestrian paths, parks and recreational areas and any easement designated on the Plat. The forgoing notwithstanding, Developer hereby reserves the right to convey any and all streets and roads to Okaloosa County; it being the intention of the Developer to convey same to Okaloosa County at the time Okaloosa County shall accept same.

Section 5 "Lot" shall mean and refer to each of the numbered lots described on the Plat of Carnegie Hills, recorded in Plat Book 23, at Page 23 & 24, of the Public Records of Okaloosa County, Florida as Carnegie Hills Phase I and subsequent phases of Carnegie Hills.

Section 6 "Declarant" shall mean and refer to Landcrest Development, LLC, a Florida limited liability company.

Section 7 "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the properties now recorded or subsequently amended and recorded in the Office of the Clerk of the Circuit Court of Okaloosa County, Florida.

Section 8 "Member" shall mean and refer to those persons with an ownership interest in a lot and entitled to membership as provided in the Declaration.

### ARTICLE III

#### MEETING OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the Members shall be held October 15th of each year, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, on such a day as specified by the Board of Directors, except that the day for the annual meeting of the Members shall not be a legal holiday.

Section 2. Special Meetings. Special meetings of that Membership may be called at any time by the President or by the Board of Directors, or upon written request of one third (1/3) of all the votes entitled to be cast by the Membership.

Section 3. Notice of Meeting. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy or such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at a meeting of thirty percent (30%) of the total voting interests of the Members shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members present and entitled to vote shall have power to adjourn the meeting without notice other than announcement at the meeting, until a quorum, shall be present or be represented. After a quorum is established, except as otherwise provided in the Declaration, the Articles or these By-Laws, every act or decision done or made by a majority of the Members present in person or by proxy at a duly held meeting shall be the act of the Members.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated, set forth the time and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy, and shall be filed with the Secretary at or prior to the meeting at which the proxy is used. A proxy is effective only for the specific meeting for which it was originally given as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after 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 expressly so provided, any proxy holder may appoint, in writing, a substitute to act in his or her place. Every proxy shall be revocable and shall automatically cease upon conveyance of the lot owned by the Member. No Member shall hold more than 5 proxies.

#### ARTICLE IV

#### BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of four (4) Directors.

Section 2. Term of Office. At the first annual meeting, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for the term of three (3) years, and one (1) director for a term of four (4) years; and at each meeting thereafter, the Members shall elect one (1) director for a term of two (2) years. In the event that Members fail to hold a valid annual meeting, the incumbent director shall continue in office until the next election of a director by the Members.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by the vote of a sixty-seven percent (67%) of the total voting interests of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his 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 the 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.

**ARTICLE V**

**NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the Members to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by a secret written ballot, unless only one (1) candidate is nominated to a vacant position. 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. Cumulative voting is not permitted.

**ARTICLE VI**

**MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. A meeting of the Board of Directors shall be held without notice each year immediately following the annual meeting of the Members for the purpose of electing officers of the Association. Other regular meetings may be established at such time and place as determined by resolution of the Board. Notices of all Board Meetings must be posted in a conspicuous place within the Subdivision at least 48 hours in advance of the Board of

Director's Meeting, except in the case of an emergency, or if the notice is not so posted, notice of each Board Meeting must be mailed or delivered to each Member at least seven (7) days before the meeting, except in the case of an emergency. A Member may provide the Association with a writing authorizing the Association to provide such notices to said Owner via e-mail or some other electronic transmission and said Notice shall be sufficient.

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 (2) directors, after not less than three (3) days notice to each director. Meetings may be held by telephone conference between directors and all of whom participate shall be considered present at the place fixed for the meeting. Such meetings shall not be held on a legal holiday.

Section 3. Quorum. A majority of the number 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 held meeting at which a quorum is present shall be regarded as the act of the Board.

## ARTICLE VII

### POWERS AND DUTIS OF THE BOARD OF DIRECTORS

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

(a) Adopt and publish rules and regulation governing the use of the Lots and the Maintained Areas and the personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof;

(b) Suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations; and fines may be imposed

for those infractions as specified in the Declaration of Covenants;

(c) Exercise for the Association all power, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation or the Declarations;

(d) Declare the office of a Member of the Board of Directors to be vacant in the event such Member shall resign or be absent for three (3) consecutive meetings of the Board of Directors;

(e) Employ a manager and independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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. A statement of the corporation affairs shall also be presented at any special meeting when such statement is requested in writing by one third (1/3) of the total voting interests of the Members;

(b) Supervise all officers, agents and employees of this 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 annual assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) Foreclose the lien against any lot for which assessments are not paid within thirty (30) days after due date or bring an action at law against the owner personally obligated to pay the same.

(d) Issue, or to cause an appropriate officer to 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 states 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, as the Board of Directors may deem appropriate;

(g) Cause the Maintained Areas to be maintained;

(h) To adopt, publish and amend regulations governing use of the Lots and the Maintained Areas;

(i) Do all other acts as are set forth or contemplated by the Articles of Incorporation or the Declaration.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers The Officers of this Association shall be a president, first vice president, second vice president, a secretary and a treasurer, all of whom shall at all times be Members of the Board of Directors and such other offices as the Board may create from time to time by resolution.

Section 2. Election of Officers The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, or until the next election of officers; unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments The Board may elect such other officers as the affairs of



the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices The offices of first vice president, second vice president, secretary and treasurer may be held by the same person. No person shall simultaneously be the President and hold any other office.

Section B. Duties The duties of the officers are as follows:

(a) **PRESIDENT:** The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, contracts and other written instruments and shall co-sign all checks and promissory notes, unless otherwise resolved by resolution of the Board of Directors.

(b) **VICE PRESIDENTS:** The First Vice-President shall act in the place and stead 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. The Second Vice-President shall act in the place and stead of the First Vice-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.

© **SECRETARY:** The Secretary shall record the votes and keep the minutes of all meetings

EXHIBIT "B"  
**ARTICLES OF INCORPORATION**  
**OF**

**CARNEGIE HILLS HOMEOWNERS' ASSOCIATION, INC.**

We, the undersigned natural persons competent to contract, acting as incorporators of a corporation not for profit under Chapter 617 of the Florida Statutes, hereby adopt the following:

**ARTICLE I NAME**

The name of this corporation is Carnegie Hills Homeowners' Association, Inc., hereinafter referred to as "Association".

**ARTICLE II DURATION**

This corporation shall exist perpetually, commencing on the date of filing the Articles of Incorporation with the Secretary of the State of Florida.

**ARTICLE III PLACE OF BUSINESS**

The principal office of the Association is located at 93 E. Kathy Lane, Freeport, Florida 32439.

**ARTICLE IV RESIDENT REGISTERED AGENT**

Steven E. Mixon whose address is 93 E. Kathy Lane, Freeport, Florida 32439, shall be the initial Resident Registered Agent of this Association.

**ARTICLE V PURPOSE**

The Association does not contemplate a monetary gain or profit to its members. The Association is organized and operated solely for administrative and managerial purposes. It is not intended that the corporation show any net earnings, but no part of any net earnings that do occur shall inure to the benefit of any private member. If, in any taxable year, the net income of the corporation from all sources other than casualty insurance proceeds and other nonrecurring items exceeds the sum of (1) total common expenses for which payment has been made or liability incurred within the taxable year, and (2) reasonable reserves for common expenses and other

liabilities in the next succeeding taxable year, such excess shall be held by the corporation and used to reduce the amount of assessments that would otherwise be required in the following year. For such purposes, each member will be credited with that member's proportionate share of said excess in accordance with the percentage of payments that member has paid to the Association during the applicable period of time.

The specific purposes and objects for which the Association is formed are such as are authorized under Chapters 617 and 720 of the Florida Statutes and include providing for the maintenance, preservation, administration and architectural control of the improvements on the Lots and Maintained Areas within the Property known as Carnegie Hills, a Planned Unit Development, according to the Plat recorded in Plat Book 23, at Page 23 & 24 of the Public Records of Okaloosa County, Florida as Carnegie Hills Phase I and any additions or phases thereto as may hereafter be brought within the jurisdiction of this Association and to promote the health, safety and welfare of the residents within Carnegie Hills and for this purpose to:

(a) Exercise all of the powers and privileges and to perform all the duties and obligations of the Association as set forth in the By-Laws and the Declaration of Covenants, Conditions, and Restrictions of Carnegie Hills Homeowners' Association, Inc. as shall be recorded by Landcrest Development, LLC, a Florida limited liability company, hereinafter referred to as the "Developer", in the Public Records of Okaloosa County, Florida, hereinafter called the "Declaration", applicable to the property described therein. The By-Laws and Declaration may be amended from time to time as therein provided and are incorporated herein as if set forth at length.

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate,

maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) Borrow money and with the assent of sixty-seven percent (67%) of the total voting interests of the members of the Association, mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of no less than sixty seven percent (67%) of the total voting interests of the members of the Association.

(f) To have and exercise any and all powers, rights and privileges which may be held or exercised by a corporation organized under the Non-Profit Corporation Law of the State of Florida under Chapter 617 of the Florida Statutes which the Association by law may now or hereafter have or exercise.

(g) Annex additional residential property and Maintained Areas.

#### **ARTICLE VI MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot (as defined in the Declaration), shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

#### **ARTICLE VII BOARD OF DIRECTORS**

The affairs of this Association shall be managed by a Board of Directors, who need not be members of the Association. The initial number of Directors shall be four (4) and may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

1. Steven E. Mixon  
93 E. Kathy Lane  
Freeport, Florida 32439
2. Charles Lingenfelter  
748 St. John Cove  
Niceville, Florida 32578
3. Sheron Lingenfelter  
748 St. John Cove  
Niceville, Florida 32578
4. Patricia G. Mixon  
93 E. Kathy Lane  
Freeport, Florida 32439

At the first annual meeting, the members shall elect one (1) Director for a term of one (1) year, and one (1) Director for a term of two (2) years, and one (1) Director for a term of three (3) years, and one (1) Director for a term of four (4) years; and at each annual meeting thereafter, the members shall elect one (1) Director for a term of two (2) years. Directors shall continue to hold office until replaced or reelected at the next annual meeting of the membership. In the event any Director should for any reason be unwilling or unable to serve as an active Director of the Association, the remaining Directors shall select a successor to serve in his stead, in accordance with the provisions of the By-Laws of the Association.

#### ARTICLE VIII DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than sixty seven (67%) of the total voting interests of the members of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that an appropriate public agency is not identifiable or such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

**ARTICLE IX OFFICERS**


The Officers of the Association shall be a President, First Vice President, and a Second Vice President, a Secretary and a Treasurer, all of whom shall at all times be members of the Board of Directors and such other Officers as the Board of Directors may from time to time by resolution create. The Officers shall be elected annually by the Directors and removed in accordance with the By-Laws of the Association. The names and addresses of the persons who are to act as officers until selection of their successors are:

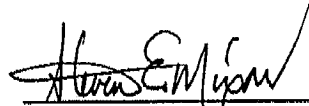
- |                        |   |
|------------------------|---|
| President:             | Steven E. Mixon<br>93 E. Kathy Lane<br>Freeport, Florida 32439        |
| First Vice President:  | Charles Lingenfelter<br>748 St. John Cove<br>Niceville, Florida 32578 |
| Second Vice President: | Sheron Lingenfelter<br>748 St. John Cove<br>Niceville, Florida 32578  |
| Secretary:             | Patricia G. Mixon<br>93 E. Kathy Lane<br>Freeport, Florida 32439      |
| Treasurer:             | Charles Lingenfelter<br>748 St. John Cove<br>Niceville, Florida 32578 |

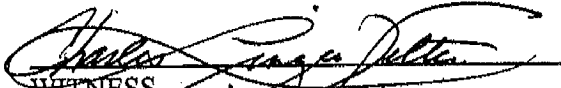
**ARTICLE X AMENDMENTS**

Amendment of these Articles shall require the assent of not less than sixty seven (67%) of the total voting interests of the members of the Association; and the By-Laws may be made, altered or rescinded by a majority of a quorum of members present as such quorum is prescribed in the By-Laws.

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the Laws of the State of Florida, I the undersigned, constituting the Incorporator of this Association, have executed these Articles of Incorporation this the 8th day of March, 2006.

  
WITNESS John T. Brown

  
Steven E. Mixon  
Incorporator.

  
WITNESS  
Charles Ringer/Belter


STATE OF FLORIDA  
COUNTY OF OKALOOSA

I HEREBY CERTIFY that on this 8th day of March, 2006, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared Steven E. Mixon, who is personally known to me or who has produced the identification identified below, who is the person described in and who executed the foregoing ARTICLES OF INCORPORATION OF CARNEGIE HILLS HOMEOWNERS' ASSOCIATION, INC., and who after being duly sworn swears that the execution hereof is her/his free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me on the day and year last aforesaid.

To me personally known: X  
Produced: \_\_\_\_\_

JOHN T BROWN  
Notary Public, State of Florida  
My comm. exp. Sept. 9, 2008  
Comm. No. DD 320306

  
Notary Public  
Typed Name: \_\_\_\_\_  
My Commission Expires:  
Commission No.:

### Designation and Acceptance of Registered Agent for a Florida Non-Profit Corporation

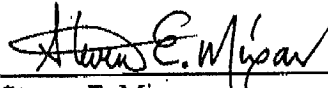
Pursuant to the provisions of Chapter 617 of the Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent in the State of Florida.

1. The name of the corporation is:  
Carnegie Hills Homeowners Association, Inc..
2. The name of the registered agent is:  
Steven E. Mixon
3. The address of the registered agent/registered office is:  
93 E. Kathy Lane, Freeport, Florida 32439

#### Acceptance

Having been named as registered agent and designated to accept service of process for the above corporation, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

I, Steven E. Mixon, Registered Agent, am hereby familiar with and accept the duties and responsibilities as Registered Agent for Carnegie Hills Homeowners Association, Inc.

  
\_\_\_\_\_  
Steven E. Mixon,  
Registered Agent

Date: March 8, 2006

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and proceedings of the Board 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 and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the board.

(d) TREASURER: The Treasurer 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; together with the President, shall sign all checks and promissory notes of the Association; keep proper books of accounts; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year when requested by the Directors or one third (1/3) of the total voting interests of the Members; and shall 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 the Members. All of the other terms of these By-Laws notwithstanding, in all events, both the President and the Treasurer shall be required to sign all checks and promissory note of the association.

#### ARTICLE IX

#### COMMITTEES

The Association shall appoint an Architectural Review Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint such other committees as deemed appropriate to carry out its purpose. The Board of Directors shall be authorized to hire a manger and delegate to the manager appropriate duties and responsibilities.

#### ARTICLE X

**BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased for a reasonable cost.

Minutes of all Board of directors meetings must be maintained in written form and a vote or abstention from voting on each matter voted upon for each director present at a board meeting must be recorded in the minutes.

The Association shall maintain each of the items as required by Section 720.303(4) of the Florida Statutes, when applicable, which constitute the official records of the Association.

**ARTICLE XI**

**ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest annual rate of interest than permitted by law; and the Association may bring action at law against the Owner personally obligated to pay the same or foreclose the liens against the property, plus interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot.

An assessment lien may not be levied at a Board Meeting unless the notice of the meeting

includes a statement that assessments will be considered and the nature of the assessments. Directors may not vote by proxy or by secret ballot at Board Meetings, except that secret ballots may be used in the election of officers. This voting procedure also applies to the meetings of any committee or other similar body when a final decision will be made regarding expenditure of association funds, an to any body vested with the power to approve or disapprove architectural decisions with respect to a specific Lot.

**ARTICLE XII**

**CORPORATE SEAL**

Section 1. These By-Laws may be amended at a regular or special meeting of the Members, by a vote of thirty (30%) of the total voting interests of the Members of the Association.

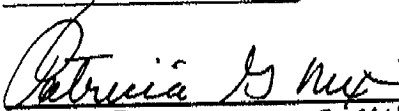
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and the Articles, the Declaration shall control.

**ARTICLE XIV**

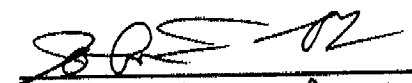
**MISCELLANEOUS**

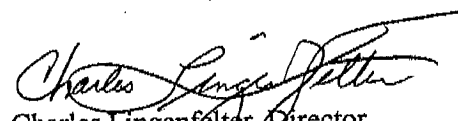
The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being the Directors of Carnegie Hills Homeowners' Association, Inc. , have hereunto set our hands and seals, this the 8<sup>th</sup> day of March, 2006.

  
Witness PATRICIA G. NIXON

  
Steven E. Nixon, Director

  
Witness John T. Brown

  
Charles Lingenfelter, Director

~~Sharon Lingenfelter~~  
Witness ~~Charles Lingenfelter~~

~~John T. Brown~~  
Witness ~~John T. Brown~~

Sharon Lingenfelter  
Sharon Lingenfelter, Director

Patricia G. Nixon  
Patricia G. Nixon, Director

I, the undersigned, do hereby certify:

That I am duly elected and acting Secretary of the Carnegie Hills Homeowners Association, Inc. , a Florida Non-Profit Corporation; and that the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the \_\_\_\_\_ day of \_\_\_\_\_, 2006.

~~John T. Brown~~  
Witness ~~John T. Brown~~

Patricia G. Nixon  
Patricia G. Nixon, Secretary