

EXHIBIT B TO DECLARATION

SILVER BEACH ONE CONDOMINIUM

PERCENTAGE INTEREST IN COMMON ELEMENTS

Unit Number	Approx Sq. Footage	% Interest
201	1,510	5.7180
202	1,362	5.1575
203	1,525	5.7748
301	1,510	5.7180
302	1,362	5.1575
303	1,525	5.7748
401	1,510	5.7180
402	1,362	5.1575
403	1,525	5.7748
501	1,510	5.7180
502	1,362	5.1575
503	1,525	5.7748
601	1,510	5.7180
602	1,362	5.1575
603	1,525	5.7748
701	2,173	8.2284
702	2,250	8.5201
<b>TOTAL</b>	<b>26,408</b>	<b>100.0000</b>

## EXHIBIT "E" TO DECLARATION

### BYLAWS OF

SILVER BEACH CONDOMINIUM ASSOCIATION, INC.

A FLORIDA CORPORATION NOT-FOR-PROFIT

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#### 1. GENERAL PROVISIONS.

1.1 Identity. These are the BYLAWS of SILVER BEACH CONDOMINIUM ASSOCIATION, INC., a Florida corporation not-for-profit, hereinafter referred to as the "ASSOCIATION." The ASSOCIATION has been organized for the purposes stated in the ARTICLES and shall have all of the powers provided in the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, 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 the name of the ASSOCIATION, the year of its incorporation 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 Incorporation of the CONDOMINIUM ACT. All of the provisions of the CONDOMINIUM ACT, being Chapter 718, Florida Statutes, as same now exists and may apply to the ASSOCIATION are, with permissible deviations therefrom, incorporated herein by reference. In the event of any conflict between these BYLAWS and the CONDOMINIUM ACT, the provisions of the CONDOMINIUM ACT shall control.

1.6 Inspection of Books and Records. The records of the ASSOCIATION shall be open to inspection by UNIT OWNERS or their authorized representatives, and all holders, insurers or guarantors of any first mortgage encumbering a UNIT, upon reasonable request, during normal business hours or under other reasonable circumstances. Such records of the ASSOCIATION shall include current copies of the DECLARATION, ARTICLES, BYLAWS, the Rules and Regulations of the ASSOCIATION; and any amendments thereto; any contracts entered into by the ASSOCIATION, and the books, records and financial statements of the ASSOCIATION; and all other official records of the ASSOCIATION as described in the CONDOMINIUM ACT. The ASSOCIATION shall be required to make available to prospective purchasers of UNITS in the CONDOMINIUM current copies of the DECLARATION, ARTICLES, BYLAWS and Rules and Regulations, and the most recent budget and annual financial statement of the ASSOCIATION.

1.7 Definitions. Unless the context otherwise requires, all terms used in these BYLAWS shall have the same meaning as are attributed to them in the ARTICLES, the DECLARATION, and the CONDOMINIUM ACT.

#### 2. MEMBERSHIP IN GENERAL.

2.1 Qualification. Pursuant to the ARTICLES, all of the record owners of UNITS in the CONDOMINIUM operated by the ASSOCIATION shall be members of the ASSOCIATION. Membership for each UNIT shall be established upon the recording of the DECLARATION. Prior to the recording of the DECLARATION, the incorporator shall be the member of the ASSOCIATION.

2.2 Changes in Membership. The transfer of the ownership of any UNIT, either voluntarily or by operation of law, shall automatically terminate the membership of the prior owner, and the transferee or new owner shall automatically become a member of the ASSOCIATION. It shall be the responsibility of any such transferor and transferee of a UNIT to notify the ASSOCIATION of any change in the ownership of any UNIT, and the corresponding change in any membership, by delivering to the ASSOCIATION a copy of the deed or other instrument of conveyance which establishes a transfer of ownership. In the absence of such notification, the ASSOCIATION shall

not be obligated to recognize any change in membership or ownership of a UNIT for purposes of notice, voting, ASSESSMENTS, or for any other purpose.

2.3 UNIT OWNER Register. The secretary of the ASSOCIATION shall maintain a register in the office of the ASSOCIATION showing the names and addresses of the UNIT OWNERS. It shall be the obligation of each UNIT OWNER to advise the secretary of any change of address of the UNIT OWNER, or of the change of ownership of the UNIT OWNER's UNIT, as set forth above. Any UNIT OWNER who mortgages his UNIT shall notify the ASSOCIATION of the name and address of his mortgagee. Any UNIT OWNER who satisfies the mortgage encumbering his UNIT shall also notify the ASSOCIATION thereof. The names and addresses of any such mortgagee shall also be maintained in the UNIT OWNER register.

### 3. UNIT OWNER VOTING

3.1 Voting Rights. There shall be one vote for each UNIT. In the event any UNIT is owned by more than one person, or is owned by a person other than an individual, the vote for such UNIT shall be cast as set forth below, and votes shall not be divisible. In the event any UNIT OWNER owns more than one UNIT, the UNIT OWNER shall be entitled to one vote for each such UNIT.

3.2 Majority Vote and Quorum Requirements. 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 UNIT OWNERS for all purposes, except where otherwise provided by law or in the CONDOMINIUM DOCUMENTS. Unless otherwise so provided, at any regular or special meeting, the presence in person or by proxy of persons entitled to cast the votes for one-third (1/3) of the UNITS operated by the ASSOCIATION shall constitute a quorum.

#### 3.3 Determination as to Voting Rights.

3.3.1 In the event any UNIT is owned by one person, his right to cast the vote for the UNIT shall be established by the record title to his UNIT.

3.3.2 In the event any UNIT is owned by more than one person or by an entity, the vote for the UNIT may be cast at any meeting by any co-owner of the UNIT provided, however, that in the event a dispute arises between the co-owners as to how the vote for the UNIT shall be cast, or in the event the co-owners are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to cast the vote for the UNIT on the matter being voted upon at that meeting, but their presence shall be counted for purposes of determining the existence of a quorum. For purposes of this paragraph, the principals or partners of any entity (other than a corporation) owning a UNIT shall be deemed co-owners of the UNIT, and the directors and officers of a corporation owning a UNIT shall be deemed co-owners of the UNIT. If any co-owner of a UNIT appears at any meeting by proxy, and another co-owner appears in person, the vote for the UNIT shall be cast by the co-owner of the UNIT appearing in person, and the proxy shall be deemed revoked.

3.4 Proxies. Every UNIT OWNER entitled to vote at a meeting of the UNIT OWNERS, or to express consent or dissent without a meeting, may authorize another person or persons to act on the UNIT OWNER's behalf by a proxy signed by such UNIT OWNER or his attorney-in-fact. Any proxy shall be delivered to the secretary of the meeting at or prior to the time designated in the order of business for delivering proxies. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the UNIT OWNER executing it. Every proxy shall specifically set forth the name of the person voting by proxy, and the name of the person authorized to vote the proxy for him. Every proxy shall contain the date, time, and place of the meeting for which the proxy is given, and if a limited proxy, shall set forth those items which the proxy holder may vote, and the manner in which the vote is to be cast.

3.5 General and Limited Proxies. Except as specifically otherwise provided herein, UNIT OWNERS may not vote by general proxy but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile

Homes. Limited proxies and general proxies may be used to establish a quorum at any meeting of the UNIT OWNERS. Limited proxies shall be used for votes taken to waive or reduce reserves; for votes taken to waive financial statement requirements; for votes taken to amend the declaration; for votes taken to amend the articles of incorporation or bylaws; and for any other matter for which the CONDOMINIUM ACT requires or permits a vote of the UNIT OWNERS. No proxy, limited or general, shall be used in the election of directors. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions of this subparagraph, UNIT OWNERS may vote in person at UNIT OWNER meetings.

3.6 Rights of DEVELOPER. Notwithstanding anything contained in the CONDOMINIUM DOCUMENTS to the contrary, until the DEVELOPER has closed the sale of all UNITS, no vote of the UNIT OWNERS shall be effective or may be taken without approval in writing by the DEVELOPER which would:

3.6.1 Result in the DEVELOPER being assessed as a UNIT OWNER for capital improvements;

3.6.2 Be detrimental to the sales of UNITS by the DEVELOPER. However, a non-discriminatory increase in ASSESSMENTS for COMMON EXPENSES without discrimination against the DEVELOPER shall not be deemed to be detrimental to the sales of UNITS.

3.6.3 Adversely affect any right the DEVELOPER may have to appoint any directors, as provided in the ARTICLES, or these BYLAWS.

3.6.4 Otherwise discriminate in any respect against the DEVELOPER, or remove, limit, modify or alter any right of the DEVELOPER as provided in the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS.

#### 4. UNIT OWNER MEETINGS

4.1 Who May Attend. In the event any UNIT is owned by more than one person, all co-owners of the UNIT may attend any meeting of the UNIT OWNERS. In the event any UNIT is owned by a corporation, any director or officer of the corporation may attend any meeting of the UNIT OWNERS. However, the vote for any UNIT shall be cast in accordance with the provisions of Paragraph 3 above. INSTITUTIONAL MORTGAGEES have the right to attend all UNIT OWNER meetings. Any UNIT OWNER may tape record or videotape a meeting of the UNIT OWNERS.

4.2 Place. All meetings of the UNIT OWNERS shall be held at the principal office of the ASSOCIATION or at such other place and at such time as shall be designated by the BOARD and stated in the notice of meeting.

4.3 Notices. Written notice, which notice must include an agenda, stating the place, 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 mailed or delivered to each UNIT OWNER at least 14 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. Notice of any meeting where ASSESSMENTS against UNIT OWNERS are to be considered for any reason shall specifically contain a statement that ASSESSMENTS will be considered and the nature of any such ASSESSMENTS. A copy of the notice shall be posted in a conspicuous place on the CONDOMINIUM PROPERTY at least 14 continuous days prior to any meeting. Upon notice to the UNIT OWNERS, the BOARD shall by duly adopted rule designate a specific location on the CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which all notices of UNIT OWNER meetings shall be posted; however if there is no CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which notices can be posted, this requirement does not apply. Unless a UNIT OWNER waives in writing his right to receive notice of a meeting by mail, the notice of any meeting shall be sent by mail to each UNIT OWNER. An officer of the ASSOCIATION, or the manager or other person providing notice of the ASSOCIATION meeting shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the Official Records of the ASSOCIATION, affirming that the notice was mailed or hand delivered, in accordance with this paragraph, to each UNIT OWNER at the address last furnished to the ASSOCIATION. For the purpose of determining

UNIT OWNERS entitled to notice of, or to vote at, any meeting of the UNIT OWNER, or in order to make a determination of the UNIT OWNERS for any other purpose, the BOARD shall be entitled to rely upon the UNIT OWNER register as same exists ten days prior to the giving of the notice of any meeting, and the BOARD shall not be required to take into account any changes in the UNIT OWNERS occurring after that date but may, in their sole and absolute discretion, do so.

Where a UNIT is owned by more than one person, the ASSOCIATION shall provide notice, for meetings and all other purposes, to that one address which the DEVELOPER initially identifies for that purpose and thereafter as one or more of the OWNERS of the UNITS shall so advise the ASSOCIATION in writing, or if no address is given or the OWNERS of the UNIT do not agree, to the address provided in the deed of record. Notwithstanding the foregoing, if a UNIT is owned by more than one person or by an entity, only one notice shall be required to be given with respect to the UNIT, which may be given to any co-owner as defined in Paragraph 3.03.2 of these BYLAWS.

Notice to any UNIT OWNER or co-owner shall be sent to the UNIT of such UNIT OWNER or co-owner, unless the UNIT OWNER(S) of the UNIT otherwise request.

4.4 Approvals of UNIT OWNERS. Any approval by UNIT OWNERS called for by the CONDOMINIUM ACT, or the CONDOMINIUM DOCUMENTS, including but not limited to the approval requirement in Florida Statutes, Section 718.111(8), shall be made at a duly noticed meeting of the UNIT OWNERS and shall be subject to all requirements of the CONDOMINIUM ACT and the CONDOMINIUM DOCUMENTS relating to UNIT OWNER decision making, except that UNIT OWNERS may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the foregoing documents or any statute which provides for such action.

4.5 Waiver of Notice. Whenever any notice is required to be given to any UNIT OWNER under the provisions of the ARTICLES or these BYLAWS, or as otherwise provided by law, a waiver thereof 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 UNIT OWNER at a meeting shall constitute a waiver of notice of such meeting, except when the UNIT OWNER 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 directors and transacting any other business shall be held at eight o'clock p.m. on the third Tuesday in January of each year, or at such other time in the months of January or February of each year as shall be selected by the BOARD and as is contained in the notice of such meeting.

4.7 Special Meetings. Special meetings of the UNIT OWNERS may be called at any time by any director, the president, or at the request, in writing, by a majority of the directors, or at the request in writing of not less than 25% of the UNIT OWNERS, 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 by the secretary, or other officer of the ASSOCIATION, to all of the UNIT OWNERS within thirty (30) days after same is duly called, and the meeting shall be held within forty-five (45) days after same is duly called.

4.8 Adjournments. Any meeting may be adjourned or continued by a majority vote of the UNIT OWNERS present in person or by proxy and entitled to vote, or if no UNIT OWNER entitled to vote is present, then any officer of the ASSOCIATION may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, notice of the reschedule meeting must be given as in the case of all other meetings of the UNIT OWNERS.

4.9 Organization. At each meeting of the UNIT OWNERS, the president, the vice president, or any person chosen by a majority of the UNIT OWNERS present, in that order, 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 Order of Business. The order of business at the annual meetings of the UNIT OWNERS shall be:

- 4.10.1 Determination of chairman of the meeting;
- 4.10.2 Calling of the roll and certifying of proxies;
- 4.10.3 Proof of notice of meeting or waiver of notice;
- 4.10.4 Reading and disposal of any unapproved minutes;
- 4.10.5 Election of inspectors of election;
- 4.10.6 Determination of number of directors;
- 4.10.7 Election of directors;
- 4.10.8 Reports of directors, officers or committees;
- 4.10.9 Unfinished business;
- 4.10.10 New business; and
- 4.10.11 Adjournment

4.11 Participation. UNIT OWNERS have the right to participate in meetings of UNIT OWNERS with reference to all designated agenda items. However, the ASSOCIATION may adopt reasonable rules governing the frequency, duration and manner of UNIT OWNER participation.

4.12 Tape Recording or Videotaping. Any UNIT OWNER may tape record or videotape a meeting of the UNIT OWNERS, subject to reasonable rules adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes.

4.13 Minutes. The minutes of all meetings of the UNIT OWNERS shall be kept in a book available for inspection by the UNIT OWNERS or their authorized representatives, and the directors, at any reasonable time and upon reasonable notice. The ASSOCIATION shall retain these minutes for a period of not less than seven years

4.14 Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the UNIT OWNERS of the ASSOCIATION, may consent in writing, setting forth the action so taken, shall be signed by the UNIT OWNERS 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 UNIT OWNERS entitled to vote thereon were present and voted. Within ten days after obtaining such authorization by written consent, notice shall be given to those UNIT OWNERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If a UNIT is owned by more than one person or by a corporation, the consent for such UNIT need only be signed by one person who would be entitled to cast the vote for the UNIT as a co-owner pursuant to Paragraph 3.02.2 of these BYLAWS. This section shall not apply to annual UNIT OWNER meetings, the reduction or waiver of reserves, or to any other action required by the CONDOMINIUM ACT to be taken at a meeting of the UNIT OWNERS.

## 5. DIRECTORS

5.1 Membership. The affairs of the ASSOCIATION shall be managed by a BOARD of not less than three (3) directors. The number of directors may be changed at any meeting where the UNIT OWNERS are to elect any directors (i) by the then existing BOARD, if prior to such meeting of the UNIT OWNERS the BOARD votes to change the number of directors and such change is indicated in the notice of the meeting sent to the UNIT OWNERS, or (ii) by the UNIT OWNERS at the meeting prior to the election of directors. If the number of directors on the BOARD is not changed, then the number of directors shall be the same as the number on the BOARD prior to

such meeting (plus any unfilled vacancies created by the death, resignation or removal of a director). The number of directors including any unfilled vacancies shall always be an odd number.

5.2 Election of Directors by UNIT OWNERS. Election of directors to be elected by the UNIT OWNERS of the ASSOCIATION shall be conducted in the following manner:

5.2.1 Within 75 days after the UNIT OWNERS other than the DEVELOPER are entitled to elect any directors, as provided in the CONDOMINIUM ACT and the ARTICLES, or within 75 days after the DEVELOPER notifies the ASSOCIATION that it waives its right to appoint one or more directors, the ASSOCIATION shall call, and give not less than 60 days notice of an election for the directors. The election shall proceed as provided in Florida Statutes, Section 718.112(2)(d). The notice may be given by any UNIT OWNER if the ASSOCIATION fails to do so. At such special Meeting the UNIT OWNERS shall be required to elect any directors which they are entitled to elect, and if they fail to do so any directors appointed by DEVELOPER which would have been replaced by any directors elected by the UNIT OWNERS may resign without further liability or obligation to the ASSOCIATION. If such special meeting is within four (4) months of the next annual meeting, such special meeting may at the option of the BOARD be deemed to be the next annual meeting if the notice of the special meeting states it will be considered to be the annual meeting and if all of the provisions of these BYLAWS and the CONDOMINIUM ACT relating to annual meetings are complied with.

5.2.2 Except as provided above, the UNIT OWNERS shall elect directors at the annual UNIT OWNER meetings.

5.2.3 The election of directors by the UNIT OWNERS shall be in the manner set forth in the CONDOMINIUM ACT and any rules promulgated thereunder, as same exist prior to the election, unless these BYLAWS are amended to provide for a different manner of electing directors as may be permitted by the CONDOMINIUM ACT.

5.3 Term of Office. All directors elected by the UNIT OWNERS shall hold office until the next annual meeting of the UNIT OWNERS and until their successors are duly elected, or until such director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the ARTICLES.

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 at such place and time as shall be determined by the directors.

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.

5.6 Special Meetings. Special meetings of the BOARD may be called by any director, or by the president, at any time.

5.7 Notice of Meetings. Notice of each meeting of the BOARD shall be given by the secretary, or by any other officer or director, which notice shall state the day, place and hour of the meeting. Except in the case of an emergency where necessary to protect life or property, notice of such meeting shall be delivered to each director either personally or by telephone or telegraph, at least 48 hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, addressed to such director at his residence, or usual place of business, at least three 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 who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in any notice or waiver of notice of such meeting.

5.8 Attendance at BOARD Meetings. All meetings of the BOARD and any committee

thereof at which a quorum of the members of that committee are present shall be open to all UNIT OWNERS and INSTITUTIONAL MORTGAGEES. Any UNIT OWNER may tape record or videotape meetings of the BOARD. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The ASSOCIATION may adopt reasonable rules governing the frequency, duration and manner of UNIT OWNER statements. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property of each CONDOMINIUM operated by the ASSOCIATION at least 48 continuous hours preceding the meeting, except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the BOARD. Such emergency action shall be noticed and ratified at the next regular meeting of the BOARD. However, written notice of any meeting at which non-emergency special ASSESSMENTS or at which amendment to rules regarding UNIT use will be considered shall be mailed or delivered to the UNIT OWNERS and posted conspicuously on the CONDOMINIUM property of each CONDOMINIUM operated by the ASSOCIATION not less than 14 days prior to the meeting. Evidence of compliance with this 14 day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the ASSOCIATION. Upon notice to the UNIT OWNERS, the BOARD shall by duly adopted rule designate a specific location on the CONDOMINIUM PROPERTY of each CONDOMINIUM operated by the ASSOCIATION or ASSOCIATION PROPERTY upon which all notices of BOARD meetings shall be posted. If there is no CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which notices can be posted, notices of BOARD meetings shall be mailed or delivered at least 14 days before the meeting to the OWNER of each UNIT. Notice of any meeting in which regular ASSESSMENTS against UNIT OWNERS are to be considered for any reason shall specifically contain a statement that ASSESSMENTS will be considered and the nature of any ASSESSMENTS.

5.9 Quorum and Manner of Acting. A majority of the directors determined in the manner provided in these BYLAWS shall constitute a quorum for the transaction of any business at a meeting of the BOARD. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number of directors is required by statute, the CONDOMINIUM ACT, or the CONDOMINIUM DOCUMENTS. A director who is present at a meeting of the BOARD at which action on any matter is taken shall be presumed to have assented to the action taken, unless the director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote proxy or by secret ballot at BOARD meetings, except that officers may be elected by secret ballot. A vote or abstention for each director present shall be recorded in the minutes. A director may join by written concurrence in any action taken at a meeting of the BOARD but such concurrence may not be used for the purposes of creating a quorum.

5.10 Adjourned Meetings. A majority of the directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the BOARD to another place and time. Notice of any such adjourned meeting shall be given as in the case of any other meeting of the BOARD.

5.11 Presiding Officer. The presiding officer of the BOARD meetings shall be the chairman of the BOARD if such an officer is elected; and if none, the president of the ASSOCIATION shall preside. In the absence of the presiding officer, the directors present at the meeting shall designate one of their members to preside.

5.12 Order of Business. The order of business at a BOARD meeting shall be:

- 5.12.1 Calling of roll;
- 5.12.2 Proof of due notice of meeting;
- 5.12.3 Reading and disposal of any unapproved minutes;
- 5.12.4 Reports of officers and committees;
- 5.12.5 Election of officers;
- 5.12.6 Unfinished business;



5.19 Compensation. Directors shall not be entitled to any compensation unless the UNIT OWNERS elect to pay them compensation, and set the amount of such compensation, at any meeting of the UNIT OWNERS.

5.20 Powers and Duties. The directors shall have the right to exercise all of the powers and duties of the ASSOCIATION, express or implied, existing under the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, or as otherwise provided by statute or law. Such powers and duties of the directors shall include, without limitation (except as limited elsewhere herein), the following:

5.20.1 The operation, care, upkeep and maintenance of COMMON ELEMENTS and of ASSOCIATION PROPERTY.

5.20.2 The determination of the expenses required for the operation of the CONDOMINIUM and the ASSOCIATION and the collection of ASSESSMENTS from UNIT OWNERS required to pay same.

5.20.3 The acquisition, sale and transfer of ASSOCIATION PROPERTY, except that the ASSOCIATION shall not sell, convey or transfer any real property without the consent of a majority of the UNIT OWNERS, and shall not sell, convey or transfer any real property upon which any recreational facilities are located without the consent of 90% of the UNIT OWNERS.

5.20.4 The employment and dismissal of personnel necessary for the maintenance and operation of the COMMON ELEMENTS and ASSOCIATION PROPERTY.

5.20.5 The adoption and amendment of rules and regulations for the operation and use of the use, maintenance and appearance of the UNITS, and the use of the COMMON ELEMENTS and the ASSOCIATION PROPERTY.

5.20.6 Maintaining bank accounts on behalf of the ASSOCIATION and designating signatories required therefor.

5.20.7 Purchasing, leasing or otherwise acquiring UNITS in the name of the ASSOCIATION, or its designee, and selling, leasing, mortgaging or otherwise dealing with UNITS acquired by the ASSOCIATION.

5.20.8 Obtaining and reviewing insurance.

5.20.9 Making of repairs, additions and improvements to, or alterations of, CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY, and repairs to and restoration of CONDOMINIUM PROPERTY and ASSOCIATION PROPERTY, in accordance with the provisions of the DECLARATION, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

5.20.10 The enforcement of the obligations of the UNIT OWNERS, the allocation of profits and expenses, and the performance of anything and everything else necessary and proper for the sound management of the CONDOMINIUM.

5.20.11 Levying reasonable fines against UNIT OWNERS for violations of the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS.

5.20.12 Borrowing money on behalf of the ASSOCIATION when required in connection with the operation, care, upkeep, and maintenance of the COMMON ELEMENTS and ASSOCIATION PROPERTY; provided, however, that (i) the consent of the UNIT OWNERS of at least two-thirds (2/3) of the UNITS, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these BYLAWS, shall be required for the borrowing of any sum in excess of \$10,000.00., and (ii) no lien to secure repayment of any sum borrowed may be created on any UNIT without the consent of the owner of such UNIT. If any sum borrowed by the BOARD on behalf of the ASSOCIATION pursuant to the authority contained in this subparagraph is not repaid by the ASSOCIATION, a UNIT OWNER, who pays to the creditor a proportion thereof equal to his percentage interest in the COMMON ELEMENTS, shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or

5.12.7 New business; and

5.12.8 Adjournment

5.13 Minutes of Meetings. The minutes of all meetings of the BOARD shall be kept in a book available for inspection by the UNIT OWNERS or their authorized representatives, and the directors at any reasonable time and upon reasonable notice. The ASSOCIATION shall retain these minutes for a period of not less than seven years.

5.14 Committees. The BOARD may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the BOARD from time to time, which may include any powers which may be exercised by the BOARD and which are not prohibited by law from being exercised by a committee.

5.15 Resignation. Any director may resign at any time by giving written notice of his resignation to another director or officer. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.16 Removal of Directors. Directors may be recalled and removed from office as provided by the CONDOMINIUM ACT.

5.17 Vacancies.

5.17.1 Vacancies in the BOARD may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director, and a director so chosen shall hold office until the next annual election and until his successor is duly elected, unless sooner displaced. If there are no directors, then a special election of the UNIT OWNERS shall be called to elect the directors. Notwithstanding anything contained herein to the contrary, the DEVELOPER at all times shall have the right to appoint the maximum number of directors permitted by the CONDOMINIUM ACT and by the ARTICLES, and any vacancies on the BOARD may be filled by the DEVELOPER to the extent that the number of directors then serving on the BOARD which were appointed by the DEVELOPER is less than the number of directors the DEVELOPER is then entitled to appoint.

5.17.2 In the event the ASSOCIATION fails to fill vacancies on the BOARD sufficient to constitute a quorum in accordance with these BYLAWS, any UNIT OWNER may apply to the Circuit Court of the County in which the CONDOMINIUM is located for the appointment of a receiver to manage the affairs of the ASSOCIATION. At least thirty (30) days prior to applying to the Circuit Court, the UNIT OWNER shall mail to the ASSOCIATION and post in a conspicuous place on the CONDOMINIUM PROPERTY a notice describing the intended action giving the ASSOCIATION the opportunity to fill the vacancies. If during such time the ASSOCIATION fails to fill the vacancies, the UNIT OWNER may proceed with the petition. If a receiver is appointed, the ASSOCIATION shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all powers and duties of a duly constituted member of the BOARD, and shall serve until the ASSOCIATION fills vacancies on the BOARD sufficient to constitute a quorum.

5.18 Directors Appointed by the DEVELOPER. Notwithstanding anything contained herein to the contrary, the DEVELOPER shall have the right to appoint the maximum number of directors in accordance with the privileges granted to the DEVELOPER pursuant to the CONDOMINIUM ACT and the ARTICLES. All directors appointed by the DEVELOPER shall serve at the pleasure of the DEVELOPER, and the DEVELOPER shall have the absolute right, at any time, and in its sole discretion, to remove any director appointed by it, and to replace such director with another person to serve on the BOARD. Replacement of any director appointed by the DEVELOPER shall be made by written instrument delivered to any officer or any other director, which instrument shall specify the name of the person designated as successor director. The removal of any director and the designation of his successor by the DEVELOPER shall become effective immediately upon delivery of such written instrument by the DEVELOPER.

shall have the right to file against the UNIT OWNER'S UNIT. Notwithstanding the foregoing, the ASSOCIATION shall provide for ASSESSMENTS against the UNITS in an amount which is not less than that required to provide funds in advance for the payment of all of the anticipated current operating expenses, and for all of the unpaid operating expenses previously incurred by the ASSOCIATION.

5.20.13 Contracting for the management and maintenance of CONDOMINIUM PROPERTY and ASSOCIATION PROPERTY authorizing a management agent or company (which may be an affiliate of the DEVELOPER) to assist the ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, preparation of budgets, collection of ASSESSMENTS and other monies owed to the ASSOCIATION, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON ELEMENTS and ASSOCIATION PROPERTY with funds as shall be made available by the ASSOCIATION for such purposes, as well as exercising such other powers and rights delegated to it by the ASSOCIATION, which powers and rights are vested in the ASSOCIATION by virtue of the CONDOMINIUM DOCUMENTS and the CONDOMINIUM ACT. The ASSOCIATION and its directors and officers shall, however, retain at all times the powers and duties granted by all CONDOMINIUM documents and the CONDOMINIUM ACT, including, but not limited to, the making of ASSESSMENTS, promulgation of rules, and execution of contracts on behalf of the ASSOCIATION.

5.20.14 Exercising all powers specifically set forth in the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

5.20.15 Entering into the UNITS during reasonable hours, when necessary for the maintenance, repair or replacement of any COMMON ELEMENTS or of any portion of a UNIT to be maintained by the ASSOCIATION pursuant to the DECLARATION or as necessary to prevent damage to the COMMON ELEMENTS or to a UNIT or UNITS.

5.20.16 Collecting delinquent ASSESSMENTS and other monies owed to the ASSOCIATION by suit or otherwise, abating nuisances, and enjoining or seeking damages from UNIT OWNERS for violations of the CONDOMINIUM DOCUMENTS.

## 6. OFFICERS.

6.1 Members and Qualifications. The officers of the ASSOCIATION shall include a president, a vice president, a treasurer and a secretary, all of whom shall be elected by the directors and may be pre-emptively removed from office with or without cause by the directors. Any person may hold two or more offices except that the president shall not also be the secretary. The BOARD may, from time to time, elect such other officers and designate their powers and duties as the BOARD shall find to be appropriate to manage the affairs of the ASSOCIATION from time to time. Each officer shall hold office until the meeting of the BOARD following the next annual meeting of the UNIT OWNERS, or until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these BYLAWS.

6.2 Resignations. Any officer may resign at any time by giving written notice of his resignation to any director or officer. Any such resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

6.3 Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these BYLAWS for the regular election or appointment of such office.

6.4 The President. The president shall be the chief executive officer of the ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of president of an association or corporation including, but not limited to, the power to appoint committees from among the UNIT OWNERS from time to time, as he may in his discretion deem

appropriate to assist in the conduct of the affairs of the ASSOCIATION.

6.5 The Vice President. The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of the president. He shall also assist the president generally and exercise such other powers and perform such other duties as may be prescribed by the directors.

6.6 The Secretary. The secretary shall prepare and keep the minutes of all proceedings of the directors and the UNIT OWNERS. He shall attend to the giving and serving of all notices to the UNIT OWNERS and directors and other notices required by law. He shall have custody of the seal of the ASSOCIATION and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the ASSOCIATION, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association, and as may be required by the directors or the president.

6.7 The Treasurer. The treasurer shall have custody of all property of the ASSOCIATION, including funds, securities, and evidences of indebtedness. He shall keep books of account for the ASSOCIATION in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the BOARD for examination at reasonable times. He shall submit a Treasurer's Report to the BOARD at reasonable intervals and shall perform all other duties incident to the office of treasurer. He shall collect all ASSESSMENTS and other monies owed to the ASSOCIATION and shall report to the BOARD the status of collections as requested.

6.8 Compensation. The officers shall not be entitled to compensation unless the BOARD specifically votes to compensate them. However, neither this provision, nor the provision that directors will not be compensated unless otherwise determined by the UNIT OWNERS, shall preclude the BOARD from employing a director or an officer as an employee of the ASSOCIATION and compensating such employee, nor shall they preclude the ASSOCIATION from contracting with a director for the management of property subject to the jurisdiction of the ASSOCIATION, or for the provision of services to the ASSOCIATION, and in either such event to pay such director a reasonable fee for such management or provision of services.

7. OFFICIAL RECORDS. From the inception of the ASSOCIATION, the ASSOCIATION shall maintain all official records as required by Florida Statutes, Section 718.111(12).

## 8. FINANCES AND ASSESSMENTS.

### 8.1 Adoption of the Budget.

8.1.1 Not less than 30 days prior to the commencement of any fiscal year of the ASSOCIATION, the BOARD shall adopt a budget for such fiscal year, necessary to defray the COMMON EXPENSES for such fiscal year. The proposed annual budget of the ASSOCIATION shall be detailed and shall show the amounts budgeted by accounts in expense classifications including, where applicable, but not limited to the following: administration of the ASSOCIATION, management fees, maintenance, expenses for recreational and other commonly used facilities, taxes upon ASSOCIATION property, taxes upon leased areas, insurance, security provisions, other expenses, operating capital, reserves, and any fees payable to the Division of Florida Land Sales, Condominiums and Mobile Homes. In addition, if the ASSOCIATION maintains LIMITED COMMON ELEMENTS with the cost to be shared only by those entitled to use the LIMITED COMMON ELEMENTS, the budget or schedule attached thereto shall show the amounts budgeted therefor.

8.1.2 Reserves. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The ASSOCIATION may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item

caused by deferred maintenance. This paragraph does not apply to budgets in which the members of the ASSOCIATION have, by a majority vote at a duly called meeting of the ASSOCIATION, determined for a fiscal year to provide no reserves or reserves less adequate than required by the CONDOMINIUM ACT. Prior to turnover the DEVELOPER may cast votes for DEVELOPER owned UNITS to waive or reduce the funding of reserves during the two first fiscal years of the ASSOCIATION only, beginning with the recording of the DECLARATION. If a meeting of the UNIT OWNERS has been called determined to provide no reserves or reserves less adequate than required and such result is not obtained or a quorum is not obtained, the reserves as included in the budget shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests voting in person or by limited proxy present at a duly called meeting of the UNIT OWNERS.

8.1.3 The BOARD shall mail, or cause to be mailed, a meeting notice and copies of the proposed annual budget of COMMON EXPENSES to all UNIT OWNERS not less than fourteen days prior to the meeting at which the budget will be considered by the directors, which meeting shall be open to the UNIT OWNERS.

8.1.4 If an adopted budget requires ASSESSMENTS against UNIT OWNERS in any fiscal or calendar year exceeding 115% of ASSESSMENTS for the preceding year, the BOARD, upon written application of 10% of the UNIT OWNERS to the BOARD, shall call a special meeting of the UNIT OWNERS within thirty (30) days after the presentation of such application, upon not less than ten (10) days' written notice to each UNIT OWNER. At the special meeting so called, UNIT OWNERS shall consider and ratify the budget, or enact an alternate budget, by a vote of not less than a majority of all UNIT OWNERS. In the alternative, the BOARD may propose any budget to the UNIT OWNERS at a meeting of the UNIT OWNERS or in writing, and if the budget or proposed budget is approved by the UNIT OWNERS at the meeting or by a majority of all UNIT OWNERS in writing, the budget shall be adopted. In determining whether ASSESSMENTS exceed 115% of similar ASSESSMENTS in prior years, any authorized provisions for reasonable reserves for repair or replacement of the CONDOMINIUM PROPERTY, expenses by the ASSOCIATION which are not anticipated to be incurred on a regular or annual basis, or ASSESSMENTS for betterments to the CONDOMINIUM PROPERTY shall be excluded from the computation. However, as long as the DEVELOPER is in control of the BOARD, the BOARD shall not impose an ASSESSMENT for any year greater than 115% of the prior fiscal or calendar year's ASSESSMENT without approval of a majority of all of the UNIT OWNERS.

8.1.5 If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the COMMON EXPENSES of the ASSOCIATION for the fiscal year which the adopted budget applies to, the BOARD may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption, and any necessary UNIT OWNER approval, of an amended budget.

## 8.2 ASSESSMENTS and ASSESSMENT Roll.

8.2.1 As soon as practicable after the adoption of a budget, or an amended budget, the BOARD shall fix and determine the amount and frequency of ASSESSMENTS to be made against the UNIT OWNERS, pursuant to the DECLARATION. However, ASSESSMENTS shall be made against the UNIT OWNERS not less frequently than quarterly, and in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The periodic ASSESSMENTS to be made against the UNIT OWNERS, whether quarterly, monthly or otherwise, shall be equal for each period unless the BOARD determines unequal periodic payments of ASSESSMENTS are required to provide funds in advance for the expenses of the ASSOCIATION, including previously incurred and unpaid expenses. As soon as practicable after the determination of the ASSESSMENTS to be made against the UNIT OWNERS, the ASSOCIATION shall notify the UNIT OWNERS, in writing, of the amount of such UNIT OWNERS' ASSESSMENT, the time or times when same are due, and the method of the payment of same.

8.2.2 From time to time the BOARD shall have the right to, by majority vote, adopt special ASSESSMENTS or ASSESSMENTS for emergencies with respect to the CONDOMINIUM. Any such special ASSESSMENTS or ASSESSMENTS for emergencies shall

not be deemed an amendment to the budget of the ASSOCIATION, and shall not require the approval of the UNIT OWNERS, so long as the ASSESSMENTS are made for items which are not anticipated to be incurred on a regular or annual basis, or are for betterments to the CONDOMINIUM PROPERTY or to any property owned by the ASSOCIATION. Upon the adoption of any such special ASSESSMENT, or ASSESSMENT for an emergency, the BOARD shall determine the amount of same required to be paid by any UNIT OWNER, which shall be in the same proportion as a UNIT OWNER'S share of the COMMON EXPENSES of the CONDOMINIUM, and shall notify the UNIT OWNERS of the amount of their ASSESSMENTS, and when and where same shall be paid.

8.2.3 The ASSOCIATION shall maintain an ASSESSMENT roll for each UNIT, designating the name and current mailing address of the UNIT OWNER, the amount of each ASSESSMENT against such UNIT OWNER, the dates and amounts in which the ASSESSMENTS come due, the amounts paid upon the account of the UNIT OWNER, and the balance due.

8.3 Depositories. The funds of the ASSOCIATION shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the BOARD from time to time. All funds may be deposited in a single fund or divided into more than one fund, as determined by the BOARD. All funds shall be maintained separately in the ASSOCIATION'S name. Reserve and operating funds of the ASSOCIATION shall not be commingled. Funds shall be withdrawn only upon checks and demands for money signed by such officers, directors or other persons as may be designated by the BOARD.

8.4 Fidelity Bonds. The ASSOCIATION shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the ASSOCIATION in the principal sum of not less than required by the DECLARATION and by the CONDOMINIUM ACT. The ASSOCIATION shall bear the cost of bonding. However, in the case of a person providing management services to the ASSOCIATION and required to be licensed pursuant to applicable Florida Statutes, the cost of bonding may be reimbursed by the ASSOCIATION; all such persons providing management services to the ASSOCIATION shall provide the ASSOCIATION with a certificate of insurance evidencing compliance with this paragraph.

8.5 Accounting Records and Reports. The ASSOCIATION shall maintain accounting records for the CONDOMINIUM according to good accounting practices. The records shall be open to inspection by UNIT OWNERS and INSTITUTIONAL MORTGAGEES or their authorized representatives, at reasonable times and upon reasonable notice, and written summaries of the reports shall be supplied at least annually to UNIT OWNERS or their authorized representatives. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) the ASSESSMENT roll of the UNIT OWNERS referred to above. The BOARD may, and upon the vote of a majority of the UNIT OWNERS or at the request of any INSTITUTIONAL LENDER shall, conduct a review of the accounts of the ASSOCIATION for the immediately preceding fiscal year by a certified public accountant, and if such a review is made, a copy of the report shall be furnished to each UNIT OWNER, or their authorized representative, within fifteen days after same is completed.

8.6 Reports. The ASSOCIATION shall cause to be prepared and sent each UNIT OWNER, financial reports as required by the CONDOMINIUM ACT.

9. FINING PROCEDURE. Prior to imposing any fine against UNIT OWNER or tenant, the UNIT OWNER or tenant shall be afforded an opportunity for a hearing after reasonable notice to the UNIT OWNER or tenant of not less than 14 days, which notice shall include (i) a statement of the date, time and place of the hearing, (ii) a statement of the provisions of the DECLARATION, BYLAWS or Rules and Regulations which have allegedly been violated, and (iii) a short and plain statement of the matters asserted by the ASSOCIATION. The UNIT OWNER or tenant shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the ASSOCIATION. The hearing must be held before a committee of other UNIT OWNERS, which may consist of the directors of the ASSOCIATION. At the hearing, the COMMITTEE shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred, and if the COMMITTEE so determines, it may impose such fine as it deems appropriate by written notice to the UNIT OWNER or tenant. If the COMMITTEE does not

agree with the fine, the fine may not be levied. The amount of any fine shall be determined by the BOARD, but shall not exceed any maximum amount specified in the CONDOMINIUM ACT. If the UNIT OWNER or tenant fails to attend the hearing as set by the BOARD, the UNIT OWNER or tenant shall be deemed to have admitted the allegations contained in the notice to the UNIT OWNER or tenant. Any fine imposed by the BOARD shall be due and payable within ten (10) days after written notice of the imposition of the fine, or if a hearing is timely requested within ten (10) days after written notice of the BOARD'S decision at the hearing. If not paid when due all of the provisions of this DECLARATION relating to the late payment of monies owed to the ASSOCIATION shall be applicable except as otherwise provided by the CONDOMINIUM ACT. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the ASSOCIATION shall have the right to evict the tenant as hereinafter provided.

10. INQUIRIES. When a UNIT OWNER files a written inquiry by certified mail with the BOARD, the BOARD shall respond to the UNIT OWNER in accordance with the provisions of Florida Statutes, Section 718.112(2)(a)2, and any other provisions of the CONDOMINIUM ACT, and any rules promulgated thereunder.

11. ARBITRATION OF DISPUTES. Prior to the institution of court litigation, the parties to a "dispute" shall petition the Division of Florida Land Sales, Condominiums and Mobile Homes for non-binding arbitration, which shall be conducted in accordance with Florida Statutes, Section 718.1255, which Statute is hereby incorporated in its entirety by reference. For purposes of this paragraph, the term "dispute" means any disagreement between two or more parties that involves:

11.1 The authority of the BOARD under the CONDOMINIUM ACT or any CONDOMINIUM DOCUMENT to:

11.1.1 Require any UNIT OWNER to take any action or not to take any action involving that UNIT OWNER'S UNIT.

11.1.2 Alter or add to a COMMON ELEMENT.

11.2 The failure of a governing body, when required by the CONDOMINIUM ACT or a CONDOMINIUM DOCUMENT, to:

11.2.1 Properly conduct elections.

11.2.2 Give adequate notice of meetings or other actions.

11.2.3 Properly conduct meetings.

11.2.4 Allow inspection of books and records.

"Dispute" does not include any disagreement that primarily involves title to any UNIT or COMMON ELEMENT; the interpretation or enforcement of any warranty; or the levy of a fee or assessment, or the collection of an assessment levied against a party.

## 12. PARLIAMENTARY RULES

12.1 Roberts' Rules of Order (latest edition) shall govern the conduct of the ASSOCIATION meetings when not in conflict with any CONDOMINIUM DOCUMENTS.

## 13. AMENDMENTS.

Except as otherwise provided, these BYLAWS may be amended in the following manner:

13.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

13.2 Initiation. A resolution to amend these BYLAWS may be proposed either by any director, or by or at the direction of ten (10%) percent or more of the UNIT OWNERS. No BYLAW shall be revised or amended by reference to its title or number only. Proposals to amend

existing BYLAWS shall contain the full text of the BYLAWS to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Bylaw. See Bylaw for present text." Non-material errors or omissions in the BYLAW process shall not invalidate an otherwise properly promulgated amendment.

### 13.3 Adoption of Amendments.

13.3.1 A resolution for the adoption of the proposed amendment shall be adopted either: (a) by unanimous vote of all of the directors; or (b) by not less than a majority of the votes of all of the UNIT OWNERS. Any amendment approved by the UNIT OWNERS may provide that the BOARD may not further amend, modify or repeal such amendment.

13.3.2 Notwithstanding anything contained herein to the contrary, until a majority of the BOARD is elected by UNIT OWNERS other than the DEVELOPER, these BYLAWS may be amended by majority vote of the BOARD without the vote or approval of the UNIT OWNERS.

13.3.3 Notwithstanding anything contained herein to the contrary, these BYLAWS may be amended by the unanimous vote of the BOARD without the vote or approval of the UNIT OWNERS, if the purpose of such amendment is solely to conform these BYLAWS to the CONDOMINIUM ACT, including any amendments to the CONDOMINIUM ACT hereafter adopted.

13.4 No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of UNIT OWNERS without approval by all of the UNIT OWNERS and the joinder of all record owners of mortgages upon the UNITS. No amendment shall be made that is in conflict with the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS. So long as the DEVELOPER owns any UNIT no amendment shall be made without the written joinder of the DEVELOPER.

13.5 No amendment to these BYLAWS shall be made which discriminates against any UNIT OWNER(S), without the written approval of all of the UNIT OWNERS so discriminated against or affected.

13.6 Execution and Recording. No modification of, or amendment to, the BYLAWS shall be valid until recorded in the public records of the county in which each CONDOMINIUM is located.

14. RULES AND REGULATIONS. From time to time the BOARD may enact rules and regulations governing the use, maintenance and appearance of, the UNITS, and the use of the COMMON ELEMENTS and the ASSOCIATION PROPERTY, not in conflict with the CONDOMINIUM ACT or the other CONDOMINIUM DOCUMENTS. Any such rule or regulation may be enforced by the ASSOCIATION against any UNIT OWNER. Any such rule or regulation may be repealed, but not modified or amended, by a vote of the UNIT OWNERS, and any such rule or regulation repealed by the UNIT OWNERS may not be re-enacted by the BOARD without the approval of a majority of the UNIT OWNERS. However, the UNIT OWNERS shall not have the right to enact any rule or regulation.

15. CERTIFICATE OF COMPLIANCE AS TO FIRE AND LIFE SAFETY CODE. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the BOARD as evidence of compliance of the CONDOMINIUM UNITS to the applicable CONDOMINIUM Fire and Life Safety Code.

### 16. MISCELLANEOUS.

16.1 Tenses and Genders. The use of any gender or of any tense in these BYLAWS shall refer to all genders or to all tenses, wherever the context so requires.

16.2 Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in



full force and effect.

16.3 Conflicts. In the event of any conflict, the CONDOMINIUM ACT (as same may be amended from time to time), the DECLARATION, the ARTICLES, these BYLAWS, and the Rules and Regulations of the ASSOCIATION shall govern, in that order.

16.4 Captions. Captions are inserted herein only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these BYLAWS or the intent of any provisions hereof.

16.5 Waiver of Objections. The failure of the BOARD or any officers of the ASSOCIATION to comply with any terms and provisions of the CONDOMINIUM DOCUMENTS which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such failure shall be waived if it is not objected to by a UNIT OWNER within ten (10) days after the UNIT OWNER is notified, or becomes aware, of the failure. Furthermore, if such failure occurs at a general or special meeting, the failure shall be waived as to all UNIT OWNERS who received notice of the meeting or appeared and failed to object to such failure at the meeting.

17. MULTIPLE CONDOMINIUMS. It is acknowledged that in accordance with the ARTICLES, the ASSOCIATION may operate more than one CONDOMINIUM. In that event, all of the terms of these BYLAWS shall be deemed modified to refer to all of the CONDOMINIUMS operated by the ASSOCIATION, and in addition the following provisions shall apply:

17.1 Matters relating to the ASSOCIATION as a whole, or which affect the rights and interest of all of the UNIT OWNERS in all of the CONDOMINIUMS operated by the ASSOCIATION shall be voted on by the UNIT OWNERS at large. Any matters relating to only one or more CONDOMINIUM(S) which do not affect the ASSOCIATION as a whole or the rights and interests of the UNIT OWNERS in any other CONDOMINIUM(S) operated by the ASSOCIATION, shall be voted upon only by the UNIT OWNERS owning UNITS in the CONDOMINIUMS to which the matter relates, and in that event the presence in person or by proxy of persons entitled to cast the votes for one-third (1/3) of the UNITS in such CONDOMINIUM(S) shall constitute a quorum. The decision as to whether a matter should be voted upon by UNIT OWNERS in less than all of the CONDOMINIUMS operated by the ASSOCIATION, or by the UNIT OWNERS at large, shall be determined by the BOARD, and their determination shall, in the absence of bad faith, be presumed correct.

17.2 In the event the owners of UNITS within less than all of the CONDOMINIUMS are entitled to vote on any matter for which a special meeting is called, only the UNIT OWNERS within such CONDOMINIUM shall be entitled to notice and to attend such meeting.

17.3 Until such time as one director is elected or appointed from each CONDOMINIUM, no two directors shall be elected or appointed from any one CONDOMINIUM, unless no person from a CONDOMINIUM is nominated at a meeting to elect directors or no person nominated from a CONDOMINIUM is able or willing to serve. For these purposes, any UNIT OWNER or any person who is deemed a co-owner of a UNIT pursuant to Paragraph 3.3.2 of these BYLAWS shall be deemed "from the CONDOMINIUM" in which the UNIT is located.

17.4 The ASSOCIATION shall establish a separate budget for each CONDOMINIUM, and shall also establish a separate budget for the general expenses of the ASSOCIATION. The budget of the general expenses of the ASSOCIATION shall only include administrative expenses of the ASSOCIATION which do not relate to the operation of a particular CONDOMINIUM. The budgets for each CONDOMINIUM shall include all COMMON EXPENSES associated with such CONDOMINIUM and the BUILDINGS and UNITS located therein, including but not limited to casualty insurance; building and landscape maintenance and repairs; water and sewer charges; and reserves for roof repairs, painting and pavement. Each CONDOMINIUM's budget shall also include a share of the common ASSOCIATION budget, which share will be equal to the number of units in such CONDOMINIUM as compared to the total number of UNITS in all of the CONDOMINIUMS operated by the ASSOCIATION. The ASSESSMENTS payable by each UNIT in a CONDOMINIUM shall be equal to the total budget of the CONDOMINIUM, divided by the total number of UNITS in that CONDOMINIUM. It is acknowledged that as a result of the foregoing, units in one CONDOMINIUM may be required to pay ASSESSMENTS which are larger or smaller than the ASSESSMENTS payable by UNITS in another CONDOMINIUM. Notwithstanding

anything contained herein or to the contrary, the provisions of this paragraph may not be amended without the consent of a majority of the UNIT OWNERS in each CONDOMINIUM.

17.5 The ASSOCIATION shall maintain separate accounting records and separate books and records for each CONDOMINIUM it operates, and for ASSOCIATION COMMON EXPENSES. Any UNIT OWNER or INSTITUTIONAL LENDER shall be entitled to inspect the books and records of each CONDOMINIUM.

17.6 No amendment to these BYLAWS shall be made which discriminates against any CONDOMINIUM without an approval by the majority of the UNIT OWNERS within such CONDOMINIUM.

The foregoing was adopted as the BYLAWS of the ASSOCIATION at the First Meeting of the BOARD on the 17 day of Nov. 2004.

By   
Zvi Levin

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