

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 terminate the membership of the prior owner, and the transferee or new owner shall automatically become a member of the Association. Any change in ownership shall be established by recording a deed or other instrument of conveyance in the Public Records. It shall be the responsibility of any transferee of a Unit, upon recording of the instrument of conveyance in the Public Records, to notify the Association of the change in the ownership of the 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 together with the new owner's mailing address. 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 Member Register. The Secretary of the Association shall maintain a register in the office of the Association showing the names and addresses of the members of the Association. It shall be the obligation of each member of the Association to advise the secretary of any change of address of the member or of the change of ownership of the member's Unit, as set forth above. Any member who mortgages his Unit may be required to notify the Association of the name and address of his mortgagee and file a copy of the mortgage and underlying promissory note with the Association. Any member who satisfies the mortgage encumbering his Unit may also be required to notify the Association thereof and file a copy of the satisfaction of mortgage with the Association. The names and addresses of any such mortgagee shall also be maintained in the member register.

2.4 Restraint Upon Assignment of Shares in Assets. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

### 3. MEMBERSHIP VOTING.

3.1 Voting Rights. The members of the Association shall be the Owners. Each Owner shall be entitled to a vote equal to such Unit's percentage interest in the undivided Common Elements, which shall be in proportion to the square footage attributable to such Unit as compared to the total square footages attributable to all Units, as depicted in **Exhibit D** of the Declaration. Such vote may be exercised or cast by the voting interests representing each Unit in such manner as is provided for in the Condominium Documents. When more than one person holds fee simple title in any Unit, all such persons shall be members, and the vote for such Unit shall be exercised as they, among themselves, determine. However, the vote assigned herein to a Unit may only be cast together as a single block of vote. The term "majority" is used in these By-Laws and other Condominium Documents in reference to voting by Owners, the Association members and the Board as being more than fifty percent (50%). No voting interest or consent right allocated to a Unit owned by the Association will be exercised or considered for any purpose, whether for a quorum, an election, or otherwise.

3.2 Majority Vote and Quorum Requirements. The acts approved by a majority of the votes present in person or by proxy or by limited proxy at a meeting at which a quorum is present shall be binding upon all members and Owners for all purposes, except where otherwise provided by law, in the Declaration, in the Articles of Incorporation or in these By-Laws. Attendance, either in person or by proxy, of at least fifty percent (50%) of the Owners of a majority of the voting interests shall constitute a quorum for the transaction of business.

3.3 Designation of Voting Representative. If a Unit is owned by one person his right to vote shall be established by the record title to his Unit. If a Unit is owned by more than one person, any one of those persons shall be entitled to cast the vote for the Unit, however, the Owner shall designate in writing to the Association the person who shall be authorized to make such vote for the respective Unit. If a Unit is owned by a corporation, any officer, director or employee of such corporation shall be designated in writing to the Association as the person entitled to cast the vote for the Unit. In the event that more than one person claims entitlement to cast the vote for a particular Unit, the Association may require a notarized certificate signed by all the record owners of the Unit in the case of a Unit owned by more than one person, or a certificate signed by the President or Vice President and attested to by the Secretary or Assistant

Secretary of a corporation in the case of a Unit owned by a corporation, which certificate shall specify the person entitled to cast the vote of the Unit. In the event a certificate is required by the Association and no such certificate is delivered to the Association, the vote for that Unit shall not be counted, either for purposes of establishing a quorum or for any other purpose. A certificate or designation in writing shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned.

**3.4 Approval or Disapproval of Matters.** Whenever the decision of a Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner if at an Association meeting, unless the joinder of record owners is specifically required by the Declaration or by these By-Laws.

**3.5 Proxies.** At any meeting of the Owners, every Owner entitled to vote may vote in person, by limited proxy in regard to any agenda item as described in Section 718.112(2)(b)(2), Florida Statutes, and any general proxy in regard to matters other than those described in said statute. In no event shall proxies be used in electing directors, either in general elections, or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in the Act. Any proxy given shall be effective only for the specific meetings 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 is revocable at any time at the pleasure of the Owner executing it. 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. 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 it 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. The secretary of the meeting may accept proxies by facsimile.

#### 4. MEMBERSHIP 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 members. In the event any Unit is owned by a corporation, any director or officer of the corporation may attend any meeting of the members. However, the vote for any Unit shall be cast in accordance with Article 3 above. Institutional Mortgagees have the right to attend all members meetings. Owners shall have the right to participate in meetings of Owners with reference to all designated agenda items. Notwithstanding the foregoing, in the event a Owner is not in good standing (defined below) with the Association, such Owner shall be precluded from attending and participating in any meeting of the members. Good Standing is defined a Owner not being in default under any provision of the Declaration, Articles of Incorporation or these By-Laws. However, the Association may adopt reasonable rules governing the frequency, duration and manner of Unit owner participation. Any Unit owner may tape record or videotape a meeting of the Owners subject to reasonable rules adopted by the Florida Division of Land Sales, Condominium and Mobile Homes.

**4.2 Place.** All meetings of the members 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; provided, however, all meeting will be located within forty-five (45) miles from the Condominium Property.

**4.3 Notices.** 3. Notice of all members' meetings stating the time and place and the agenda for which the meeting is called shall be mailed to each member, unless waived in writing. Such notice shall be sent in writing to each member at such member's address as it appears on the books of the Association and shall be sent by mail to each member not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. An affidavit executed by the Secretary attesting to the mailing or the post office certificate of mailing shall be retained in the records of the Association as proof of such mailing. In addition, a notice of the meeting shall be posted at a conspicuous place on the Condominium Property, which location shall be duly adopted by rule by the Board, upon notice to each Owner, at least fourteen (14) continuous days prior to said meeting. Members may waive notice of specific meetings and may take action

y written agreement without meetings for those matters which are specifically provided for in the Bylaws, the Declaration, or by statute. Mortgagees, shall, upon prior written request, be entitled to receive notice of all members' meetings. Failure to provide such notice to Mortgagee does not invalidate any action taken at an otherwise properly noticed meeting. Where assessments against members are to be considered for any reason at a members' meeting, the notice shall (i) contain a statement that assessments shall be considered and (ii) specify the nature of any such assessment.

**4.4 Waiver of Notice.** Whenever any notice is required to be given to any member under the provisions of the Articles of Incorporation or these By-Laws, 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 member at a meeting shall constitute a waiver of notice of such meeting, except when the member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

**4.5 Annual Meeting.** The annual meeting for the purpose of electing members of the Board and transacting any other business shall be held at such time prior to March 31 of each year as shall be selected by the Board and as is contained in the notice of such meeting.

**4.6 Special Meetings.** Except as provided in Sections 5.14 and 7.2, special meetings of the members may be called at any time by any Director, the President or at the request, in writing by not less than twenty percent (20%) of the members, 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 members 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; provided, however, such special meeting requested by twenty percent of the members must be held within sixty (60) days of such request.

**4.7 Adjournments.** Any meeting may be adjourned or continued by a majority vote of the members present in person or by proxy or limited proxy and entitled to vote, or if no member 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, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted at the original meeting. If the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, notice of the adjourned meeting may be given to members not present at the original meeting, without giving notice to the members that were present at such meeting.

**4.8 Organization.** At each meeting of the members, the President, the Vice President or any person chosen by a majority of the members present, in that order, shall act as chair of the meeting. The Secretary, or in his absence or inability to act, any person appointed by the chair of the meeting, shall act as secretary of the meeting.

**4.9 Order of Business.** The order of business at the annual meetings of the members shall be:

- (a) Determination of chairman of the meeting;
- (b) Calling of the roll and certifying of proxies;
- (c) Proof of notice of meeting or waiver of notice;
- (d) Reading and disposal of any unapproved minutes;
- (e) Election of inspectors of election (if necessary);

- (f) Election of members of the Board;
- (g) Reports of Board, officers or committees;
- (h) Unfinished business;
- (i) New business; and
- (j) Adjournment.

Notwithstanding the foregoing, if any item listed above is not relevant to a particular meeting, as determined by the Board in the Board's sole and absolute judgment, such item will not be required to be addressed at that particular meeting.

4.10 Developer Approval. For so long as the Developer holds Units for sale or lease in the ordinary course of business, none of the following actions may be taken without the prior approval in writing by the Developer: (i) Assessment of the Developer as the Owner of Units for capital improvements; (ii) Any action by the Association that would be detrimental to the sale or lease of Units by the Developer; (iii) Any action by the Association that would interfere with or be detrimental to the use of Units by the Developer, or an entity affiliated with the Developer, as part of a hotel operation; and (iv) Any other action by the Association for which the Condominium Documents require the prior written approval of the Developer.

4.11 Minutes. The Association shall maintain minutes of each meeting of the members and of the Board. Such minutes shall be kept in a business-like manner and shall be available for inspection by the members of their authorized representatives and the members of the Board at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4.12 Official Records.

(a) From the inception of the Association, the Association shall maintain a copy, where applicable, of each of the following documents and other items and such documents shall constitute the official records of the Association:

- (i) The plans, permits, warranties and other items provided by the developer pursuant to Section 718.301(4), Florida Statutes;
- (ii) A photocopy of the recorded Declaration and all amendments thereto;
- (iii) A photocopy of the By-Laws and all amendments thereto;
- (iv) A certified copy of the Articles of Incorporation or other documents creating the Association and all amendments thereto;
- (v) A copy of the Condominium Rules and Regulations;
- (vi) A book or books containing the minutes of all meetings of the Association, of the Board and of the Owners, which minutes shall be retained for a period of not less than seven (7) years;
- (vii) A current roster of all Owners, their mailing addresses, Unit identifications, voting certifications and, if known, telephone numbers;

(viii) All current insurance policies of the Association and the Condominium operated by the Association;

(ix) A current copy of any management agreement, lease or other contract(s) to which the Association is a party or under which the Association or the Owners have an obligation or responsibility;

(x) Bills of sale or transfer for all property owned by the Association;

(xi) Accounting records for the Association and the Common Elements it operates according to good accounting practices. All accounts records shall be maintained for a period of not less than seven (7) years. The accounting records shall include, but are not limited to:

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

(2) A current account and a monthly, bimonthly or quarterly statement of the account for each Unit designating the name of the Owner, the due date and amount of each Assessment, the amount paid upon the account and the balance due;

(3) All audits, reviews, accounting statements and financial reports of the Association or Condominium; and

(4) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year.

(xii) Ballots, sign-in sheets, voting proxies and all other papers relating to voting by Owners that shall be maintained for a period of one (1) year from the date of the election, vote or meeting to which the document relates.

(b) The official records of the Association shall be maintained within the state. The records of the Association shall be made available to a Owner within five (5) working days after receipt of written request by the Board or its designee. This sub-section may be complied with by having a copy of the official records of the Association available for inspection or copying on the Condominium Property or Association Property.

(c) The official records of the Association shall be open to inspection by any Association member or the authorized representative of such member at all reasonable times. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association member. A Owner who is denied access to official records is entitled to three times the actual damages or minimum damages for the Association's willful failure to comply with this sub-section. The minimum damages shall be \$50.00 per calendar day up to ten (10) days, the calculation to begin on the 11<sup>th</sup> working day after receipt of the written request. Notwithstanding the provisions of this sub-section, the following records shall not be accessible to Owners:

(i) A record which was prepared by an Association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy or legal theory of the attorney or the Association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings;

(ii) Information obtained by an Association in connection with the approval of the lease, sale, or other transfer of a Unit;

4.13 Actions Without a Meeting. Any action required or permitted to be taken at any meeting other than an annual meeting of the members of the Association may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice shall be given to those members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If 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 Section 3.3 above.

## 5. MEMBERS OF THE BOARD OF DIRECTORS.

5.1 Membership. The affairs of the Association shall be managed by a Board of three (3) or five (5) members. The initial board shall consist of three (3) members. The terms of the members of the Board shall be staggered as set forth below in Section 5.2(a).

5.2 Election of Members of Board by Members. Election of the members of the Board to be elected by the members of the Association shall be conducted in the following manner:

(a) The members shall elect members of the Board at the annual members' meetings. If there is only one candidate for election to fill each vacancy, no election is required. Except as otherwise required to achieve staggered terms of service pursuant to Section 5.1, members of the Board who are elected by Owners other than the Developer at the annual meeting of members serve for a two (2) year term and thereafter until a successor is duly elected or qualified or until the director is removed in the manner elsewhere provided. Where necessary to achieve staggered terms of service pursuant to Section 5.1, members of the Board who are elected by Owners other than the Developer may be elected to terms of service, the lengths of which may be greater or less than two (2) years as determined by the incumbent members of the Board; provided however, that such terms of service shall be not less than six (6) months in length and not greater than thirty (30) months in length.

(b) Members of the Board are elected by written ballot or voting machine. Proxies may not be used in electing the Board, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless specifically allowed by the Act. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery, including regularly published newsletters, to each Owner entitled to vote, a first notice of the date of the election. Any Owner, or other eligible person desiring to be a candidate for the Board, must give written notice to the Association not less than forty (40) days before a scheduled election. Not less than fourteen (14) days before the election, the Association shall mail or deliver a second notice of the election to all Owners entitled to vote in the election, together with a ballot listing all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ inches by 11 inches, which must be furnished by the candidate not less than thirty five (35) days before the election, to be included with the mailing of the ballot, with costs of mailing and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. Elections are decided by a plurality of those ballots cast. There is no quorum requirement; however, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election of members of the Board.

(c) The initial Board set forth in the Articles of Incorporation shall serve until the first annual meeting of the Members.

(d) Owners other than Developer are entitled to elect members of the Board at such times as are prescribed by this section and Section 718.301, Florida Statutes. Developer will designate the initial members of the Board. Developer will continue to designate from time to time all Developer positions on the Board until such time as Developer is no longer entitled to elect or designate a directors in accordance with Section 718.301, Florida Statutes. Noting in these By-Laws may be construed to preclude Developer from relinquishing control of the Board at any earlier time that Developer may so elect.. Simultaneously, the Developer shall deliver to the Association all property of the Owners and of the Association held by or controlled by the Developer including, but not limited to, the items required under Section 718.301(4), Florida Statutes.

5.3 Term. Each Director shall serve for a term of one (1) year, with such term expiring at the appropriate annual meeting, or until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided, or until he resigns.

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

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

5.6 Special Meetings. Special meetings of the Board may be called by the President at any time and must be called by the Secretary at the written request of two of the members of the Board.

5.7 Notice of Meetings. Notice of all regular and special meetings of the Board shall be given by the Secretary, or by any officer or director, which notice shall state the day, place and hour of the meeting. Notice of all regular and special meetings 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 (3) days before the day on which such meeting is to be held. Except in the case of any emergency, adequate notice of such meeting shall be posted conspicuously on the Condominium Property forty-eight (48) continuous hours in advance for the attention of Owners. 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 Owners and posted conspicuously on the Condominium Property 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 Owners, the Board shall designate, by duly adopted rule, a specific location on the Condominium Property 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 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 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 conveyed, 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. Any notice of a meeting shall specifically incorporate an identification of agenda items to be discussed at such meeting. If the subject of Assessments against Owners is to be considered for any reason, then the notice required hereunder and under Section 5.8 shall specifically contain a statement that the Assessments will be considered and the nature of any such Assessments.

5.8 Attendance at Board Meetings. All meetings of the Board or committees thereof at which a quorum is present shall be open to all members and notice of such meetings, including an agenda, shall be posted

conspicuously on the Common Elements at least forty-eight (48) hours in advance of such meeting, except in the event of an emergency. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. Such right shall be subject to such reasonable rules as may be adopted by the Association governing the frequency, duration and manner of Owners' statements. Any Owner may tape record or video tape meetings of the Board, subject to the rules adopted by the Florida Division of Land Sales, Condominiums and Mobile Homes. In the event anyone attending a meeting for the Board conducts himself in a manner that violates the reasonable rules adopted by the Association, then any director may expel said member from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. In addition, any director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a member, unless said person was specifically invited by the members of the Board to participate in such meeting. A director may appear at a Board meeting by telephone conference, but in that event a telephone speaker shall be attached so that any discussion may be heard by the members of the Board and members present as in an open meeting. A member of the Board who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting in respect thereto because of an unasserted conflict of interest.

5.9 Quorum and Manner of Acting. A majority of the members of the Board determined in the manner provided in these By-Laws shall constitute a quorum for the transaction of any business at a meeting of the Board. The act of the majority of the members of the Board 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 members of the Board is required by statute, the Act, the Declaration, the Articles or by these By-Laws. A member of the Board 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 Presiding Officer. The presiding officer of the Board meeting shall be the chair 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 members of the Board shall designate one of their members to preside.

5.11 Order of Business. The order of business at a Board meeting shall be:

- (a) Calling of roll;
- (b) Proof of due notice of meeting;
- (c) Reading and disposal of any unapproved minutes;
- (d) Reports of officers and committees;
- (e) Election of officers;
- (f) Unfinished business;
- (g) New business; and
- (h) Adjournment.

5.12 Committees. The Board may appoint committees from the membership of the Association as the Board deems appropriate to make non-binding recommendations to the Board.

5.13 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



esignation 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.

5.14 Removal of Members of the Board. Members of the Board may be removed as follows:

(a) Any member of the Board may be removed by majority vote of the remaining members of the Board, if such member has been absent for the last three consecutive Board meetings and/or adjournments and continuances of such meetings.

(b) Any member of the Board may be removed with or without cause by the vote of a majority of the members of the Association at a special meeting of the members called by any member of the Association expressly for that purpose. Notice of such meeting shall be given as required for all meetings of the members and shall state the purpose of the meeting. The provisions of Section 718.112(2)(k), Florida Statutes, as amended from time to time, shall apply to the removal of any director under this sub-section and the filing of such vacancy.

5.15 Vacancies.

(a) Vacancies in the Board shall be filled by a majority vote of the members at a special meeting.

(b) In the event the Association fails to fill vacancies on the Board sufficient to constitute a quorum in accordance with these By-Laws, any 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 Owner shall mail to the Association and post in a conspicuous place on the Common Elements a notice describing the intended action giving the Association the opportunity to fill the vacancies, the 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.

5.16 Members of the Board Appointed by the Developer. Notwithstanding anything contained herein to the contrary, the Developer shall have the right to appoint the maximum number of members of the Board in accordance with the privileges granted to the Developer pursuant to the Act and the Articles of Incorporation. The Developer shall have the absolute right, at any time, and in its sole discretion, to remove any member of the Board appointed by it, and to replace such member with another person to serve on the Board. Replacement of any member of the Board appointed by the Developer shall be made by written instrument delivered to any officer or any other member of the Board, which instrument shall specify the name of the person designated as successor member. The removal of any member of the Board and the designation of his successor by the Developer shall become effective immediately upon deliver of such written instrument by the Developer.

5.17 Compensation. Members of the Board shall not be entitled to any compensation unless the members of the Association elect to pay them compensation and set the amount of such compensation at any meeting of the members. However, members of the Board designated by the Developer shall never be entitled to compensation under any circumstances.

5.18 Powers and Duties of Board. All of the powers and duties of the Association existing under the Act, the Declaration, the Articles of Incorporation and these By-Laws shall be exercised by the Board, subject only to approval by Owners when such is specifically required. Such powers and duties of the Board shall include, but not be limited to, the following, subject to the provisions of the Declaration, the Articles of Incorporation and these By-Laws.

(a) Assess. To make and collect Assessments against members to defray the costs, expenses and losses of the Condominium.

- (b) Disburse. To use the proceeds from assessments in the exercise of its powers and duties.
- (c) Maintain. To maintain, repair, replace and operate the Common Elements.
- (d) Insure. To purchase insurance upon the Common Elements and insurance for the protection of the Association and its members, as well as liability insurance for the protection of the members of the Board and officers of the Association.
- (e) Reconstruct. To reconstruct improvements after casualty and further improve the Condominium Property pursuant to the terms of the Declaration.
- (f) Regulate. To make and amend reasonable rules and regulations respecting the use of the Common Elements in the manner provided by the Declaration, which shall include the power to impose fines for violations thereof.
- (g) Approve. To approve or disapprove the repair or replacement of any improvements or landscaping constructed on the Common Elements as provided in the Declaration.
- (h) Management Contract, Leases and Contracts. To contract for the management and maintenance of the Common Elements and to authorize the management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of Assessments, preparation of records, enforcement of rules and maintenance of the Common Elements. The Association shall, however, retain at all times the powers and duties granted it by the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of leases and contracts on behalf of the Association. Any management agreement and any other contracts or leases executed on behalf of the Association shall be terminable by the Association without cause upon thirty (30) days' written notice without payment of a termination fee, and the term of any such agreement shall not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods. When professional management has been previously utilized by the Association, any decision to establish self management shall require the consent of a majority of the Units.
- (i) Payments of Liens. To pay taxes and Assessments which are liens against any part of the Condominium other than individual Units and the appurtenances thereto, and to assess the same against the Units subject to such liens.
- (j) Enforce. To enforce by legal means provisions of the Act, the Declaration, the Articles of Incorporation, the By-Laws and the Condominium Rules and Regulations for the use of the property in the Condominium, including the enforcement by legal means of the collection of Assessments.
- (k) Utilities. To pay the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed to the Owners of individual Units.
- (l) Employment. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association. Any agreement providing for services of the Developer to the Association may not exceed three (3) years. Any such agreement must provide for the termination by either party without cause and without payment of a termination fee on thirty (30) days or less written notice.
- (m) Banking. To maintain bank accounts on behalf of the Association.
- (n) Fines. To levy fines against Owners and/or tenants for violations of the Declaration, the Articles of Incorporation, these By-Laws and the Condominium Rules and Regulations established by the Association to govern the Units in the Condominium. The Board shall establish a procedure for the levy of such fines, which procedure shall be adopted as a part of the Condominium Rules and Regulations of the Association.

(o) Purchase Units. The Association shall have the power to purchase Units in the Condominium and to hold, lease, mortgage and convey same. The Association shall have the power to own and convey property.

(p) Sue and Be Sued. To sue and be sued and appear and defend in all actions and proceedings in its corporate name to the same extent as natural person.

(q) Emergency. To respond in accordance with Section 718.1265, Florida Statutes, to damage caused by an event for which a state of emergency is declared pursuant to Section 252.36, Florida Statutes, in Orange County, Florida.

(r) Books and Records. To maintain all books and records concerning the Condominium including, but not limited to, the maintenance of a complete list of the names and addresses of all Owners, a copy of which will be provided to the Division upon request; provided, however, social security numbers, driver's license numbers, credit card numbers, and other personal information of an Owner or other person will not be accessible to other Owners or persons. All records will be maintained within the State of Florida for at least seven (7) years. The records will be made available to Owners within forty-five (45) miles of the Condominium Property or within Orange County within five (5) days after receipt of written request by the Board; provided, however, the Board may offer the option of making the records available either electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request.

5.19 Abstaining from Voting. A director who abstains from voting on any action taken on any corporate matter will be presumed to have taken no position with regard to the action.

5.20 Discharge of Duties. As required by Section 617.0930, Florida Statutes, a director will discharge his duties in good faith, with the care an ordinary prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the interests of the Association.

5.21 Liability for Damages. A director will be liable for monetary damages as provided in Section 617.0834, Florida Statutes, if such director: (i) breached or failed to perform his duties and the breach of, or failure to perform, his duties constitutes a violation of criminal law as provided in Section 617.0834, Florida Statutes; (ii) constitutes a transaction from which such director derived an improper personal benefit, either directly or indirectly; or (iii) constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

## 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 a majority of the members of the Board and may be preemptively removed from office with or without cause by the Board. Any person may hold two or more offices except that the president shall not also be the secretary or assistant 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 members, 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 By-Laws.

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 herein 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 By-Laws 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 members 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 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.

**6.6 The Secretary.** The Secretary shall prepare and keep the minutes of all proceedings of the Board and the members. He shall attend to the giving and serving of all notices to the Members of the Association and members of the Board 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 Board or the President. The duties of the Secretary may be fulfilled by a manager employed by the Association.

**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 accounts for the Association in accordance with good accounting principles 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 shall report to the Board the status of collections as requested. The duties of the treasurer may be fulfilled by a manager employed by the Association.

**6.8 Compensation.** Neither the officers nor members of the Board shall be entitled to compensation. However, neither this provision, nor the provisions that members of the Board will not be compensated unless otherwise determined by the members shall preclude the Board from employing a director or an officer or an entity related to or controlled by an officer or director as an employee or other agent of the Association and compensating such employee or agent, nor shall they preclude the Association from contracting with a director or officer or an entity related to or controlled by an officer or 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, officer or entity a reasonable fee for such management or provision of services. Under no circumstances may an individual officer designated by the Developer receive compensation for his services as such.

**6.9 Indemnification.** Every officer and every director of the Association shall be indemnified by the Association in accordance with Article 9 of the Articles of Incorporation.

**6.10 Discharge of Duties.** As required by Section 617.0930, Florida Statutes, an officer will discharge his duties in good faith, with the care an ordinary prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the interests of the Association.

**6.11 Liability for Damages.** An officer will be liable for monetary damages as provided in Section 617.0834, Florida Statutes, if such officer:

A. breached or failed to perform his duties and the breach of, or failure to perform, his duties constitutes a violation of criminal law as provided in Section 617.0834, Florida Statutes;

B. constitutes a transaction from which such director derived an improper personal benefit, either directly or indirectly; or

C. constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

## 7. FINANCES AND ASSESSMENT.

7.1 Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions:

(a) Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate when authorized and approved by the Board. The receipts shall be entered by the amounts of receipts by accounts and receipt classifications and expenses by the amounts of expenses by accounts and expense classifications.

(b) Current Expense. Current expense shall include all receipts and expenditures to be made within the year for which the receipts are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of each year shall be applied to reduce the Assessments for current expenses for the succeeding year or to fund reserves. This shall include but not be limited to:

- (1) Professional, administration and management fees and expenses;
- (2) Real Estate Taxes or other taxes levied on Common Elements or other property owned by the Association (real estate taxes on Units shall be paid by the Owners);
- (3) Fire sprinkler monitoring and serve in the Building;
- (4) Expenses for refuse collection and utility services related to the Common Elements, such as exterior lighting and irrigation, water and sewer service and retention pond for the Units;
- (5) Expenses for maintenance of landscaping and general upkeep of the grounds;
- (6) Cost for maintenance and repair of Common Elements, including the structural components of the Building and the routine maintenance of the exterior portions of the Condominium Property (*i.e.*, exterior pressure cleaning and painting, exterior window cleaning and roof repair and maintenance);
- (7) Insurance costs;
- (8) Administrative and salary expenses;
- (9) Cost for security, if overall security for the Condominium Parcel is considered necessary by the Board;
- (10) Other expenses;
- (11) Operating capital.

The Association shall not be responsible to pay any expenses related to electric, cable, telephone, telecommunication or other utility service for individual Units, except for water and sewer service that is commonly metered. To the extent any Owner engages in extraordinary usage of water and/or sewer services, the Association shall have the right to assess such Unit for the amount of such extraordinary usage. Each Owner shall also be responsible for its own janitorial service and

terior pest control. The Association shall be responsible for the maintenance of any items that are part of the overall building systems" that are common to all Units in a Building, such as plumbing, wiring, HVAC duct work, return lines and structural components of the Condominium Buildings. Maintenance of electrical and plumbing fixtures or other improvements or fixtures located in Unit, as well as condensers, compressors and air handlers shall be the responsibility of each Owner.

(c) Reserve for Deferred Maintenance. Reserve for deferred maintenance shall include funds for maintenance items that are the obligation of the Association which occur less frequently than annually.

(d) Reserve for Replacement. Reserve for replacement shall include funds for repairs or replacements that the Association is obligated to make resulting from damage, depreciation or obsolescence.

(e) Betterments. Reserve to be used for capital expenditures for additional improvements or additional personal property that will be part of the Common Elements.

7.2 Budget. The Board shall adopt a budget for each calendar year that shall include the estimated funds required to defray the current expenses and shall provide funds for the foregoing reserves.

(a) The Board shall mail or cause to be mailed a meeting notice and copies of the proposed annual budget to all members not less than fourteen (14) days prior to the meeting at which the budget will be considered by the Board, which meeting shall be open to Owners.

(b) If an adopted budget requires Assessments against Owners (members) in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of Assessments for the preceding year, the Board, upon written application of ten percent (10%) of the members to the Board, shall call a special meeting of the members within thirty (30) days after the presentation of such application, upon not less than ten (10) days written notice to each member. At the special meeting so called, Owners shall consider and ratify the budget, or enact an alternate budget, by a vote of not less than a majority of all members. In the alternative, the Board may propose any budget to the Owners at a meeting of the members or in writing, and if the budget or proposed budget is approved by the Owners at the meeting or by a majority of all Owners in writing, the budget shall be adopted. If a meeting of the Owners has been called and a quorum is not attained or a substitute budget is not adopted by the Owners, the budget adopted by the Board shall go into effect as scheduled. In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Common Elements, expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to any Common Elements shall be excluded from computation. However, as long as the Developer is in control of the Board, the Board shall not impose an Assessment (exclusive of the above excluded matters) for any year greater than one hundred fifteen percent (115%) of the prior fiscal or calendar year's Assessment without approval of a majority of all of the Owners.

(c) The proposed annual budget of the Board shall be detailed and shall show the amounts budgeted by accounts and expense classifications including, if applicable, but not limited to, the required provisions of the Act. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance and repair and replacement of recreation facilities or other Association Property that must be replaced on a periodic basis as required by the Act. These accounts shall include, but not be limited to pavement resurfacing, roof replacement and building painting. The amount to be reserved shall be computed by means of a formula that is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust Capital Reserves annually to take into account any change in estimates of extension of the useful life of a reserve item caused by deferred maintenance. Such reserve accounts may be deleted from the budget or reduced, if the non-developer membership of the Association has, by an affirmative majority vote in accordance with the Act, either in person or by limited proxy, at a duly called meeting of the Association, determined for a fiscal year to provide no reserves or reserves less adequate than set out herein. If a meeting of Owners has been called

to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the budget, shall go into effect.

(d) If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the expenses of the Association for the fiscal year to which the adopted budget applies, the Board may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption and any necessary member approval of an amended budget.

(e) Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and shall be used only for authorized reserved expenditures unless their use for other purposes is approved in advance by vote of the majority of the voting interests, voting in person or by limited proxy at a duly called meeting of the Association. Prior to turnover of control of the Association by the Developer to Owners other than the Developer pursuant to Section 718.301, Florida Statutes, the Association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all non-developer voting interests, voting in person or by limited proxy at a duly called meeting of the Association.

### 7.3 Assessments and Assessment Roll.

(a) Assessments against the Owners for their share of the items of the Budget for Common Expenses shall be made in advance on or before December 20 preceding the year for which the Assessments are made. Such Assessments shall be due on January 1 of the Assessment year but at the discretion of the Board may be payable in twelve (12) equal monthly installments, one of which shall come due on the first day of each month of the year for which the Assessments are made. In any event Assessments shall be payable not less frequently than quarterly. Assessments shall be made 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. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment and monthly payments thereon shall be due upon the first day of each month until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient or if emergency expenditures are necessary which were not anticipated in the adopted budget of the Association, the budget and Assessments may be amended at any time by the Board. The unpaid Assessment for the remaining portion of the calendar year for which the amended Assessment is made shall be due on the first day of the month next succeeding the month in which such amended Assessment is made or as otherwise provided by the Board. The first Assessment shall be determined by the Board of the Association and shall commence to accrue upon those Units in the Condominium at the time of conveyance of the first Unit by the Developer to a purchaser unless otherwise provided by the Board. For all meetings that General Assessments or Special Assessments against Owners are to be considered for any reason, the notice of such meeting must specifically state that Assessments will be considered and the nature, estimated cost, and description of the purposes for such Assessments. All meetings of the Board are open to all members of the Association.

(b) From time to time the Board shall have the right to, by majority vote, adopt Special Assessments or Assessments for emergencies. Any such Special Assessments or Assessments for emergencies shall not be deemed an amendment to the Budget for Common Expenses and shall not require the approval of the members so long as said Assessments are made for items which are not anticipated to be incurred on a regular or annual basis, or are for betterments to any common elements to any property owned by the Association. Upon the adoptions of any such Special Assessment, or Assessment for an emergency, the Board shall determine the amount of same required to be paid by any Owner, which shall be in the same proportion as a Owner's share of the expenses of the Common Elements for which the Assessment applies, and shall notify the appropriate Owners of the amount of their Assessments and when and where same shall be paid.

(c) The Association shall maintain an Assessment roll for each member of the Association designating the name and current mailing address of the Owner, the amount of each Assessment against such Owner, the

ites and amounts in which the Assessments come due, the amounts paid upon the account of the Owner and the balance due.

**7.4 Acceleration of Assessment Installments Upon Default.** If a Owner shall be in default in the payment of an installment upon an Assessment, the Board may accelerate the remaining installments of the Assessment for that fiscal year upon notice to the Unit owner, and then the unpaid balance of the Assessment shall become due upon the date stated in the notice, but not less than ten (10) days after the delivery of the notice to the Owner, or if such notice be by registered or certified mail, not less than twenty (20) days after mailing, whichever shall first occur.

**7.5 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. Funds shall be withdrawn only upon checks and demands for money signed by such officers or other persons as may be designated by the Board.

**7.6 Application of Payments and Commingling of Funds.** All sums collected by the Association from Assessments shall be maintained separately in the Association name.

**7.7 Accounting Records and Reports.** The Association shall maintain accounting records according to good accounting practices and in compliance with the Act and the regulations promulgated thereunder. The records shall be open to inspection by Owners and Institutional Mortgagees or their authorized representatives at reasonable times upon written request and written summaries of the reports shall be supplied at least annually to 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 members referred to above. If required by applicable regulations, the Board shall cause to be prepared on an annual basis financial statements that are either compiled, reviewed or audited by a certified public accountant and a copy of such financial statements shall be made available upon written request to each member or their authorized representative within fifteen (15) days after same is completed.

**7.8 Fidelity Bonds.** Section 718.111(11)(d), Florida Statutes, requires that the Association obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association, which includes, but is not limited to, those individuals authorized to sign checks and the President, Secretary and Treasurer of the Association. The Board shall determine the amounts of such bonds; provided, however, that said bonds shall be in an amount not less than that required by statute. The premiums on such bonds shall be paid by the Association.

**7.9 Parliamentary Rules.** Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with any provision of the Declaration, the Articles of Incorporation or these By-Laws.

**8. AMENDMENTS.** Except as otherwise provided, these By-Laws may be amended in the following manner:

**8.1 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.

**8.2 Initiation.** A resolution to amend these By-Laws may be proposed either by the Board or by members of the Association. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws 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 By-Law. See By-Law \_\_\_\_\_ for present text." Non-material errors or omissions in the By-Law process shall not invalidate an otherwise properly promulgated amendment.



**8.3 Adoption of Amendments.** A resolution for the adoption of the proposed amendment shall be adopted at a meeting at which a quorum is present and by two-thirds (2/3) vote of all of the members of the Association. Any amendment approved by the members may provide that the Board may not further amend, modify or repeal such amendment.

**8.4 Developer Amendments.** These By-Laws may be amended by the Developer, if necessary, to make the same consistent with the provisions of the Declaration, to meet the requirements of any governmental entity or statute, as may be in the best interests of the Association, and as it may deem appropriate, in its sole discretion, to carry out the purposes of the project and to expand or enhance the Condominium.

**8.4 Proviso.** No amendment to these By-Laws shall:

(a) Make any changes in the qualification for membership nor in the voting rights or property rights of members without approval by all of the members and the joinder of all record owners of mortgages upon the Units. No amendment shall be made that is in conflict with the Act, the Declaration or the Articles of Incorporation. Prior to the closing of the sale of all Units that will be ultimately operated by the Association, no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, the Developer, unless the Developer shall join in the execution of the amendment, including, but not limited to, any right of the Developer to appoint members of the Board.

(b) Discriminate against any Owner(s) or affect less than all of the Owners within the Condominium without the written approval of all of the Owners so discriminated against or affected.

**8.5 Execution and Recording.** No modification of or amendment to the By-Laws shall be valid until recorded in the public records of the county in which the Condominium is located.

**9. RULES AND REGULATIONS.** From time to time, the Board may enact rules and regulations governing the details of the operation and use of the Common Elements not in conflict with the Act, any provisions of the Declaration, the articles of these By-Laws. The Association may enforce any such rule or regulation against any member of the Association as applicable. Any such rule or regulation may be repealed, modified or amended by a majority vote of the members, and any such rule or regulation repealed by the members may not be re-enacted by the Board without the approval of a majority of the members. However, the members shall not have the right to enact any rule or regulation. Copies of all promulgated rules and amendments or modifications thereto shall be furnished by the Board to Owners not less than fifteen (15) days prior to the effective date thereof. At no time may any rules or regulations be promulgated, modified or rescinded to prejudice the rights reserved to the Developer.

**10. MISCELLANEOUS.**

**10.1 Tenses and Genders.** The use of any gender or of any tense in these By-Laws shall refer to all genders or to all tenses, wherever the context so requires.

**10.2 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.

**10.3 Conflicts.** In the event of any conflict, the Act, any other statute, any provision of the Declaration, the Articles of Incorporation, these By-Laws and the Condominium Rules and Regulations of the Association shall govern, in that order.

**10.4 Defined Terms.** Unless otherwise defined herein, any capitalized term herein shall have the meaning ascribed to such term in the Declaration.

10.5 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 By-Laws or the intent of any provisions hereof.

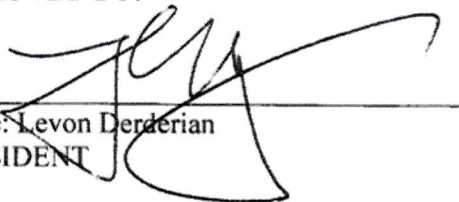
10.6 Waiver of Objections. The failure of the Board or any officers of the Association to comply with any terms and provisions of any Declaration, the Articles of Incorporation, or these By-Laws which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such failure shall be waived if it is not objected to by a member of the Association within ten (10) days after the member 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 members who received notice of the meeting or appeared and failed to object to such failure at the meeting.

10.7 Arbitration. In the event of internal "Disputes" as defined in Section 718.1255, Florida Statutes, the parties to such Dispute shall seek resolution of such Dispute by submitting such dispute to non-binding arbitration in accordance with Section 718.1255, Florida Statutes.

10.8 Florida Statutes. Except as specifically provided otherwise in these By-Laws as permitted by the Act, all provisions of Section 718.112(2)(a) through (m), Florida Statutes, are deemed to be included in these By-Laws.

The foregoing was adopted as the By-Laws of the Association at the First Meeting of the Board on the 24 day of December, 2008.

By:   
Name: David H. Derderian  
SECRETARY

APPROVED BY:  
By:   
Name: Levon Derderian  
PRESIDENT

**EXHIBIT "D"**  
**THE PERCENTAGE INTEREST IN THE COMMON ELEMENTS**  
**THAT IS APPURTENANT TO EACH UNIT.**

Each Unit within the Condominium will have an undivided percentage interest in the Common Elements and Common Surplus and a share of the Common Expenses of the Condominium on a fractional basis. This fractional interest is based on the total square footage of the Units in the Condominium at any given time. The percentage interest in the Common Elements and Common Surplus and share of the Common Expenses of a given Unit declared into the Condominium from time to time will always equal the square footage of the Unit divided by the total square footage of the Units in the Condominium at any given time. As additional phases are added to the Condominium, the respective percentage interests in the Common Elements and Common Surplus and share of the Common Expenses of the Units already declared into the Condominium will be altered accordingly. Furthermore, each Unit's share of the costs and expenses associated with certain Limited Common Elements of the Condominium shall be calculated as more specifically set forth below.

To determine the exact percentage interest of a given Unit declared into the Condominium at any given time, the following mathematical formula applies:  $I=(S/T)$ .

1. "I" represents the interest to be determined of a particular Unit.
2. "S" represents the square footage of the Unit whose interest is being determined.
3. "T" represents the total square footage of the Units in Condominium at the time of the determination.

Despite any actual variations in the actual square footage of different Units of the same Unit, in accordance with Section 22.3, the following sets forth the square footage of each Unit in phase 1 which is hereby designated to be used as the amount for "S" in calculating the percentage interest in the Common Elements and Common Surplus and share of the Common Expenses pursuant to the mathematical formula set forth on this Exhibit:

UNIT NUMBER	SQUARE FOOTAGE		UNIT NUMBER	SQUARE FOOTAGE
1-1	2,931		2-1	3,657
1-2	1,943		2-2	3,844
1-3	4,748		2-3	2,388
1-4	2,620		2-4	2,521
1-5	3,094		2-5	5,162
1-6	2,024		2-6	2,302
1-7	2,298		2-7	1,358
1-8	1,595		2-8	1,050
1-9	1,528		2-9	2,520
1-10	1,782			

Total Square Footage of all Units in phase 1 is **49,365**.

**EXHIBIT "E"**  
**A COPY OF THE INITIAL CONDOMINIUM RULES AND REGULATIONS.**

**RULES AND REGULATIONS**  
**FOR**  
**SAND LAKE BUILDING, A CONDOMINIUM**

Each Owner is governed by and is required to comply with the terms of the Condominium Documents and these Rules and Regulations adopted pursuant to those documents. All capitalized terms used in these Rules and Regulations have the same meaning as the identical terms used in the Declaration of Condominium for Sand Lake Building, a Condominium. Failure of an Owner to comply with the provisions of the Condominium Documents and these Rules and Regulations will entitle the Association or other Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, including, but not limited to an action for damages, an action for injunctive relief or an action for declaratory judgment.

1. Professional Medical Use. Units in phase 1 of the Condominium will be used exclusively for professional medical offices and such other commercial purposes as may be approved by Developer or the Board. Units in phase 2 of the Condominium will be used for any commercial purpose. Notwithstanding the foregoing, the Association will have the right to provide or authorize such services on the Common Elements as the Association deems appropriate for the use and enjoyment of the Common Elements and for the benefit of the Owners. This section does not apply to Units owned by Developer.

2. Signage. Each Unit will have a license to display a sign identifying the Owner or tenant of the Unit on the corridor wall to the right or left of the entry door to the Unit. The location and dimensions of each sign will conform to the signage program adopted by Developer, so long as Developer holds any Unit for sale in the ordinary course of business, and thereafter to the signage program of the Association, as same may be amended from time to time. All signs will be subject to approval by the Association, and the Association reserves the right to regulate the style, type and material used for all signage in the Common Elements and to impose uniform signage requirements, except as expressly permitted by this Section 2. No Owner may erect, install or display any sign or advertising material upon the Building exterior, the exterior of the Unit (including any windows, corridors or exterior doors), or the exterior walls thereof, or in any window therein, without the prior written approval of the Association. No signage will be installed or modified in the Common Elements without the prior written approval of the Association. In addition, all signage will comply with all applicable zoning and building codes.

3. Building Directory. Each Unit will have a license to have one entry identifying the Owner or tenant of the Unit on the directory located in the lobby of the Building. Directory signage or identification will be provided and installed by the Association in accordance with Building standards as established by the Association at the Owner's expense.

4. Antennae. No antenna, aerial, or satellite dish may be erected or installed on the exterior walls of a Unit or Common Elements of the Condominium, which includes the roof, without the prior written consent of the Board; provided, however, such consent will not be required when the installation of such antenna, aerial, or satellite dish, and the location thereof falls under the 1996 Federal Communication Commission (FCC) Over-the-Air-Reception-Device (OTARD) rule, as such rule may be amended from time to time. Any such approved installation will be done in a manner as to minimize the external view of such antennae.

5. Exterior Appearance. No action will be taken which would alter the exterior appearance of a Unit or the Building, including painting of any exterior portion thereof, installation of any blinds, curtains or window treatments which would adversely affect the exterior appearance of the Building, any tinting of windows which would adversely affect the exterior appearance of the Building. Window treatments may be permitted on a uniform and nondiscriminatory manner by the Board if they are found not to violate the foregoing prohibitions. This section does not apply to Developer.

6. Specific Prohibited Uses. No Unit or any part thereof, nor any part of the Common Elements or Condominium Property may be used, assigned or sublet for residential purposes. No Unit, nor any part of the Common Elements or Condominium Property may be used, assigned or sublet for any of the following uses: nude or semi-nude dancing; for the display or sale of pornographic materials; adult movie theater; so-called "head shops" selling or displaying drug paraphernalia; massage parlor; lingerie modeling; industrial purposes; warehouse; entertainment or recreation facilities; renting, leasing or selling or displaying for the purpose of renting, leasing or selling of any boat, motor vehicle or trailer; flea market; or on-site dry cleaning plant. "Entertainment or recreational facility," as used herein, will include a theater, bowling alley, skating rink, dance hall, billiard or pool hall, game parlor, or video arcade (containing more than four (4) electronic games). For the purposes of this Section 16.6, "pornographic materials" will be any books, magazines, newspapers, DVDs or videotapes which would be deemed obscene under prevailing laws.

7. Insurance Risks. No person will permit or suffer anything to be done or kept in its Unit which will increase the rate of insurance on the Condominium Property, or which will obstruct or interfere with the rights of other Owners, or annoy them by unreasonable noises, or otherwise, nor will the Owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium Property.

8. Garbage and Refuse. No Unit will be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste will not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material will be kept in a clean and sanitary condition. The Association may maintain a shared dumpster for the use of all Owners. Each Owner will be solely responsible, at such Owner's expense, for the disposal, in accordance with all applicable laws, orders, ordinances and regulations, of any and all medical, infectious and hazardous waste that will be generated in connection with the use of such Unit (collectively, "Medical Waste"). Without limiting the foregoing, each Owner generating Medical Waste will at all times contract directly with a properly licensed Medical Waste disposal vendor acceptable to the Association, and will provide a copy of such contract to the Association. If an Owner's Medical Waste vendor is changed, such Owner will notify the Association within ten (10) days after such change. Each Owner will indemnify the Association and hold the Association harmless from and against any and all losses, liabilities (including strict liability), damages, injuries, fines, penalties, expenses, including reasonable attorneys' fees, costs of settlement or judgments and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the Association by any person, entity or governmental agency for, with respect to, or as direct or indirect result of, the presence in, or the escape, leakage, spillage, discharge, emission or release from such Owner's Unit of any Medical Waste.

9. Solicitation. No solicitation of any kind, whether commercial, religious, educational, or otherwise, may be conducted anywhere on the Condominium Property unless specifically authorized in advance and in writing by the Board, except for the activity permitted to be performed by Developer or its designees in accordance with its rights under the Declaration.

10. Condominium Rules and Regulations. Reasonable rules and regulations concerning the use of Condominium Property may be promulgated and amended from time to time by the Board in the manner provided by the By-Laws.

11. Developer's Use. Developer may make such use of the Condominium Property as may facilitate the sale or lease of Units or interests in other properties developed by Developer or its affiliates, including showing of the property and the display of signs and other promotional devices.

12. Evacuation Orders. In the event an emergency evacuation order is made by the appropriate state, county or other governmental authorities, whether voluntary or mandatory, the Association may implement an emergency plan in order to protect all Owners, guests, tenants, and invitees, the Condominium Property and the Association Property. The emergency plan will be communicated to Owners and guests, tenants, and invitees at the Condominium when implemented and may require that Owners and guests, tenants, and invitees vacate the Condominium Property and find safer alternate accommodations at Owners' or guests', tenants', and invitees' sole expense. All Owners and guests, tenants, and invitees must adhere to the Association's emergency plan when implemented.

13. Mitigation of Dampness and Humidity. No Owner will install, within his Unit or upon the Common Elements, non-breathable wall-coverings or low-permeance paints. Additionally, any and all built-in casework, furniture, and/or shelving in a Unit must be installed over floor coverings to allow air space and air movement and will not be installed with backboards flush against any gypsum board wall. Additionally, all Owners, whether or not occupying the Unit, will periodically run the air conditioning system to maintain the Unit temperature, whether or not occupied, at 78° F, to minimize humidity in the Unit. While the foregoing are intended to minimize the potential development of molds, fungi, mildew, and other mycotoxins, each Owner understands and agrees that there is no method for completely eliminating the development of molds or mycotoxins, and each Owner will be deemed to waive and expressly release any such warranty and claim for loss or damages resulting from the existence and development of same. In furtherance of the rights of the Association, in the event that the Association reasonably believes that the provisions of this Section 13 are not being complied with, then, the Association will have the right (but not the obligation) to enter the Unit (without requiring consent of the Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required by this Section 13 (with all utility consumption costs to be paid and assumed by the Owner of the affected Unit). To the extent that electric service is not then available to the Unit, the Association will have the further right, but not the obligation (without requiring consent of the Owner or any other party) to connect electric service to the Unit (with the costs thereof to be borne by the Owner, or if advanced by the Association, to be promptly reimbursed by the Owner to the Association). The Board may take such actions as it deems necessary to mitigate any situation which could cause or create mold.

14. Relief by the Board. The Board has the power (but not the obligation) to grant relief in appropriate circumstances from the provisions of specific restrictions contained in this Article 16 or the Condominium Rules and Regulations for good cause shown.

15. No Timeshare Permitted. Time-share estates or interests will not be created with respect to any of the Units.

16. Leases. Units may be leased or rented in whole or in part pursuant to the following terms and conditions:

(a) The Owner will notify the Association in writing of the name and address of the person to whom the proposed rental or lease is to be made, the terms of such lease, and the intended use.

(b) Notwithstanding the rental or lease of a Unit, the liability of the Owner under the Declaration will continue in full force and effect. The Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the

Common Elements resulting from acts or omissions of tenant (as determined in the sole discretion of the Board) and to pay any claim for injury or damage to property caused by the negligence or willful misconduct of the tenant, and a special charge may be levied against the Owner's Unit for such injury or damage.

(c) Any and all rental and lease agreements must contain a provision stating that the tenant agrees to be bound by the terms and provisions of the Condominium Documents and, absent such provision, any and all rental and lease agreements will be deemed to contain such provisions. In the event of a violation of the Condominium Documents by the tenant, the Association will have the right to fine the tenant and to pursue such other rights and remedies as it may have under the Condominium Documents or Florida law directly against the tenant. All rentals and leases are made subordinate to any lien filed by the Association, whether prior or subsequent to such rental or lease.

(d) Leases of shorter duration than one (1) year will not be permitted. Subleases of a portion of a Unit will not be considered leases for the purposes of this subsection (d).

(e) This section does not apply to Developer.

17. Association Access to Units. Each Owner will provide the Association with all keys necessary for entrance to the Unit. In the event that the Association will reasonably believe that any Owner is absent from its Unit prior to, during or after such emergency situation, the Association is authorized, but will not be obligated, without limitations and without liability to the Owner and at such Owner's expense, to: (i) close hurricane shutters if a Unit has hurricane shutters; (ii) turn off electrical power to any Unit; (iii) empty and dispose of food from refrigerators and freezers; and (iv) turn off the water supply to any Unit. The Association will be under no obligation whatsoever to secure the windows or doors of Units which do not have properly installed hurricane shutters.

18. Animals. Except for service animals as provided in the Americans With Disabilities Act, no animals are permitted on the Condominium Property.

19. Nuisances. No nuisances (as reasonably determined by the Board) will be allowed on the Condominium Property, nor will any use or practice be allowed which is a source of annoyance to residents or occupants of Units or which interferes with the peaceful possession or proper use of the Condominium Property by its occupants. No activity specifically permitted by the Declaration will be deemed a nuisance.

20. Guests and Invitees. Guests, tenants, and invitees of owners or occupants of Units will comply with all of the provisions of the Condominium Documents. Any guests, tenants, and invitees who violates the Condominium Documents, may, at the direction of the Association, be required to leave the Condominium Property and the Owner of such Unit being occupied or visited by such guests, tenants, or invitees will be responsible for any damage to the Condominium Property, including the Common Elements or other Units, committed by such guests.

21. No Improper Uses. No improper, offensive, hazardous or unlawful use will be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover will be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Condominium Property, will be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property. Notwithstanding the foregoing and any provisions of the Declaration and the other Condominium Documents, the Association will not be liable to any person(s) for its failure to enforce the provisions of this Article 21.



22. Drainage Areas. For the purposes of the Declaration, "Drainage Areas" means those portions of the Common Elements designated as the Surface Water or Stormwater Management System and any drainage areas, basins, easements, canals or canal easements which are reflected on the Condominium Survey and Plans, or are described in the Declaration, or otherwise designated by Developer as Drainage Areas, and which will be kept and maintained by the Association for irrigation, drainage, storm water retention, and detention or beautification and for the installation, maintenance, construction or repair of utility facilities in a manner consistent with the original design thereof by Developer, and in accordance with the requirements of all applicable governmental authorities.

23. Hurricane Shutters. The Board will, from time to time, establish hurricane shutter specifications which comply with the applicable building code, and establish permitted colors, styles, and materials for hurricane shutters. Subject to the provisions of the Declaration, the Association will approve the installation or replacement of hurricane shutters conforming to the Board's specifications. The Board may, with the approval of a majority of the total voting interests, install hurricane shutters or hurricane protection that complies with or exceeds the applicable building code, or both, and may (without requiring approval of the membership) maintain, repair, or replace such approved hurricane shutters or other forms of hurricane protection, whether on or within Common Elements, Units, or Association Property; provided, however, all such maintenance, repair, or replacements must be in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection. All hurricane shutters and other forms of hurricane protection will remain open unless and until a storm watch or storm warning is announced by the National Weather Center or other recognized weather forecaster. If the hurricane shutters are installed by the Association, the expense of installation, replacement, operation, repair, and maintenance of hurricane shutters or other hurricane protections by the Board will be a Common Expense. An Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual. Such firm or individual will be subject to the approval of the Association.