

OFFICIAL RECORDS

BY-LAWS OF

COURTHARDS AT ATLANTIC BEACH CONDOMINIUM ASSOCIATION, INC.

A Florida non-stock, non-profit membership corporation

ARTICLE I

GENERAL

Section 1. Name: The name of the corporation shall be COURTHARDS AT ATLANTIC BEACH CONDOMINIUM ASSOCIATION, INC.

Section 2. Principal Office: The principal office of the corporation shall be 1703 Challenger Court West, Atlantic Beach, Florida 32233, or at such other place as may be subsequently designated by the Board of Directors.

Section 3. Identity: That in addition to the within By-laws being the By-laws of the Association, these By-laws are established pursuant to the Florida Condominium Act, Chapter 718, Florida Statutes, for the purpose of administering, operating and managing condominiums constructed on the following described real property, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND
MADE A PART HEREOF BY REFERENCE.

Section 4. Definitions: As used herein, the term "corporation" shall be the equivalent of "Association", and all other words as used herein shall have the same definitions as attributed to them in the Declarations of Condominium of the condominiums constructed on the land described above.

ARTICLE II

DIRECTORS

Section 1. Number and Term: The number of directors which shall constitute the whole Board of Directors, also known as the Board of Administration, shall be not less than three (3), nor more than seven (7). Until succeeded by directors elected by the Members as hereinafter provided, directors need not be Members; thereafter all directors shall be Members. Within the limits above specified, the number of directors shall be determined by the Members at the annual meeting. The directors to be elected by the Members shall be elected as hereinafter provided except for the first Board of Directors elected by the Members, and each such director shall be elected to serve for the term of one (1) year, or until his successor shall be elected and shall qualify.

Section 2. Representation: Within the limits above specified the number of directors shall be determined as follows:

A. Until such time as the Developer is required to turn control of the Association over to the Members pursuant to the provisions of Chapter 718, Florida Statutes, there shall be three (3) directors appointed by the Developer who shall hold office until control of the Association is turned over to Members other than the Developer. Upon Developer turning control of the Association over to the Members, the number of directors shall be increased to seven (7).

Section 3. Vacancy and Replacement: A. If, after transfer of control of the Association to Members other than the Developer, the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, at a special meeting of directors duly called for this purpose, shall choose a successor who shall hold office for the unexpired term in respect to which such vacancy occurred.

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B. Prior to the date control of the Association is turned over to Members other than the Developer, in the event the office of a director elected by the Members becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the Members, at a meeting duly called for this purpose, shall choose a Member other than the Developer who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 4. Removal: Directors may be removed with or without cause by an affirmative vote of a majority of the Members. No director elected by the Members or Unit Owners shall continue to serve on the Board if, during his term of office, his membership in the corporation shall be terminated for any reason whatsoever.

Section 5. First Board of Directors and Their Replacement:

A. The first Board of Directors appointed by the Developer shall consist of:

STUART M. HEAGY	2325 Ulmerton Road Clearwater, FL 33520
MAX S. LONG, JR.	2325 Ulmerton Road Clearwater, FL 33520
GEORGE L. PATTERSON	2325 Ulmerton Road Clearwater, FL 33520

who shall hold office and exercise all powers of the Board of Directors, until the first membership meeting, or as otherwise provided for hereinafter; provided, however, that any or all of said directors shall be subject to replacement in the event of resignation or death as above provided. The three (3) individuals that are appointed by the Developer shall be the directors of the Association. At such time as the Members other than the Developer own fifteen percent (15%) or more of the Units in a condominium that will be operated ultimately by the Association, the Members other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors of the Association.

B. Members other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association three (3) years after sales by the Developer have been closed of not less than fifty percent (50%) of the Units that will be operated ultimately by the Association; three (3) months after sales have been closed by the Developer of not less than ninety percent (90%) of the Units that will be operated ultimately by the Association; when all the Units that will be operated ultimately by the Association have been completed and some of them have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business; when some of the Units have been conveyed and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or when the Developer, in its sole discretion, elects to turn control of the Association over to Members other than the Developer, whichever shall first occur. The Developer shall be entitled to elect not less than one (1) member of the Board of Directors of the Association as long as the Developer holds for sale, in the ordinary course of business, five percent (5%) of the Condominium Units operated by the Association.

C. Within sixty (60) days after Members other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call, and give not less than thirty (30) days, nor more than forty (40) days notice of, a meeting of the membership for this purpose. Such meeting may be called and the notice given by any Member if the Association fails to do so.

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D. If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval, in writing, by the Developer:

(1) Assessment of the Developer as a Unit Owner for capital improvements;

(2) Any action by the Association that would be detrimental to the sale of Units by the Developer; provided, however, that an increase in Assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sale of Units.

E. Prior to or within a reasonable time after the time that Members other than the Developer elect a majority of the members of the Board of Directors of the Association, such reasonable time not to exceed sixty (60) days, the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Members and of the Members and of the Association held by or controlled by the Developer, including but not limited to the following items, if applicable, as to each condominium operated by the Association:

(1) The original, a certified copy or a photocopy of the recorded Declaration of Condominium, and all Amendments thereto. If a photocopy is provided, the same shall reflect the recording information and shall be certified by affidavit by the Developer or officer or agent of the Developer as being a true and complete copy of the actual recorded Declaration; the Association's Articles of Incorporation; the By-laws; the minute books, including all minutes and other corporation books and records of the Association, if any; and any house rules and regulations which may have been promulgated.

(2) Resignations of officers and members of the Board of Directors who may be required to resign by reason of the requirement that the Developer relinquish control of the Association.

(3) An audit and accounting, which need not be certified, for all Association funds, performed by an auditor independent of the Developer, including capital accounts, reserve accumulations in accordance with Section 718.504(20)(c) l.k., Florida Statutes, and contributions.

(4) Association funds or control thereof.

(5) All tangible personal property that is property of the Association, represented by the Developer to be part of the Common Elements or that is ostensibly part of the Common Elements, or that is property of the Association, and inventories of these properties.

(6) A copy of the plans and specifications utilized in the construction of improvements and the supplying of equipment to the condominiums and for the construction and installation of all mechanical components serving the improvements and the site, with a certificate in affidavit form of the Developer or of his agent, or of an architect or engineer authorized to practice in the State of Florida that such plans and specifications represent to the best of his knowledge and belief the actual plans and specifications utilized in and about the construction and improvement of the condominiums and for the construction and installation of the mechanical components serving the improvements.

(7) Insurance policies.

(8) Copies of any certificates of occupancy which may have been issued for the Condominium Property and Association Property.

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(9) Any other permits issued by governmental bodies applicable to each Condominium and Association Property and which are currently in force or were issued within one (1) year prior to the date upon which the Unit Owners other than Developer take control of the Association.

(10) Written warranties of the contractor, sub-contractors, suppliers, and manufacturers, if any, that are still effective.

(11) A roster of Members and their addresses and telephone numbers, if known, as shown on the Developer's records.

(12) Leases of the Common Elements and other leases to which the Association is a party.

(13) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or the Members have directly or indirectly an obligation or responsibility to pay some or all of the fee or charge of the person or persons performing the services.

(14) All other contracts in which the Association is one of the contracting parties.

Section 6. Powers: The property and business of the corporation shall be managed by the Board of Directors, who may exercise all corporate powers not specifically prohibited by statute, the Articles of Incorporation, or the Declarations to which these By-laws are attached. The powers of the Board of Directors shall specifically include, but not be limited to, the following items:

A. To make and collect Assessments and establish the time within which payment of same is due. Assessments shall be made against Unit Owners not less frequently than quarterly in amounts no less than are 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.

B. To use and expend the Assessments collected, to maintain, care for and preserve the Units, Common Elements, Limited Common Elements and Association Property, except those portions thereof which are required to be maintained, cared for and preserved by the Unit Owners, including Assessments for reserves or betterments, and to maintain and preserve any and all property owned by the Association and the improvements constructed thereon.

C. To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above.

D. To enter into and upon the Units when necessary and with as little inconvenience to the Unit Owner as possible in connection with such maintenance, care and preservation.

E. To insure and keep insured said Condominium Property and the property owned by the Association against loss from fire and/or other casualty, and Unit Owners against public liability and to purchase such other insurance as the Board of Directors may deem advisable.

F. To collect delinquent Assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the Unit Owners for violation of these By-laws and the terms and conditions of the Declarations.

G. To employ and/or contract with, if deemed advisable, a maintenance service contractor and/or property

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manager, who shall maintain, serve and/or manage the Common Elements and Association Property, and delegate to such contractor or manager such powers as may be necessary in connection with the operation thereof. To employ workmen, janitors and gardeners and to purchase supplies and equipment, to enter into contracts in connection with any of the foregoing items of or for other services deemed advisable and generally to have the powers of an apartment house manager in connection with the matters hereinabove set forth.

H. To make reasonable rules and regulations for the occupancy and use of the Condominium Units, the Common Elements of the condominiums and the property owned by the Association.

Section 7. Compensation: Directors or officers, as such, shall receive no salary or compensation for their services.

Section 8. Meetings:

A. The first meeting of each Board newly elected by the Members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the place of the general Members' meeting, and immediately after the adjournment of same.

B. Meetings of the Board shall be open to all Members and notices of all meetings shall be posted conspicuously on the common elements of each condominium forty-eight (48) hours in advance for the attention of Members, except in an emergency.

C. Special meetings of the Board may be called by the President upon five (5) days' notice to each director. Special meetings shall be called by the President or Secretary in a like manner and on like notice upon the written request of two (2) directors, provided notice is given in accordance with Section 8B hereinabove.

D. At all meetings of the Board, a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the entire board of directors shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these By-laws. If a quorum shall not be present in any meeting of directors, the directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

Section 9. Order of Business: The order of business at all meetings of the Board shall be as follows:

Roll call.
Reading of the Minutes of last meeting.
Consideration of communications.
Report of officers and employees.
Reports of Committees.
Unfinished business.
Resignations and elections.
Original resolutions and new business.
Adjournment.

Section 10. Annual Budget:

A. The Board of Directors may approve and adopt the annual budget so long as the total amount of expenditures set forth therein does not exceed one hundred fifteen percent (115%) of the Assessment for the immediately preceding year. The Members shall be given a copy of the proposed annual budget of Common Expenses which shall be detailed and shall show the

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amounts budgeted by account and expense classifications, which shall include but not necessarily be limited to the following items: expenses for the Association and the condominiums; administration of the Association; management fees, maintenance; rent for recreation and other commonly used facilities; taxes upon Association property; taxes upon leased areas; insurance; security provisions; other expenses; operating capital; reservations; fees payable to the Division; expenses for Unit Owners and Members; rent for the Unit if subject to a lease; rent payable by the Unit Owner directly to the lessor under any recreation lease or lease for use of commonly used facilities. The budgets shall be mailed to the Members not less than thirty (30) days before the meeting of the Board of Directors held for the purpose of adopting the annual budget and shall include written notice of the time and place of such meeting, which shall be open to the Members.

B. If an adopted budget for the Association as a whole or a particular condominium requires Assessments against the Members or Unit Owners, as appropriate, in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of the Assessments for the immediately preceding year, the Board, upon written application of ten percent (10%) of the Members or Unit Owners to the Board, shall call a special meeting of the Members or Unit Owners within thirty (30) days, upon not less than ten (10) days' written notice to each Member or Unit Owner. At the special meeting, the Members or Unit Owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority vote of all Members or Unit Owners, as the case may be. The Board of Directors may propose a budget to the Members or Unit Owners at a meeting of Members or in writing, and if the budget or proposed budget is approved by the Members or Unit Owners, as the case may be, at the meeting or by a majority of all such Members or Unit Owners in writing, the budget shall be adopted. If a meeting of the Members or Unit Owners has been called and a quorum is not obtained or a substitute budget is not adopted by the Members or Unit Owners, as appropriate, the budget adopted by the Board shall go into effect as scheduled. The budget shall not thereafter be re-examined by the Members or Unit Owners in the manner hereinabove set forth.

C. In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments in the immediately preceding year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated 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 and/or the Common Facilities shall be excluded from the computation.

D. However, as long as the Developer is in control of the Board of Directors, the Board shall not impose an Assessment 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 Members or Unit Owners, as the case may be.

E. Notwithstanding anything to the contrary contained herein, only the Unit Owners of each particular condominium operated by the Association shall be entitled to vote regarding the budget and/or Assessments, including reserves for replacements, if any, applicable only to the condominium in which their Unit is located. Provided, however, that all Members of the Association shall be entitled to vote regarding the budget and/or Assessments, including reserves for replacement, if any, for any property owned and operated by the Association and general operating expenses incurred by the Association on behalf of all Members.

Section 11. Fidelity Bond. A fidelity bond for directors of this Association, who control or disburse funds of

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the Association, shall be obtained for said directors and the Association shall bear the costs of such bonding as a Common Expense.

ARTICLE III
OFFICERS

Section 1. Executive Officers: The executive officers of the corporation shall be a President, Vice-president, Secretary and Treasurer, all of whom shall be elected annually by the Board of Directors. Any two of said offices may be united in one person, except that the President shall not also be the Vice-President, Secretary or Assistant Secretary of the corporation. If the Board so determines, there may be more than one (1) Vice-President.

Section 2. Appointive Officers: The Board of Directors may appoint such other officers and agents as it may deem necessary, who shall hold office at the pleasure of the Board of Directors and have such authority and perform such duties as from time to time may be prescribed by said Board.

Section 3. Election: The Board of Directors at its first meeting after such annual meeting of Members shall elect a President, Secretary and Treasurer, none of whom, excepting the President, need be a member of the Board.

Section 4. Term: The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed for cause at any time by the affirmative vote of a majority of the whole Board of Directors.

Section 5. The President:

A. The President shall be the chief executive officer of the corporation; he shall preside at all meetings of the Members and directors; shall be ex officio member of all standing committees; shall have general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board are carried into effect.

B. He shall execute bonds, mortgages, and other contracts requiring a seal, under the seal by the corporation, except where the same are required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to other officers or agents of the corporation.

Section 6. The Vice-President: The Vice-President shall be vested with all the powers and shall be required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

Section 7. The Secretary:

A. The Secretary shall keep the minutes of the Members' meetings and the Board of Directors' meetings in one or more books provided for that purpose; such minutes shall be available for inspection by Members and Board members at all reasonable times.

B. He shall see that all notices are duly given in accordance with the provisions of these By-laws and as required by law.

C. He shall be custodian of the Association records (as defined in Chapter 718, Florida Statutes) and of the seal of the corporation and shall see that the seal is affixed to all documents, the execution of which, on behalf of the corporation, under its seal, is duly authorized in accordance with the provisions of these By-laws.

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D. He shall keep a register of the post office addresses of each Member, which shall be furnished to the Secretary by such Member.

E. In general, he shall perform all duties incidental to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. The Treasurer:

A. The Treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors, the Articles of Incorporation, and these By-laws.

B. He shall disburse the funds of the corporation as ordered by the Board, taking proper vouchers for such disbursements and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial conditions of the corporation.

C. He may be required to give the corporation a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the corporation, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in possession belonging to the corporation.

Section 9. Vacancies: If the office of the President, Vice-president, Secretary or Treasurer, or one or more, become vacant by reason of death, resignation, disqualification or otherwise, the remaining directors by a majority vote of the whole Board of Directors provided for in these By-laws may choose a successor or successors who shall hold office for the unexpired term.

Section 10. Resignations: Any director or other officer may resign his office at any time, such resignation to be made in writing and to take effect from the time of its receipt by the corporation, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

Section 11. Fidelity Bond: A fidelity bond for officers of this Association who control or disburse funds of the Association shall be obtained for said officers and the Association shall bear the cost of such bonding as a Common Expense of the Association payable by all Members. (Florida law requires the fidelity bonding of all persons who control or disburse funds of the Association in the principal sum of not less than Ten Thousand Dollars for each such person. This requirement must be met if this Association operates more than fifty units.

Section 12. Indemnification: Every director and every officer of the Association and every Member serving the Association at its request shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or serving or having served the Association at its request, or any settlement thereof, whether or not he is a director or officer or serving the Association at its request at the time such expenses are incurred, except in such cases wherein the director or officer or such Member is adjudged guilty of willful malfeasance or

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misfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE IV
MEMBERSHIP

Section 1. No Stock Certificates: There shall be no stock certificates issued by this corporation. Membership in the corporation shall be limited to the Unit Owners in Condominiums which are, pursuant to the terms of the respective, duly recorded declarations of condominium ownership, constructed upon the aforescribed property, who shall automatically become Members of this corporation, and said membership shall be an incident of ownership of said Units and not separately transferable.

Section 2. Transfers of Membership. Transfers of membership shall be made only on the books of the corporation, and notice of acceptance of such transferee as a Member of the corporation shall be given in writing to such transferee by the President and Secretary of the corporation. The transferor, in such instance, shall automatically no longer be a Member of the corporation. Membership in the corporation may be transferred only as an incident to the transfer of the transferor's Condominium Parcel and his undivided interest in the Common Elements of the condominium, and such transfers shall be subject to the procedures set forth in the Declarations.

Section 3. Voting:

A. An owner or owners of each of the fourteen (14) Units shall collectively be entitled to one (1) vote for that Unit, which vote shall be cast by the voting Member.

B. A membership may be owned by more than one Unit Owner, provided that membership shall be held in the same manner as title to the Unit. In the event ownership of a single Unit is in more than one person, all of the Owners of such membership shall be entitled collectively to only one (1) vote or ballot for the Unit, in the management of the affairs of the Association set forth above and in accordance with the Declarations, and the vote or votes may not be divided between plural Owners of a single membership.

C. If any Unit is owned by more than one person, one of the Owners of such Unit shall be designated, by a certificate signed by all of the record Owners of the Unit and filed with the Secretary of the Association, as the voting Member for the Unit. Such designated voting Member shall continue to cast the vote for the Unit until such time as another person is properly designated as set forth herein as the voting Member for the Unit. Failure by all the Owners of any single Condominium Unit to file the aforementioned certificate with the Secretary prior to a Members' annual or special meeting shall result in depriving the Owners of such Unit of a vote at such meeting.

D. In the event the Owner of a Condominium Unit is not a natural person, the subject entity shall designate a natural person who shall be entitled to cast the vote or votes for such entity, and such natural person shall be a Member of the corporation, subject to the procedures set forth in the Declarations.

ARTICLE V
MEETING OF THE MEMBERSHIP

Section 1. Definition: Members shall meet at least once in each calendar year and such meeting shall be the annual

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meeting. The annual meeting shall be the time of the election of members of the Board of Directors whose terms have expired.

Section 2. Place: All meetings of the corporate membership shall be held at the office of the corporation, or any other place as may be stated in the written notice thereof.

Section 3. Membership List: At least ten (10) days before every election of directors, a complete list of Members entitled to vote at said election, arranged numerically by Unit designation, with the residence of each, shall be prepared by the Secretary. Such list shall be produced and kept for ten (10) days and throughout the election at the office of the corporation and shall be open to examination by any Member during reasonable business hours throughout such time.

Section 4. Annual Meeting:

A. The first annual meeting of the Members of the corporation shall be held on the first anniversary of the date of incorporation of the Association, if not a holiday, and, if a holiday, on the next secular day following.

B. Regular annual meetings, subsequent to the first annual meeting, shall be held on the anniversary date in each succeeding year of said incorporation, if not a legal holiday, and if a legal holiday, then on the next secular day following.

C. The date of such annual meeting may be changed by the Board provided notice is given pursuant to Article VI hereof.

Section 5. Special Meetings:

A. Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President and shall be called by the President or Secretary at the request, in writing, of ten percent (10%) of the Members. Such request shall state the purpose or purposes of the proposed meeting.

B. Written notice of a special meeting of Members shall be provided in accordance with the provisions of Article VI, Section 1, as set forth hereinafter.

C. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

Section 6. Right to Vote: At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy. Proxies shall be signed by all of the record Owners of a particular Unit or by the properly designated voting Member, and 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 the pleasure of the Unit Owner(s) or designated voting Member executing it.

Section 7. Vote Required to Transact Business:

A. When a quorum is present at any meeting, the majority of the vote of the membership present in person or represented by written proxy shall decide any question brought before the general membership, unless the question is one upon which, by express provision of the Florida Statutes, the Declarations, the Articles of Incorporation, or these By-laws, a different vote is required, in which case, such express provision shall govern and control the decision of such question.

B. Notwithstanding anything to the contrary contained herein, with respect to any question relating only to a specific

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condominium or condominiums, the majority of the voting interests of the Unit Owners of said condominium or condominiums, and not the general membership, shall decide such question unless the question is one which, by express provision of the Florida Statutes, the Declarations, the Articles of Incorporation or these Bylaws a different vote is required, in which case, such express provision shall control.

Section 8. Quorum: Fifty-one percent (51%) of the total number of Members of the corporation present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute, the Articles of Incorporation, these By-laws, or the Declarations, provided, however, that in the event of a meeting called to consider matters pertaining only to a single Condominium or Condominiums, and not the membership as a whole, or a vote at a general membership meeting on matters which only Unit Owners from a particular condominium or condominiums are allowed to vote, a quorum shall be fifty-one percent (51%) of the Unit Owners of the particular Condominium or condominiums present in person or by proxy. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 9. Waiver and Consent: Whenever the vote of Members or Units Owners at a meeting is required or permitted by any provision of the Florida Statutes, of the Articles of Incorporation, these By-Laws or the Declarations, to be taken in connection with any action of the corporation, the meeting and vote of Members or Unit Owners may be dispensed with if all of the Members or Unit Owners who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such action being taken.

Section 10. Order of Business: The order of business at annual Members' meetings, and as far as practical at all other Members' meetings, shall be:

- A. Calling of the roll and certifying of proxies.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading and disposal of any unapproved minutes.
- D. Reports of officers.
- E. Reports of committees.
- F. Unfinished business.
- G. Election of directors.
- H. New business.
- I. Adjournment.

ARTICLE VI
NOTICES

Section 1. Annual and Special Meetings: The method of calling and summoning the Members to assemble at meetings, including annual meetings, shall require at least fourteen (14) days' written notice to each Member in advance of the meeting, and the posting at a conspicuous place on the Common Elements of each Condominium of a notice of the meeting at least fourteen (14) days prior to said meeting. The notice of the annual meeting shall also be sent by mail to each Member and the post office certificate of mailing shall be retained by the Secretary as proof of such mailing and such mailing shall be deemed notice. The foregoing requirements as to meetings are not to be construed, however, to prevent Members from waiving notice of meetings or from acting by written agreement without meetings, as provided in these By-laws, the Declarations, or the laws of the State of Florida.

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Section 2. Service of Notice-Waiver: Whenever any notice is required to be given under the provisions of Florida Statutes or the Articles of Incorporation or these By-laws, 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 deemed the equivalent thereof.

ARTICLE VII
FINANCES

Section 1. Fiscal Year: The fiscal year shall begin the first day of January of each year. The Board of Directors is expressly authorized to change this fiscal year at any time for the convenience of the corporation.

Section 2. Checks: All checks or demands for money and notes of the corporation shall be signed by any two of the following officers: President, Secretary or Treasurer, or by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3. Determination of Assessments:

A. (1) The Board of Directors shall fix Assessments adequate to meet the Common Expenses of the Condominiums and the Association. Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements of the Condominium Property, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance, and any other expenses designated as Common Expenses by the Declarations or, from time to time, by the Board of Directors.

(2) Funds for the payment of Common Expenses shall be assessed against Members in the proportions or percentages and in the manner provided in the Declarations, and said Assessments shall be payable as provided in the Declarations.

(3) The Board of Directors is specifically empowered, on behalf of the Association, to make and collect Assessments and to maintain, repair and replace the Common Elements and Limited Common Elements of the Condominiums and the Common Areas and Common Facilities, if any.

(4) Special Assessments, which may be required by the Board of Administration, shall be levied and paid in the same manner as provided for regular Assessments.

B. When the Board of Directors has determined the amount of any Assessment, excluding the monthly Assessment, the Secretary or Treasurer shall mail or present a statement of the Assessment to each of the Members or Unit Owners, as the case may be. All Assessments shall be payable to the Association and, upon request, the Secretary or Treasurer shall give a receipt for each payment made.

Section 4. Reserve Fund: The Board of Directors shall have the right to assess Members and Unit Owners to establish a reserve fund for the future replacement of or additions to the Common Elements of the Condominiums and property owned by the Association, and such reserve fund shall be held in trust by the Board or its designated nominee to be used solely for the purpose for which it was established. Notwithstanding anything to the contrary herein, the Members or Unit Owners, as the case may be, may elect not to collect reserves in accordance with the provisions of Chapter 718, Florida Statutes.

Section 5. Payment of Assessments: All Assessments shall be paid timely to the Association. Assessments shall be made against Members and Unit Owners not less frequently than

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quarterly, in advance, in amounts no less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all the unpaid operating expenses previously incurred.

Section 6. Limitation on Expenditures: Notwithstanding anything else in these By-laws, the Articles of Incorporation or the Declaration which authorizes expenditures, after the first election of Directors, the majority of which are comprised of Members other than Developer, no expenditure for the improvement of the Common Elements of any Condominium Association Property, exceeding One Thousand and no/100 Dollars (\$1,000.00) per annum shall be made without the approval of Members or Unit Owners, as the case may be, except for the repair of the Common Elements or Association Property due to casualty loss. Only the Unit Owners of the particular Condominium considering such expenditure for improvement to its Common Elements shall be entitled to vote thereon and shall be obligated to pay the assessment for such expenditure.

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Section 7. Application of Payments and Commingling of Funds: All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one fund as determined by the Board of Directors. All Assessments shall be applied as provided herein and in the Declarations.

Section 8. Acceleration of Assessment Installments Upon Default: If a Member or Unit Owner shall be in default in the payment of an installment upon any Assessment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the Member or Unit Owner and, thereupon, the unpaid balance of the Assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after the delivery of or the mailing of such notice to the Member or Unit Owner.

Section 9. Liability Upon Termination of Membership: The termination of membership in the Condominium shall not relieve or release any such former Owner or Member from any liability or obligations incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former Unit Owner and Member arising out of or in any way connected with such ownership and membership or the covenants and obligations incident thereto.

ARTICLE VIII
SEAL

The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization, and the words "non-profit". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

ARTICLE IX
USE RESTRICTIONS AND RULES AND REGULATIONS

In addition to the other provisions of these By-Laws and the restrictions set forth in the Declarations, together with such additional rules and regulations as may be hereafter adopted by the Association, which are not inconsistent with the provisions of said Declarations or Exhibits thereto, shall govern the use of the Units, the Common Elements of the Condominium and Association Property, and the conduct of all Unit Owners and residents of the Condominiums.

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ARTICLE X
DEFAULT-FORECLOSURE

In the event a Unit Owner or Member does not pay the sums, charges or Assessments required to be paid to the corporation, the corporation, acting on its own behalf, or through the Board of Directors or manager acting on behalf of the corporation, may foreclose the lien encumbering the Condominium Parcel created by nonpayment of the required monies in the same fashion as mortgage liens are foreclosed and in accordance with Section 718.116 of the Florida Statutes.

The corporation shall be entitled to the appointment of a Receiver if it so requests. The corporation shall have the right to bid on the Condominium Parcel at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosure of its lien, the corporation may, through its Board of Directors, or manager acting on behalf of the corporation, or in its own behalf, bring suit to recover a money judgment for sums, charges or Assessments required to be paid to the corporation without waiving its lien securing same. In any action, either to foreclose its lien or to recover a money judgment brought by or on behalf of the corporation against a Condominium Parcel Owner, the losing litigant shall pay the costs thereof, together with a reasonable attorney's fee.

If an action of foreclosure is brought against the Unit Owner or Member for the nonpayment of monies due the corporation and as a result thereof the interest of the said Unit Owner or Member in and to such Condominium Parcel is sold, then at the time of such sale, the Unit Owner's or Member's membership in the Association shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

If the corporation becomes the Unit Owner of the Condominium Parcel by reason of foreclosure, it shall offer said Parcel for sale and at such time as a sale is consummated, it shall deduct from the proceeds all sums of money due it for monthly Assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorney's fees, and all expenses incurred in the resale of the Condominium Parcel, which shall include, but not be limited to, advertising expenses, real estate brokerage fees, reasonable attorneys' fees, and expenses necessary for the repairing and refurbishing of the Condominium Parcel in question. All monies remaining after deducting the foregoing items of expense shall be returned to the former Owner of the Condominium Parcel in question.

ARTICLE XI
VIOLATIONS

In the event of violation of any of the provisions of the Declarations, the Association Articles of Incorporation, these By-laws, the Florida Statutes, or rules and regulations adopted by the Association, as the same are now or may hereafter be constituted, the Association, on its own behalf or by and through its Board of Directors or manager, may bring appropriate action to enjoin such violation or to enforce the provisions of the documents enumerated, or sue for damages or take all such courses of action at the same time, or for such other legal remedy it may deem appropriate.

In the event of such legal action brought against a Condominium Parcel Owner, the prevailing party shall be entitled to recover reasonable attorney's fee and court costs.

Each Owner of a Condominium Parcel, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy utilized by the Association and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners and Members to

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give to the Association a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from Owners of Condominium Parcels and to preserve each other's right to enjoy his Condominium Unit free from unreasonable restraint and nuisance.

ARTICLE XII
LIABILITY IN EXCESS OF INSURANCE COVERAGE

In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Members, the Association shall give notice of the exposure within a reasonable time to all Members who may be exposed to the liability and they shall have the right to intervene and defend.

A copy of each insurance policy obtained by the Association shall be made available for inspection by Members during reasonable business hours.

ARTICLE XIII
REGISTERS

Section 1. The Secretary of the corporation shall maintain a register in the corporate office showing the names and the addresses of Members.

Section 2. The corporation shall maintain a suitable register of the recording of pledged or mortgaged Condominium Parcels. Any pledgee, mortgagee, holder, insurer or guarantor of a mortgage on a Condominium Parcel may, but is not obligated to, notify the corporation in writing of the pledge or mortgage. Upon written request to the Secretary of the Association, such registered pledgee, mortgagee or holder, insurer or guarantor of a mortgage on a Unit shall be entitled to inspect the books and records of the Association, and to receive a financial statement for the immediately preceding fiscal year and timely written notice of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium Property or the Unit securing the mortgage.

(b) Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of the mortgaged Unit.

(c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(d) Any proposed action which requires the consent of a specified percentage of mortgage holders.

ARTICLE XIV
SURRENDER

In the event of the legal termination of a membership and of the occupancy rights thereunder, the Member or any other person or persons in possession by or through the right of the Member, shall promptly quit and surrender the Unit to the corporation in good repair, ordinary wear and tear and damage by fire or other casualty excepted, and the corporation shall have the right to re-enter and to repossess the Unit. The Member, for himself, and any successor in interest, by operation of law or otherwise, hereby waives any and all notice and demand for possession if such be required by the laws of Pinellas County, the State of Florida, or the United States of America.

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ARTICLE XV
AMENDMENTS

These By-Laws may be altered, amended or repealed, unless specifically prohibited herein or in the Declarations or the Articles of Incorporation, at any regular or special meeting of the Members by an affirmative vote or seventy-five percent (75%) of the voting interests of all of the Members of the corporation, unless a contrary vote is required pursuant to the Articles of Incorporation or the Declarations, and provided that notice of said meeting has been given in accordance with these By-Laws and that such notice contains a full statement of the proposed amendment. No modification or amendment to these By-laws shall be valid nor become effective unless set forth or annexed to a duly recorded amendment to the Declarations. Notwithstanding anything to the contrary contained herein, no amendment may be made to these By-Laws nor to the Articles of Incorporation which affects the rights and privileges provided therein to the Developer without the consent and joinder of the Developer.

ARTICLE XVI
CONSTRUCTION

Whenever the masculine singular form of pronoun is used herein, it shall mean the masculine, feminine or neuter, singular or plural, whenever the context so requires.

Should any of the covenants herein be void or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

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FILED AND RECORDED
IN PUBLIC RECORDS
OF DUVAL COUNTY FLA

APR 18 2 08 PM '89

RECORD VERIFIED

Henry W. Ford
CLERK OF CIRCUIT COURT