

C. The organization meeting of the newly elected Board of Directors shall be held within Ten (10) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and notice of the organization meeting shall be provided as for regular meetings.

D. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting unless notice is waived. Notice of all meetings, to include identification of all agenda items, shall be posted conspicuously on the Condominium property at least forty-eight (48) hours preceding the meeting except in emergency. Any item not included on the notice may be taken up on an emergency basis by at least the majority plus one (1) of the members of the Board, but such emergency action shall be noticed and ratified at the next regular meeting of the Board. Written notice of any meeting at which non-emergency special assessments, or amendment to rules regarding unit use, will be considered shall be mailed or delivered to all unit owners and posted conspicuously on the Condominium property not less than fourteen (14) days prior to the meeting. Compliance shall be evidenced by an affidavit executed by the person providing notice and filed among the official records of the Association. Upon notice to unit owners, the Board shall by duly adopted rule designate a specific location on the Condominium property upon which all notices of Board meetings shall be posted. If no such location exists, notices shall be mailed or delivered at least fourteen (14) days before the meeting to the owner of each unit. Notice of any meeting in which regular assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

E. All meetings of the Board of Directors and any committee thereof shall be open to all unit owners. Any unit owner may tape record or video tape meetings. The right to attend includes the right to speak at such meetings with reference to all designated agenda items, subject to reasonable rules. Speaking, recording, and video taping shall be subject to reasonable rules governing the frequency, duration and manner of participation.

F. Special meetings of the Board of Directors may be called by the President, and must be called by the Secretary at the written request of one-third of the votes of the Board. Not less than Three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Notice to unit owners shall be provided as for regular meetings.

G. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Voting should not be by proxy or secret ballot, except that officers may be elected by secret ballot. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these By-Laws or the Declaration of Condominium. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the Directors who are

present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business which might have been transacted at a meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

I. The presiding officer of Directors' meetings shall be the President or, if absent, the Vice President. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.

J. Directors' fees, if any, shall be determined by the members.

K. The Board of Directors shall respond to any unit owner's written complaint within thirty (30) days.

L. The Association shall indemnify every Director and officer, his heirs, executors, and administrators, against any and all loss, cost and expense reasonably incurred by him in connection with any suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled under applicable law.

**5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS:**

A. All of the powers and duties of the Association shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, including those existing under the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the Declaration of Condominium.

B. In addition to its other powers and duties, the Board shall adopt Rules and Regulations governing the use by Unit Owners and others of Units and the Common Elements, which Rules and Regulations may be amended from time to time as the Board may deem necessary and desirable.

C. The Board shall maintain, update annually, and file with the Division a single page document entitled "Frequently Asked Questions and Answers", containing information related to: voting rights in the Association; restrictions on rights to use or lease the unit; amount and basis of assessments; rent and land use fees related to recreational or common use facilities; pending or existing litigation with liability exceeding \$100,000; mandatory membership in other associations, including fees and voting rights; and other disclosures required by the Division.

D. An adequate number of copies of the Declaration of Condominium, Articles of Incorporation, Bylaws, and Rules and Regulations, all as amended, and the question and answer sheet shall be available to unit owners and prospective purchasers at cost.

E. Minutes of all meetings of Directors shall be kept by the Secretary of the Association and shall be available for inspection by members or their authorized representatives and by Directors at all reasonable times. The Association shall retain these minutes for a period of not less than seven (7) years.

F. The Board shall adopt hurricane shutter specifications as required by statute.

6. **OFFICERS:**

A. The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors by secret ballot and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the chief executive officer of the Association, and shall have all of the powers and duties which are usually vested in the office of President of an Association, including, but not limited, to the power to appoint committees from among the members to assist in the conduct of the affairs of the Association.

C. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President and shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members; shall attend to the giving and serving of all notices to the members and Directors, and such other notices required by law; shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed; shall keep the records of the Association, including minutes of all meetings and recording all voting by unit owners, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the Directors or President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidence of indebtedness; shall keep the assessment rolls and accounts of the members; shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

F. The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Condominium.

7. **FISCAL MANAGEMENT:**

The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

A. The Association shall operate on a calendar year.

B. The assessment roll shall be maintained in a set of accounting books. There shall be an account for each Private Dwelling. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the

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owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

C. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to the following items:

- (1) Common expense budget, which shall include administration of the Association, management fees, maintenance of common property and of limited common property, rent for recreational and other commonly used facilities, taxes upon Association property, taxes upon leased areas, insurance, security provisions, other expenses, operating capital, reserves, and fees payable to the Division of Florida Land, Sales, Condominiums, and Mobile Homes; and
- (2) Proposed assessments against each unit type.

Copies of the proposed budget and proposed assessments shall be transmitted to each member on or before January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors to at any time in their sole discretion levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

D. The Association shall provide to the Division of Land Sales, Condominiums, and Mobile Homes and to each unit owner a copy of the Annual Financial Report within sixty (60) days following the end of the calendar year. The report shall show receipts and expenses by accounts and classifications including, but not limited to cost for security, professional and management fees and expenses, taxes, cost for recreational facilities, expenses for refuse collection and utilities services, expenses for lawn care, cost for building maintenance and repair, insurance costs, administrative and salary expenses, and general reserves, maintenance reserves, and depreciation reserves. Alternatively, the Association may render a complete set of financial statements for the preceding year to all unit owners within ninety (90) days of the end of the year, such statements to be compiled, reviewed, or audited pursuant to Rule [REDACTED] Florida Administrative Code. The requirement to compile, review, or audit the financial statements does not apply if a majority of the voting interests of the Association present at a duly called meeting have determined for a calendar year to waive the requirement.

E. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

F. An annual audit of the accounts of the Association shall be made as required and ordered by the Board of Directors, unless waived by unit owners as authorized by statute.

G. Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association and

from any contractor handling or responsible for Association funds. The amount of such bonds shall be in accordance with Fla. Stat. §718.112(2)(j). The premium on such bonds shall be paid by the Association.

H. Reserve accounts must be maintained for roof replacement, building painting, pavement resurfacing, and for any other items for which deferred maintenance or replacement costs exceed \$10,000. The Association shall maintain bank accounts, for the annual operating account and for capital replacement reserve funds and may commingle operating and reserve funds for investment purposes only, so long as separate ledgers are maintained for the operating and reserve accounts. Reserve funds and any interest accruing thereon shall remain in the reserve account for authorized expenditures, unless their use is approved in advance by a vote of the majority of the voting interests present at a duly called meeting of the Association.

I. Contracts for the provision of services, and for products not to be fully performed within one (1) year, will for the purchase, lease or renting of materials or equipment, shall be in writing. If the amount of the contract exceeds five percent (5%) of the total annual budget of the Association including reserves, the Association shall obtain competitive bids, but need not accept the lowest bid. Renewal of contracts executed before January 1, 1992, and contracts with employees of the Association, and contracts for professional services such as attorneys, accountants, architects and engineers are not subject to the above requirement. Contracts initially awarded by competitive bid, upon renewal are not subject to competitive bid requirements if the contract contains a provision allowing the Board of Directors to cancel the contract on thirty (30) days notice. Contracts for management of the Condominium, if made by competitive bid, may be made for up to three (3) years. If two-thirds (2/3) of the unit owners vote to do so, the above provisions need not be followed.

J. The Association shall not commingle operating funds with the reserve funds, nor with any funds not belonging to the Association.

8. RECORDS MANAGEMENT:

All those official records listed in Florida Statute §718.111(12)(a) shall be maintained by the Association at a location within Volusia County. Records shall be made available to a unit owner upon written request within five (5) working days after receipt of the request. The Association may comply with such a request by having a copy of the official records available for inspection or copying on the Condominium property. Records prepared by the Association attorney in preparation for litigation, information obtained by the Association in connection with the approval of a lease, sale or transfer of a unit, and medical records of unit owners shall not be made available to unit owners.

9. PARLIAMENTARY RULES:

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of Florida.

10. AMENDMENTS TO BY-LAWS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board of Directors or by members of the Association owning a majority of

the Private Dwellings in the Condominium, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment or amendments to these By-Laws being proposed by said Board of Directors or members, such proposed amendment, or amendments shall be transmitted to the President of the Association, or other officer of the Association in absence of the President, who shall thereupon call a Special Joint Meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than Twenty (20) days or later than Sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

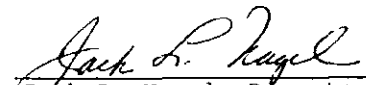
C. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of two-thirds of the entire membership of the Board of Directors and by an affirmative vote of the members owning not less than three-fourths of the Private Dwellings in the Condominium. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the public records of Volusia County within Ten (10) days from the date on which any amendment or amendments have been affirmatively approved by the members.

D. At any meeting held to consider such amendment or amendments to the By-Laws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.


#### 11. CONFLICTS:

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

THE FOREGOING WAS ADOPTED as the By-Laws of the Association at the first meeting of the Board of Directors on the 18th day of February, 1994.

  
Jack L. Nagel, Director

APPROVED:

  
Frank Thomas, President

DATED THIS 28th day of February, 1994.