

Certified Copy

I certify the attached is a true and correct copy of the Articles of Incorporation of OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed electronically on May 09, 2014, as shown by the records of this office.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N [REDACTED]

Authentication Code: 140514092510-800260057538#1

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Fourteenth day of May, 2014



Ken Detzner
Ken Detzner
Secretary of State

ARTICLES OF INCORPORATION

FOR

OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC.

The undersigned subscribers by these Articles associate themselves for the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida and hereby adopt the following Articles of Incorporation.

ARTICLE 1 NAME

The name of the corporation shall be **OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC.** For convenience, the corporation shall be referred to in this instrument as the "**Association**," these Articles of Incorporation as the "**Articles**," and the By-Laws of the Association as the "**By-Laws**."

ARTICLE 2 PRINCIPAL OFFICE

The initial principal office of the Association shall be 5300 S. Atlantic Avenue, New Smyrna Beach, Florida 32169.

ARTICLE 3 PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes, the Condominium Act (the "**Act**") as it exists on the date hereof for the operation of that certain condominium located in Volusia County, Florida, and known as **OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18, a Condominium** (the "**Condominium**").

ARTICLE 4

DEFINITIONS

The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of Condominium to be recorded in the Public Records of Volusia County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE 5

POWERS

The powers of the Association shall include and be governed by the following:

5.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

5.2 Enumeration. The Association shall have all of the powers and duties set forth in the Act, except as limited by these Articles, the By-Laws and the Declaration, and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws, as they may be amended from time to time, including, but not limited to, the following:

(a) to make and collect assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties;

(b) to buy, own, operate, lease, sell, trade and mortgage both real and personal property;

(c) to maintain, repair, replace, reconstruct, add to and operate the Condominium Property, and other property acquired or leased by the Association;

(d) to purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners;

(e) to make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety and welfare of the Unit Owners;

(f) to approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration;

(g) to enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property, subject, however, to the limitation regarding assessing Units owned by the Developer for fees

and expenses relating in any way to claims or potential claims against the Developer as set forth in the Declaration and/or By-Laws;

(h) to contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association;

(i) to employ personnel to perform the services required for the proper operation of the Condominium.

5.3 Condominium Property. All funds and the title to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declaration, these Articles and the By-Laws.

5.4 Distribution of Income. The Association shall make no distribution of income to its members, directors or officers.

5.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act, provided that in the event of conflict, the provisions of the Act shall control over those of the Declaration and By-Laws.

ARTICLE 6 MEMBERS

6.1 Membership. The members of the Association shall consist of all of the record title owners of Residential Units in the Condominium from time to time, and after termination of the Condominium shall also consist of those who were members at the time of such termination, and their successors and assigns.

6.2 Assignment. 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 the Unit for which that share is held.

6.3 Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Residential Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Residential Unit shall be entitled to one vote for each Residential Unit owned.

6.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

ARTICLE 7
TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE 8
SUBSCRIBERS

The name and address of the subscriber to these Articles is as follows:

<u>Name</u>	<u>Address</u>
Jesse E. Graham, Jr.	200 South Orange Avenue, Suite 800 Orlando, Florida 32801

ARTICLE 9
OFFICERS

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President	Giulio Trulli 5300 South Atlantic Avenue New Smyrna Beach, FL 32169
Vice President	Robert Camporese 5300 South Atlantic Avenue New Smyrna Beach, FL 32169
Secretary	Giulio Trulli 5300 South Atlantic Avenue New Smyrna Beach, FL 32169

Treasurer

James Pheigaru
1215 Gessner Drive
Houston, TX 77055

ARTICLE 10
DIRECTORS

10.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need not be members of the Association or residents of Units in the Condominium.

10.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Unit Owners when such approval is specifically required.

10.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

10.4 Term of Developer's Directors. The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

10.5 First Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have taken office, as provided in the By-Laws, are as follows:

<u>Name</u>	<u>Address</u>
Giulio Trulli	5300 South Atlantic Avenue New Smyrna Beach, FL 32169
James Pheigaru	1215 Gessner Drive Houston, Texas 77055
Robert Camporese	5300 South Atlantic Avenue New Smyrna Beach, FL 32169

ARTICLE 11

INDEMNIFICATION

11.1 Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith, nor in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further specifically determines that indemnification should be defined. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of no contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

11.2 Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 11.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

11.3 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 11.

11.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

11.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in such capacity, or arising out of

his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

11.6 Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 11 may not be amended without the prior written consent of all persons whose interest would be adversely affected by such amendment.

ARTICLE 12

BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws and the Declaration.

ARTICLE 13

AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

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

13.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the Secretary at or prior to the meeting. The approvals must be:

(a) by not less than a majority of the votes of all of the members of the Association represented at a meeting at which a quorum thereof has been attained and by not less than sixty-six and two-thirds percent (66 2/3%) of the entire Board of Directors; or

(b) after control of the Association is turned over to Unit Owners other than the Developer, by not less than eighty percent (80%) of the votes of all of the members of the Association represented at a meeting at which a quorum has been attained; or

(c) by not less than one hundred percent (100%) of the entire Board of Directors.

13.3 Limitation. No amendment shall make any changes in the qualifications for membership, nor in the voting rights or property rights of members, nor any changes in Sections 5.3, 5.4 or 5.5 of Article 5, entitled "Powers," without the approval in writing of all members and the joinder of all record owners of mortgages upon Units. No amendment shall be made that is in conflict with the Act, the Declaration or the By-Laws, nor shall any amendment 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, or an affiliate of the Developer, unless the Developer shall join in the execution of the amendment. No amendment to this Section 13.3 shall be effective.

13.4 Amendment by Developer. The Developer may amend these Articles consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

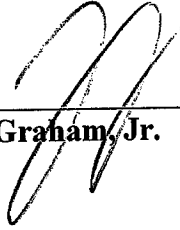
13.5 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the Public Records of Volusia County, Florida.

ARTICLE 14
INITIAL REGISTERED OFFICE;
ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of this corporation shall be at **200 South Orange Avenue, Suite 800, Orlando, Florida 32801**, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be **Jesse E. Graham, Jr.**

IN WITNESS WHEREOF, the subscriber has affixed his signature the day and year set forth below.

Executed this 7th day of May, 2014



Jesse E. Graham, Jr.

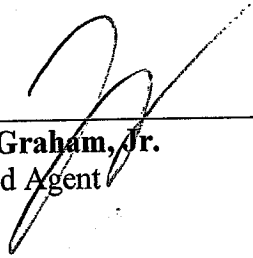
**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN THIS STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In compliance with the laws of Florida, the following is submitted:

That desiring to organize under the laws of the State of Florida with its principal office as indicated in the foregoing Articles of Incorporation at **5300 S. Atlantic Avenue, New Smyrna Beach, Florida 32169**, County of **Volusia**, State of Florida, the corporation named in said articles has named **Jesse E. Graham, Jr.**, located at **200 South Orange Avenue, Suite 800, Orlando, Florida 32801**, County of **Orange**, State of Florida, as its statutory registered agent.

Having been named the statutory agent of said corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

Dated this 7th day of May, 2014.



Jesse E. Graham, Jr.
Registered Agent

EXHIBIT "C"

By-Laws

BY-LAWS

OF

OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18
CONDOMINIUM ASSOCIATION, INC.

A CORPORATION NOT-FOR-PROFIT
ORGANIZED UNDER THE LAWS OF THE STATE OF FLORIDA

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BY-LAWS
OF
OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18
CONDOMINIUM ASSOCIATION, INC.

A CORPORATION NOT-FOR-PROFIT
ORGANIZED UNDER THE LAWS
OF THE STATE OF FLORIDA

1. IDENTITY

These are the By-Laws of **OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC.** (the "Association"), a corporation not-for-profit incorporated under the laws of the State of Florida and organized for the purpose of administering that certain condominium located in **Volusia** County, Florida, and known as **Ocean Walk at New Smyrna Beach - Building No. 18, a Condominium** (the "Condominium").

1.1 Principal Office. The principal office of the Association shall be at 5300 S. Atlantic Avenue, New Smyrna Beach, Florida 32169, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida," the words "Corporation Not for Profit," and the year of incorporation.

2. DEFINITIONS

For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles." The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.

3. MEMBERS

3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The annual meeting shall be held within forty-five (45) miles of the Condominium. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners, the first annual meeting shall be held on the second Wednesday in the month of March following the year in which the Declaration is filed.

3.2 Special Meetings. Special members' meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

Any meeting at which a proposed annual budget of the Association will be considered by the Unit Owners shall be open to all Unit Owners. At least 14 days prior to such meeting, the Board of Directors shall hand deliver to each Unit Owner, or mail to each Unit Owner at the address last furnished to the Association by the Unit Owner, or electronically transmit to the location furnished by the Unit Owner for that purpose, a notice of such meeting and a copy of the proposed annual budget. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement, and such affidavit shall be filed among the official records of the Association.

If a budget adopted by the Board of Directors requires assessment against the Unit Owners for any fiscal year, exceeding 115% of the assessment for the preceding fiscal year, the Board shall conduct a special meeting of the Unit Owners to consider a substitute budget if the Board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10% of all voting interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall hand deliver to each Unit Owner, mail to each Unit Owner at the address last furnished to the Association, or electronically transmit to the location furnished by the Unit Owner for that purpose, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the Official Records of the Association. Unit Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled.

A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by 10% of the voting interests giving notice of the meeting as required for a meeting of Unit Owners, stating the purpose of the meeting.

3.3 Notice of Meeting; Waiver of Notice. Upon notice to the Unit Owners, the Board of Directors shall, by duly adopted rule, designate a specific location on the Condominium Property or Association Property upon which all notices of Unit Owner meetings shall be posted. Written notice of all meetings of Unit Owners shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Unit Owner. The written notice, which must include an agenda, shall be mailed, hand delivered, or electronically transmitted to each Unit Owner at least fourteen (14) days prior to the annual meeting and shall be posted in a conspicuous place on the Condominium Property at least fourteen (14) continuous days preceding the annual meeting. Unless a Unit Owner waives in writing the right to receive notice of the annual meeting, such notice shall be hand delivered or mailed to each Unit Owner. Notice for meetings and notice for all other purposes shall be mailed to each Unit Owner at the address last furnished to the Association by the Unit Owner, hand delivered to each Unit Owner or electronically transmitted to the location furnished by the Unit Owner for that purpose. However, if a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address which the Developer initially identifies for that purpose and, thereafter, as one or more of the Owners of the Units shall so advise the Association in writing, or if no address is given or the Owners of the Unit do not agree, to the address provided on the Deed of record. An officer of the Association or the manager or other person providing notice of the Association meeting, shall provide an affidavit evidencing compliance with this notice requirement, to be included in the official records of the Association. If any meeting of the members can not be held because a quorum is not present or because a greater percentage of the voting interest required to constitute a quorum for a particular purpose is not present, wherever the latter percentage may be required as set forth in the Articles, the By-Laws or the Declaration, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum or the required percentage of attendance, if greater than a quorum, is present. The attendance of any Unit Owner (or person authorized to vote for such Unit Owner) shall constitute such Unit Owner's waiver of notice of such meeting, except when his (or his authorized representatives) attendances for the expressed purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.4 Quorum. A quorum at members' meeting shall be attained by the presence, either in person or by proxy (general and limited), of persons entitled to cast in excess of fifty percent (50%) of the votes of members in good standing. No voting interest or consent right allocated to a Unit owned by the Association shall be exercised or considered for any purpose, whether for a quorum, an election, or otherwise.

3.5 Voting.

3.5.1 Number of Votes. Except as provided in Section 3.10 hereof, and except when the vote is to be determined by a percentage of shares of ownership in the Condominium (as contemplated in specific portions of the Declaration), in any meeting of members, the Owners of Residential Units shall be entitled to cast one vote for each Residential Unit owned. The vote of a Unit shall not be divisible.

3.5.2 Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owner" and "majority of the members" shall mean a majority of the votes of members and not a majority of the members themselves and shall further mean more than fifty percent (50%) of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owner at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

3.5.3 Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. No voting interest or consent right allocated to a Unit owned by the Association shall be exercised or considered for any purpose, whether for an election or otherwise. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. Such person need not be a Unit Owner, nor one of the joint owners. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed, except if the Unit is owned jointly by a husband and wife. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee need not be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

3.5.3.1 If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is

present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

3.5.3.2 If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

3.5.3.3 If both are present at a meeting and concur, either one may cast the Unit vote.

3.6 Proxies. Votes may be cast in person, by limited proxy and not by general proxy unless specifically permitted in *Chapter 718*, Fla. Stat. Specifically, limited proxies shall be used for votes taken to waive or reduce reserves; to waive the financial reporting requirements of *Section 718.111(13)*, Fla. Stat.; votes taken to amend the Declaration, Articles or By-Laws; and for any other matter for which *Chapter 718*, Fla. Stat., requires or permits a vote of the Unit Owners. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes. In addition to the use of limited proxies, general proxies may also be used for the purpose of obtaining a quorum. Limited proxies may not be used in electing Board Members, except in the case of recall, as provided for under *Rule 61B-23.0026, Florida Administrative Code*. A proxy may be made by any person entitled to vote, but shall not be valid except for the specific meeting for which originally given and any lawful 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 Unit Owner executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the Unit and filed with the Secretary before the appointed time of the meeting. If the proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. If this provision is not made, substitution is not authorized.

3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting; provided, however, in no event shall a proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given and every proxy shall be revocable at any time at the pleasure of the person executing it.

3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meeting, and if applicable, at other members' meetings, shall be:

3.8.1 ballots not yet cast shall be collected;

3.8.2 call to order by the President;

3.8.3 appointment by the President of a chairman of the meeting (who need not be a member or a director);

3.8.4 proof of notice of the meeting or waiver of notice;

3.8.5 reading of minutes;

3.8.6 reports of officers;

3.8.7 reports of committees;

3.8.8 appointment of inspectors of election;

3.8.9 determination of number of Directors to be elected;

3.8.10 election of Directors;

3.8.11 unfinished business;

3.8.12 new business;

3.8.13 adjournment.

Such order may be waived in whole or in part by direction of the chairman.

3.9 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

3.10 Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, 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 (or persons authorized to cast the vote of any such members as elsewhere herein set forth) having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which a quorum of members (or authorized person) entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

4. DIRECTORS

4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than nine (9) directors, the exact number to be determined in the first instance in the Articles, and, thereafter, except as provided herein, from time to time upon majority vote of the membership. Directors need not be Unit Owners. Co-Owners of a Unit may not serve as members of the Board of Directors at the same time. A person who has been suspended or removed as a Board Member by the Division, or who is delinquent in the payment of any fee or assessment for more than ninety (90) days is not eligible for Board Membership. A person who has been convicted of any felony in the State of Florida or United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction that would be considered a felony if committed in the State of Florida, is not eligible for Board Membership unless such felon's civil rights have been restored for a period of no less than five (5) years as of the date on which such person seeks election to the Board.

4.2 Election of Directors. The election of Directors shall be conducted in the following manner: The member of the Board shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless specifically permitted in Chapter 718, Fla. Stat. At least 60 days before a scheduled election, the Association shall mail, deliver, or electronically transmit, by separate Association mailing or included in another Association mailing, delivery, or transmission, including regularly published newsletters, to each Unit Owner entitled to a vote, a first notice of the date of the election. Any Unit Owner or other eligible person desiring to be a candidate for the Board must give written notice of his or her intent to be a candidate to the Association at least 40 days before a scheduled election. Together with the written notice and agenda as set forth in Article 3.3 above, the Association shall mail, deliver, or electronically transmit a second notice of the election to all Unit Owners entitled to vote, together with a ballot that lists all candidates. The second notice and accompanying documents shall not contain any communication by the Board that endorses, disapproves, or otherwise comments on any candidate. Accompanying the ballot shall be an outer envelope addressed to the person or entity authorized to receive the ballots and a smaller inner envelope in which the ballot shall be placed. The exterior of the outer envelope shall indicate the name of the voter, and the Unit numbers being voted, and shall contain a signature space for the voter. Once the ballot is filled out, the voter shall place the completed ballot in the inner smaller envelope and seal the envelope. The inner envelope shall be placed within the outer larger envelope, and the outer envelope shall then be sealed. Each inner envelope shall contain only one ballot, but if a person is entitled to cast more than one ballot, the separate inner envelopes required may be enclosed within a single outer envelope. The voter shall sign the exterior of the outer envelope in the space provided for such signature. The envelope shall either be mailed or hand delivered to the Association. Upon receipt by the Association, no ballot may be rescinded or changed. Upon request of a candidate, an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate at least 35 days before the election, must be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the Association. The

Association is not liable for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper. Elections shall be decided by a plurality of ballots cast. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election. A Unit Owner may not permit any other person to vote his or her ballot, and any ballots improperly cast are invalid. A unit owner who violates this provision may be fined by the Association in accordance with Section 718.303 Fla. Stat. A Unit Owner who needs assistance in casting the ballot for the reasons stated in Section 101.051 Fla. Stat. may obtain such assistance. The regular election must occur on the date of the annual meeting. Notwithstanding herein to the contrary, an election is not required unless more candidates file notices of intent to run or are nominated than Board vacancies exist.

4.3 Vacancies and Removals.

4.3.1 Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of Section 4.16 hereof shall be filled by the Developer without the necessity of any meeting.

4.3.2 Any Director elected by the members (other than the Developer) may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all voting interests. A special meeting of the Unit Owners to recall a Director or Directors may be called by 10 percent of the voting interests giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting. The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer or Directors who were not Unit Owners) shall constitute the resignation of such Director.

4.3.3 When both the Developer and other Unit Owners are entitled to representation on the Board of Directors, pursuant to *Section 718.301, Fla. Stat. or Rule 61B-23.003, Florida Administrative Code*, the recall and replacement of Board Members elected or appointed by the Developer and the recall and replacement of Board Members elected or appointed by Unit Owners other than the Developer shall be as provided for in *Rule 61B-23.0026, Florida Administrative Code*.

4.3.4 A Director more than ninety (90) days delinquent in the payment of regular assessments shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law. A Director charged with a felony theft or embezzlement offense involving the Association's funds or property shall be removed from office, creating a vacancy in the office to be filled according to law. While such Director has such criminal charge pending, he or she may not be appointed or elected to a position as a Director. However, should the charges be resolved without a finding of guilt, the Director shall be reinstated for the remainder of his or her term of office, if any.

4.3.5 If the Association fails to fill vacancies on the Board sufficient to constitute a quorum in accordance with these By-Laws, any Unit Owner may give notice of his or her intent to apply to the Circuit Court of Volusia County for the appointment of a receiver to manage the affairs of the Association. The form of the notice shall be as follows:

NOTICE OF INTENT TO APPLY FOR RECEIVERSHIP

YOU ARE HEREBY NOTIFIED that the undersigned owner of a Condominium Unit in Ocean Walk at New Smyrna Beach – Building No. 18, a Condominium intends to file a petition in the Circuit Court for appointment of a receiver to manager the affairs of the Association on the grounds that the Association has failed to fill vacancies on the Board of Administration sufficient to constitute a quorum. This petition will not be filed if the vacancies are filled within thirty (30) days after the date on which this notice was sent or posted, whichever is later. If a receiver is appointed, the receiver shall have all of the powers of the Board and shall be entitled to receive a salary and reimbursement for all costs and attorneys' fees payable from the Association's funds.

The Unit Owner must provide the Unit Owner's name and address and must sign the notice. The notice must be provided by the Unit Owner to the Association by certified mail or personal delivery, must be posted in a conspicuous place on the Condominium property, and must be provided by the Unit Owner to every other Unit Owner of the Association by certified mail or personal delivery. The notice must be posted and mailed or delivered at least thirty (30) days prior to the filing of a petition seeking receivership. Notice by mail to a Unit Owner shall be sent to the address used by the County Property Appraiser for notice to the Unit Owner, except that where a Unit Owner's address is not publicly available, the notice shall be mailed to the Unit. If a receiver is appointed, all Unit Owners shall be given notice of such appointment as provided for in Section 718.127, Fla. Stat.

4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall expire at the annual meeting and such Board Members may stand for re-election unless otherwise permitted by these By-Laws. If no person is interested in or demonstrates an intention to run for the position of a Board Member whose term has expired, such Board Member whose term has shall be automatically reappointed to the Board of Administration and need not stand for re-election.

4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed Directors shall be held at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and shall be properly noticed as called for in Fla. Stat. §718.112.

4.6 Regular Meetings. 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 telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Unit Owners. Adequate notice of all Board or Director meetings, which must specifically identify all agenda items, must be posted conspicuously on the Condominium Property at least 48 continuous hours before the meeting except in an emergency. If 20 percent of the voting interests petition the Board to address an item of business, the Board at its next regular Board meeting or at a special meeting of the Board, but not later than 60 days after the receipt of the petition, shall place the item on the agenda. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the Board members. Such emergency action must be noticed and ratified at the next regular Board meeting. However, written notice of any meeting at which nonemergency special assessments, or at which amendment to rules regarding unit use, will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the Condominium Property at least 14 days before the meeting. Evidence of compliance with this 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the official records of the Association. Upon notice to the Unit Owners, the Board shall, by duly adopted rule, designate a specific location on the Condominium or Association property where all notices of Board meetings are to be posted. If there is no Condominium Property or Association property where notices can be posted, notices shall be mailed, delivered, or electronically transmitted at least 14 days before the meeting to the Owner of each Unit. In lieu of or in addition to the physical posting of the notice on the Condominium Property, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Condominium Association. However, if broadcast notice is used in lieu of a notice physically posted on Condominium Property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. Notice of any meeting in which regular or special assessments against Unit Owners are to be considered for any reason must specifically state that assessments will be considered and provide the nature, estimated cost, and description of the purposes for such assessments. Meeting of a committee to take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are subject to the requirements of this Article, as if the committee meeting was being held by the Board. Meetings of a committee that does not take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are not subject to the requirements of this Article.

4.7 Special Meetings. Special meeting of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (a) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium Property at least forty-eight (48) hours continuously in

advance for the attention of the members of the Association, except in the event of an emergency.

4.8 Exception to Open Meeting. Notwithstanding anything herein to the contrary, the requirement that Board meetings and certain committee meetings be open to the Unit Owners does not apply to:

4.8.1 Meetings with Association Attorney. Meetings between the Board or a committee and the Association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or

4.8.2 Meetings to Discuss Personnel Matters. Board meetings held for the purpose of discussing personnel matters.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.10 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.

4.10.1 Presumed Assent. A Director of the Association who is present at a meeting of its Board at which action on any corporate matters taken shall be presumed to have assented to the action taken unless he or she votes against such action or abstains from voting. A Director of the Association who abstains from voting on any action taken on any corporate matter shall be presumed to have taken no position with regard to the action. Directors may not vote by proxy or by secret ballot at Board meetings, except that officers may be elected by secret ballot. A vote of abstention for each Member present shall be recorded in the minutes.

4.11 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.12 Agreement or Disagreement with any Action Taken. A member of the Board of Directors or a committee created by the Board of Directors may submit, in writing, his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purpose of creating a quorum.

4.13 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

4.14 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

- 4.14.1 proof of due notice of meeting;
- 4.14.2 reading and disposal of any unapproved minutes;
- 4.14.3 reports of officers and committees;
- 4.14.4 election of officers;
- 4.14.5 unfinished business;
- 4.14.6 new business;
- 4.14.7 adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

4.15 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4.16 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in Subsections 5.7 and 5.16 of Section 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

4.17 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association; then the Unit Owners other than the Developer shall be entitled to elect not less than one-third of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three (3) years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to Purchasers; (b) three (3) months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to Purchasers; (c) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or (d) when some of the Units have been conveyed to purchasers, and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, (e) when the Developer files a petition seeking protection in bankruptcy; (f) when a receiver for the Developer is appointed by a circuit court and is not discharged within 30 days after such appointment; or (g) seven years after the date of recordation of the Declaration of Condominium, whichever occurs first. The Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business five percent (5%) of the Units that will be operated ultimately by the Association.

The Developer may turn over control of the Association to Unit Owners other than the Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least sixty (60) days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Developer refuse or fail to assume control. Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, or sooner if the Developer has elected to accelerate such event as aforesaid, the Association shall call, and give not less than sixty (60) days' notice of a meeting of the Unit Owners to elect such member or members of the Board of Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

At the time the Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association. Simultaneously, the Developer shall deliver to the Association at the Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, except for financial records which shall be delivered not more than ninety (90)

days after the election. Such property includes, but is not limited to, the following items, if applicable:

4.17.1 the original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration;

4.17.2 a certified copy of the Articles of Incorporation of the Association, and a copy of the By-Laws;

4.17.3 the minute books, including all minutes, and other books and records of the Association;

4.17.4 any rules and regulations which have been adopted;

4.17.5 resignations of resigning officers and Board members who were appointed by the Developer;

4.17.6 the financial records, including financial statements of the Association, and source documents since the incorporation of the Association through the date of turnover. The records shall be reviewed by an independent certified public accountant. The minimum report required shall be a review which must be in accordance with generally accepted standards as defined by the Board of Accountancy. Said accounting shall include a review of all supporting documents and records including cash disbursements and related paid invoices to determine if expenditures were for association purposes and the billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of assessments;

4.17.7 Association funds or the control thereof;

4.17.8 all tangible personal property that is the property of the Association or is or was represented by the Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

4.17.9 a copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property;

4.17.10 insurance policies;

4.17.11 copies of any certificates of occupancy which may have been issued for the Condominium Property;

4.17.12 any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association;

4.17.13 all written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective;

4.17.14 a roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;

4.17.15 leases of the Common Elements and other leases to which the Association is a party, if applicable;

4.17.16 employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service;

4.17.17 all other contracts to which the Association is a party;

4.17.18 list of names and address of which the Developer had knowledge, at any time in the Development of the Condominium, of all contractors, subcontractors, and suppliers utilized in the construction of the improvements and in the landscaping of the Condominium property;

4.17.19 a report included in the Official Records, under seal of an architect or engineer authorized to practice in this State, attesting to require maintenance, use for life, and replacement costs of the following applicable Common Elements comprising a turnover inspection report:

1. roof
2. structure
3. fireproofing and fire protection systems
4. elevators
5. heating and cooling systems
6. plumbing
7. electrical systems
8. swimming pool or spa and equipment
9. seawalls
10. pavement and parking areas

11. drainage systems
12. painting
13. irrigation systems.

5. POWER AND DUTIES

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

- 5.1** operating and maintaining the Common Elements;
- 5.2** determining the expenses required for the operation of the Condominium and the Association;
- 5.3** collecting the Assessments for Common Expenses from Unit Owners;
- 5.4** employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements;
- 5.5** adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 13 hereof;
- 5.6** maintaining bank accounts on behalf of the Association and designating the signatories required therefore;
- 5.7** purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee;
- 5.8** purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee;
- 5.9** selling, leasing, mortgaging or otherwise dealing with Units acquired, and subleasing Units leased, by the Association, or its designee;
- 5.10** conveying a portion of the Common Elements to a condemning authority for the purpose of providing utility easements, expanding rights-of-way or other public purposes, whether by negotiation or as a result of eminent domain proceedings;

5.11 organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property;

5.12 obtaining and reviewing insurance for the Condominium Property;

5.13 making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

5.14 enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium;

5.15 levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners;

5.16 purchasing or leasing Units for use by resident superintendents and other similar persons;

5.17 borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (b) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of \$75,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this Subsection 5.17 is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit; provided always, however, the Association shall take no action authorized in this paragraph without the prior written consent of the Developer as long as the Developer owns any Unit;

5.18 contracting for the management and maintenance of the Condominium Property and authorizing a managing agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association;

5.19 at its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use;

5.20 exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit;

5.21 imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units, not to exceed the maximum amount permitted by law in any one case;

5.22 contracting with and creating or joining in the creation of special taxing districts, joint councils and the like;

5.23 all contracts entered into for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes, and all contracts for the provision of services shall comply with the requirements of Section 718.3026(1), Fla. Stat. As to any contract or other transaction between an association and one or more of its directors, or any other corporation, firm, association, or entity in which one or more of its directors are directors or officers or are financially interested:

(a) The association shall comply with the requirements of Section 617.0832, Fla. Stat.

(b) The disclosures required by Section 617.0832, Fla. Stat., shall be entered into the written minutes of meeting period.

(c) Approval of the contract or other transaction shall require an affirmative vote of two-thirds (2/3) of the directors present.

(d) At the next regular or special meeting of the members, the existence of the contract or other transaction shall be disclosed to the members. Upon motion of any Member, the contract or transaction shall be brought up for a vote and may be cancelled by a majority vote of the Members present. Should the Members cancel the contract, the Association shall only be liable for the reasonable value of goods and services provided up to the time of cancellation and shall not be liable for any termination fee, liquidated damages, or other form of penalty for such cancellation.

5.24 As required by Section 617.0830, Fla. Stat., an officer, director or agent shall discharge his or her duties in good faith, with the care and ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the interest of the Association. An officer, director or agent shall be liable for monetary damages as provided in Section 617.0834 if such officer, director or agent breached or

failed to perform his or her duties in the breach of or failure to perform, his or her duties constitutes a violation of criminal law as provided in Section 617.038, Fla. Stat.; constitutes a transaction from which the officer or director derived an improper personal benefit, either director or indirectly; or 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.

5.25 Notwithstanding the provisions of subsection 5.23 above, and Section 718.3026(1), Fla. Stat., contracts with employees of the Association and contracts for attorney, architect, community association manager, timeshare management firm, engineering and landscape architect services are not subject to the provisions of Section 718.306, Fla. Stat.; nothing contained in Section 718.306(1), Fla. Stat., is intended to limit the ability of the Association to obtain needed products and services in an emergency; Section 718.3026(1), Fla. Stat., shall not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within Volusia County, Florida; and nothing contained in Section 718.3026(1), Fla. Stat., shall excuse a party contracting to provide maintenance or management services from compliance with Section 718.3025, Fla. Stat.

6. OFFICERS

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice President, a Treasurer and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners.

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association

and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

6.6 Developer Appointees. No officer appointed by the Developer may be removed except as provided in Section 4.16 hereof and by law.

6.7 Vacancy Due to Delinquent Assessments. An officer more than ninety (90) days delinquent in the payment of regular assessments shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law. An officer charged with a felony theft or embezzlement offense involving the Association's funds or property shall be removed from office, creating a vacancy in the office to be filled according to law. While such officer has such criminal charge pending, he or she may not be appointed or elected to a position as an officer. However, should the charges be resolved without a finding of guilt, the officer shall be reinstated for the remainder of his or her term of office, if any.

7. COMPENSATION

Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

8. RESIGNATIONS

Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignations shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective.

9. FISCAL MANAGEMENT

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

9.1 Budget.

9.1.1 Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expense and contain at least all items set forth in Section 718.504[21] of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of such Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance (to the extent required by law). These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each reserve item. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby.

The adoption of a budget for the Condominium shall comply with the requirements hereinafter set forth:

9.1.1.1 Notice of Meeting. A copy of the proposed budget of Common Expenses shall be mailed to each Unit Owner not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to the Unit Owners.

9.1.1.2 Special Membership Meeting. If the Board of Directors adopts in any fiscal year an annual budget which requires Assessments against Unit Owners which exceed one hundred fifteen percent (115%) of Assessments for the preceding fiscal year, the Board shall conduct a special meeting of the Unit Owners to consider a substitute budget if the Board receives, within twenty-one (21) days after adoption of the annual budget, a written

request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be noticed, conducted and held as provided for in Article 3.2 above, and Section 718.112(2)(e)2.a, Fla. Stat.

9.1.1.3 Determination of a Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen percent (115%) of Assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded further from such computation Assessments for improvements to the Condominium Property.

9.1.1.4 Proviso. As long as the Developer is in control of the Board of Directors of the Association, the Board shall not impose Assessments for a year greater than one hundred fifteen percent (115%) of the prior year's Assessments, as herein defined, without the approval of Unit Owners owning a majority of the Units (including Units owned by the Developer).

9.1.2 Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the requirements of Subsection 9.1.1 above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for the year.

9.1.3 Waiving or Reducing Funding of Reserves. The only voting interests which are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the Units subject to Assessments to fund the reserves in questions. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended shall contain the following statement, in capitalized, bold letters, in a font size larger than any other used on the face of the proxy ballot: **WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVES USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.**

9.2 Assessments. Assessments against Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually at least twenty (20) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. If annual Assessments are not made

as required, Assessments shall be presumed to have been made in the amount of the last prior Assessments, and monthly (or quarterly) installments on such Assessments shall be due upon each installment payment date until changed by amended Assessments. In the event the annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which amended Assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended Assessments, each such monthly (of quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessments shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.

9.3 Charges. Charges by the Association against members for other than Common Expenses shall be payable in advance. These charges may be collected at the same time as Common Expenses. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits attached thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the use of portions of the Condominium Property, maintenance services furnished at the expense of an Owner, other services furnished for the benefit of an Owner and fines and damages and other sums due from such Owner.

9.4 Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due only after ten (10) days notice is given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of such Assessments.

9.5 Depository. The depository of the Association shall be such bank or banks in the State 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 those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association shall be maintained separately in the Association's name. For investment purposes only, reserve funds may be commingled with operating funds of the Association. Commingled operating and reserve funds shall be accounted for separately, and a commingled account shall not, at any time, be less than the amount identified as reserve funds.

9.6 Acceleration of Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment of assessments, the Board of Directors or its agent may accelerate assessments of a Unit Owner delinquent in payment of such assessments. Accelerated assessments shall be due and payable on the date the claim of lien for such assessments is filed. Such accelerated assessments shall include the amounts due for the remainder of the budget year in which the claim of lien was filed, but only if a claim of lien has been filed prior to the

acceleration for the delinquent assessments, otherwise such assessments may be accelerated not less frequently than quarterly.

9.7 Fidelity Bonds. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding.

9.8 Accounting Records and Reports. The Association shall maintain accounting records in this State, according to the rules setting forth uniform accounting principals and standards adopted by the Division of Florida Condominiums, Timeshares, and Mobile Homes of The Department of Business and Professional Regulation. Within ninety (90) days after the end of the fiscal year, the Association shall prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. Within twenty-one (21) days after the financial report is completed or received by the Association from the third party, the Association shall mail to each unit owner at the address last furnished to the Association by the Unit Owner, or hand deliver to each Unit Owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the Unit Owner, without charge, upon receipt of a written request from the Unit Owner. The financial statements for the Association shall meet the requirements as set forth in § 718.111(13)(a), (b) or (c) Fla. Stat., as amended, whichever is applicable. The Association, by vote of the Unit Owners, may exercise any other options available to the Association, as provided for in § 718.111(13) Fla. Stat. At a minimum, the financial statements for the Association shall be a report of cash receipts and expenditures of the Association for the preceding fiscal year, which shall disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the Association maintains reserves. All financial reports and financial statements for the Association shall be open to inspection by unit owners or their authorized representatives at reasonable times.

9.9 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these By-Laws and in the Declaration, or as otherwise determined by the Board.

9.10 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically state that Assessments will be considered and the nature, estimated cost and description of the purposes for such Assessments.

9.11 Destruction of Accounting Records. Any person who knowingly or intentionally defaces or destroys accounting records required to be maintained by Chapter 718, Fla. Stat., or who knowingly or intentionally fails to create or maintain accounting records required to be maintained by Chapter 718, Fla. Stat., is personally subject to a civil penalty pursuant to Section 718.501(1)(d).

10. ROSTER OF UNIT OWNERS

Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association shall maintain such information for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. PARLIAMENTARY RULES

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

12. AMENDMENTS

Except as in the Declaration provided otherwise, these By-Laws may be amended in the following manner:

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

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (a) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

12.2.1 by not less than a majority of the votes of all members of the Association represented at a meeting at which a quorum has been attained and by not less than sixty-six and two-thirds percent (66%) of the entire Board of Directors; or

12.2.2 after control of the Association has been turned over to Unit Owners other than the Developer, by not less than eighty percent (80%) of the votes of the members of the Association represented at a meeting at which a quorum has been attained; or

12.2.3 by not less than one hundred percent (100%) of the entire Board of Directors.

12.3 Proviso. No Amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration. No amendment to this Section shall be valid.

12.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment are recorded in the Public Records of the County.

12.5 Prohibition against SLAPP Suits. A Unit Owner may exercise the Unit Owner's rights to instruct their representatives and petition for redress of grievances before the various governmental entities of this state as protected by the First Amendment to the United States Constitution and Section 5, Article 1 of the State Constitution. Governmental entities, business organizations, and individuals are not to sue a Unit Owner exercising such right as the same would constitute a strategic law suit against public participation, or "SLAPP suit," as the same are typically referred to. Unit Owners have certain rights when a SLAPP suit is brought against them, and such rights are set forth in Section 718.1224, Fla. Stat. Further, condominium associations may not expend association funds in prosecuting a SLAPP suit against a Condominium Unit Owner.

13. RULES AND REGULATIONS

Attached hereto as Schedule A and made a part hereof are initial rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units may overrule the Board with respect to any such modifications, amendments or additions. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

14. CERTIFICATE OF COMPLIANCE

A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Board as evidence of compliance of the Units to the applicable fire and life safety codes.

15. MANDATORY NONBINDING ARBITRATION

Prior to the institution of court litigation, a party to a dispute shall petition the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation for nonbinding arbitration, as provided for in Section 718.1255(4), Fla. Stat. The term "dispute" means any disagreement between two or more parties that involves:

(a) The authority of the Board of Directors under this Chapter or an Association document to:

1. Require any Owner to take any action, or not to take any action, involving that Owner's Unit or the appurtenances thereto.

2. Alter or add to a Common Area or Element.

(b) The failure of a governing body, when required by this Chapter or an Association document to:

1. Properly conduct elections.

2. Give adequate notice of meetings or other actions.

3. Properly conduct meetings.

4. Allow inspection of books and records.

"Dispute" does not include any disagreement that primarily involves: title to any Unit or Common Element; the interpretation or enforcement of any warranty; the levy of a fee or assessment, or the collection of an assessment levied against a party; the [REDACTED] or other removal of a tenant from a Unit; alleged breaches of fiduciary duty by one or more directors; or claims for damages to a Unit based upon the alleged failure of the Association to maintain the Common Elements or Condominium Property.

16. CONSTRUCTION

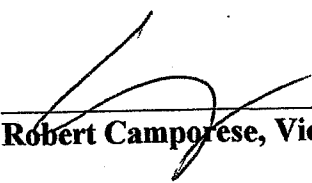
Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

17. CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

The foregoing was adopted as the By-Laws of **OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC.**, a corporation not for profit under the laws of the State of Florida, on the 6 day of May, 2014.

Approved:


Robert Camporese, Vice President

SCHEDULE A

RULES AND REGULATIONS FOR OCEAN WALK AT NEW SMYRNA BEACH - BUILDING NO. 18 CONDOMINIUM ASSOCIATION, INC.

INTRODUCTION

It is the purpose of the Association to maintain luxurious, but economically well-managed, Improvements and Common Elements, and it is believed that these rules will aid in this purpose. Your Board of Directors will welcome the assistance of all the Owners in the enforcement of these regulations.

Violations should be reported to the Manager of the Condominium, in writing, not to the Board or Officers of the Association. Violations will be called to the attention of the violating Owner and any appropriate committee by the Manager. All disagreements will be presented to the Board, which will take appropriate action. Owners are responsible for compliance of their guests, invitees and tenants.

1. The sidewalks, entrances, passages, patios, courts, stairways, corridors, vestibules, elevators, lobbies, halls and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property; nor shall any carts, bicycles, carriages, chairs, tables or any other similar objects be stored therein. Rugs or mats must not be placed outside of doors or in corridors.
2. The personal property of Unit Owners must be stored in their respective Units or in assigned storage lockers, if any.
3. No Unit Owner shall permit anything to fall from a window or door of the Condominium Property, nor sweep or throw from the Condominium Property any dirt or other substance into any of the balconies or elsewhere in the Building or upon the Common Elements.
4. Employees of the Association are not to be sent out by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

5. No Unit Owner, nor his family, servants, employees, agents, visitors or licensees, shall make or permit any disturbing noises in the Building, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated a phonograph, television, radio, sound amplifier or other sound equipment in his Unit in such a manner as to disturb or annoy other residents. No Unit Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents. Minimum volumes of all sounds and sound producing equipment shall be enforced between the hours of 10:30 p.m. and 8:00 a.m. All other unnecessary noises, such as bidding good night to departing guests and slamming car doors, between these hours should be avoided. Carpentry, carpet laying, picture hanging or any trade (or do-it-yourself) work involving any noise must be done between the hours of 8:00 a.m. and 6:00 p.m. weekdays ONLY (no exceptions).

6. No radio, television or other electronic installation may be permitted in any Unit which interferes with the television or radio reception of another Unit.

7. No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Property, except signs used or approved by the Developer. Additionally, no awning, canopy, shutter or other projection shall be attached to, hung, displayed or placed upon the outside walls, doors, balconies, windows, roof or other portion of the Building or on the Common Elements.

8. The Association may retain a pass-key to all Units. No Unit Owner shall alter any lock, nor install a new lock, without the prior written consent of the Board of Directors. Where such consent is given, the Unit Owner shall provide the Association with an additional key.

9. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements, except such as are normally used in small barbecues.

10. A Unit Owner who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer hurricane damage, and furnishing the Association with the name(s) of such firm or individual.

11. No Unit shall have any aluminum foil placed in any window or glass door, nor any reflective substance placed on any glass, except such as is approved by the Board of Directors for energy conservation purposes.

12. No exterior antennae shall be permitted on the Condominium Property or Improvements thereon, provided that Developer shall have the right (but not the obligation) to install and maintain community antennae and radio and television lines, and temporary communications systems.

13. Children will be the direct responsibility of their parents or legal guardians who must supervise them while they are within the Condominium Property. Full compliance with these Rules and Regulations and all other rules and regulations of the Association shall be required of such children. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

14. Unless expressly permitted in writing by the Association, the installation of any floor covering, other than padded carpeting or well padded vinyl tile, is prohibited. In any event, Unit Owners shall have the duty of causing there to be placed underneath such covering, so as to be between any such covering and the floor of the Unit, generally accepted and approved material for diminution of noise and sound, so that the floors shall be adequately soundproof according to general architectural and engineering standards presently observed in the community.

IN ADDITION, SPECIFIC RULES OF THE ASSOCIATION REGARDING THE INSTALLATION OF FLOOR COVERING DELIVERED AT CLOSING OF THE UNIT MUST BE STRICTLY OBSERVED.

15. To maintain a uniform and pleasing appearance of the exterior of the Building, no awnings, screens, glass enclosures or projections shall be attached to the outside walls or to any balcony. This includes any type of screen or umbrella. Balcony floors may be painted any color desired, or may be covered with carpeting or tile; otherwise, standard exterior colors shall not be altered. Plants, pots, receptacles and other movable objects must not be kept, placed or maintained on balcony ledges. No objects shall be hung from balconies or window sills. No cloth, clothing, rugs or mops shall be hung upon, or shaken from, windows, doors, balconies or terraces. Members shall remove all loose objects and movable objects, including furniture, from the balconies if they will not be in residence during the hurricane season. No furniture which extends higher than the rail or railing on such balcony, or which may be visible from outside the Condominium, including, without limitation, umbrellas or tables, shall be kept or placed on any balcony. Reference herein to balconies shall include patios, terraces and roof areas. Notwithstanding the foregoing, any Unit Owner may display one portable, removable United States Flag in a respectful way and no rule or requirement set forth in these Rules and Regulations shall restrict such right.

16. Goods and packages of every kind must be delivered to the receiving room in the Building. The Association shall not be responsible for the loss of, or damage to, any such property, even though such loss or damage may occur through the carelessness or negligence of the employees of the Building. The receiving room entrance will be closed on Sundays and holidays and after 4:00 p.m. daily.

17. Members, their families and guests, shall not appear in, nor use, the lobby, lounge or card rooms except in appropriate attire.

18. Water closets and other plumbing shall not be used for any purposes other than those for which they are constructed. No sweepings, rubbish, rags or other foreign substances shall be thrown in them. The cost of any damage resulting from misuse shall be borne by the member responsible for the damage.

19. Members shall be liable for all damages to the Building caused by receiving deliveries, or moving or removing furniture or other articles, to or from the Building. All truck deliveries shall be made through the entrances provided by the Manager of the Building.

20. All refuse, waste, bottles, cans and garbage shall be securely contained in plastic bags and sent down the chute in a container not exceeding the width of the chute. Trash chutes may be used only between 8:00 a.m. and 10:00 p.m. Newspapers, magazines and heavy items intended for disposal shall be placed in the trash room and not thrown down the trash chute.

21. Members are not permitted on the roof for any purpose, except as permitted specifically by the Declaration.

22. There shall be no solicitation by any person anywhere in the Building for any cause, charity or any purpose whatever, unless specifically authorized by the Board of Directors.

23. Service people are required to check in and check out with the security guard.

24. No member shall allow the corridor entrance door to his or her Unit to remain open for any purpose other than for immediate ingress and egress.

25. Food and beverages may not be consumed in the lobby or card rooms, or other Common Elements, unless specifically authorized in writing by at least one of the officers of the Association.

26. Members are asked not to use fire doors for ingress and egress.

27. Where curtains are other than white or off-white, they must be lined, or "under drapes" or "black-out" draped in white, which liners must be approved by the Board of Directors. No reflective material of any kind shall be permitted on windows, except as otherwise provided herein.

28. No noxious odors shall be generated in such quantities that they permeate to other Units or the Common Elements and become obnoxious to other Unit Owners. Normal cooking odors, normally and reasonably generated, shall not be deemed violations of this regulation.

29. No waterbeds are to be brought into the Units for any reason whatsoever.

30. No fires, cooking devices or other devices which emit smoke or dust shall be allowed on any balcony or patio.

31. No boats, boat trailers, other trailers, mobile homes, vans, or commercial vehicles shall be permitted at the Condominium without the prior written consent of the Board of Directors. No vehicle which cannot operate on its own power shall be permitted on the Condominium Property. Washing or repairing vehicles on the Condominium Property is prohibited.

32. The Association may not refuse the request of a Unit Owner for a reasonable accommodation for the attachment on a mantel or frame of the door of the Unit Owner of a religious object not to exceed three inches (3") wide, six inches (6") high, and one and one-half inches 1 1/2") deep.

33. Every Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time to time. Failure of an Owner or occupant to so comply shall be grounds for action which may include, without limitation, an action to recover sums for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights in the event of failure to so comply as stated in such documents.

33. Anything to the contrary herein notwithstanding, these rules and regulations shall not apply to the Developer, nor its agents or employees and contractors, nor to the Units owned by the Developer until conveyed. All of these rules and regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owners from specific rules and regulations upon written request therefore and good cause shown in the sole opinion of the Board.

Exhibit "D"

Percentage Interest in Common Elements

Each Unit shall have a 1/33 ownership interest in the Common Elements.