

BY-LAWS OF

BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC.

1. Identity. These are the By-Laws of BOUCHELLE ISLAND VIII 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 a condominium located in Volusia County, Florida, known as BOUCHELLE ISLAND VIII, A CONDOMINIUM.
- 1.1 Principal Office. The principal office of the Association shall be at 301 Harbour Boulevard, New Smyrna Beach, Florida, 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 of all the Unit Owners of the Condominium 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 purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business affecting the Condominium authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board, the first annual meeting shall be held on the first Thursday in the month of December following the year in which the Declaration is recorded.
- 3.2 Special Meetings. Special members' meetings may be called for the entire membership, for those matters affecting the Condominium or the members thereof, and 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, or as provided elsewhere herein or in the Act. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
- 3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members stating the time and place and the purpose(s) for which the meeting is called shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property. The notice of the annual meeting shall be sent by mail to each Unit Owner, unless the Unit Owner waives in writing the right

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to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than fourteen (14) days, nor more than sixty (60) days, prior to the date of the meeting. Proof of posting shall be given by Affidavit, and proof of mailing of the notice shall be given by retention of post office receipts.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) 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.

- 3.4 Quorum. A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the entire membership.

3.5 Voting.

- (a) Number of Votes. Except as provided in paragraph 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 Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.
- (b) 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 of the particular constituency for which the action was taken 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 Owners" 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 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the appropriate Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.
- (c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. 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 must be 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 of the Owner(s) of 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 or the appropriate voting constituency

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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 must be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

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- (i) 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).
  - (ii) 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.
  - (iii) 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 or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid 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 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the Unit (as above described) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies must be Unit Owners, but no person other than a designee of the Developer may hold more than fifteen proxies.
- 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. Except as provided by law, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Call to order by President;
  - (b) Appointment by the President of a chairman of the meeting (who need not be a member or a director);
  - (c) Proof of notice of the meeting or waiver of notice;
  - (d) Reading of minutes;
  - (e) Reports of officers;
  - (f) Reports of committees;
  - (g) Determination of number of Directors;

- (i) Election of Directors;
- (j) Unfinished business;
- (k) New business;
- (l) 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 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 member as elsewhere herein set forth) of the appropriate voting constituency having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of such members at which an appropriate quorum of such members (or authorized persons) entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice must be given to the appropriate 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 not appointed by the Developer must be Unit Owners.

4.2 Election of Condominium Directors. Election of Directors shall be conducted in the following manner:

- (a) Election of Directors shall be held at the annual members' meeting, except as provided herein to the contrary.
- (b) Nominations for Directors and additional directorships created at the meeting shall be made from the floor.
- (c) The election shall be by written ballot (unless dispensed with by majority consent of the Units represented at the meeting) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

4.3 Vacancies and Removal.

- (a) Except as to vacancies resulting from removal of Directors by the members electing such Directors, 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 paragraph 4.15 hereof, shall be filled by the Developer without the necessity of any meeting. However, if both the Developer and the members other

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than the Developer are entitled to representation on the Board, then only members other than the Developer may vote to fill a vacancy on the Board previously occupied by a board member elected by members other than the Developer. In which case, for purposes of that vote, a quorum shall consist of a majority of members other than the Developer.

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- (b) Any Director elected by the members may be removed by concurrence of a majority of the votes of the constituency electing such Director at a special meeting of such constituency called for that purpose. Such a meeting may be called by 10% of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners. The vacancy in the Board of Directors so created shall be filled by the members of the constituency at the same meeting, unless the Director was appointed by the Developer, in which case the Developer shall appoint another Director without the necessity of any meeting. The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer) shall constitute the resignation of such Director.
- (c) Until a majority of the Directors are elected by the members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.
- (d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of directors in accordance with these By-Laws, any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.
- 4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.
- 4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed members of the Board of Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected or appointed, and no further notice to the Board of the organizational meeting shall be necessary.
- 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 and notice of such meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48)

hours in advance for the attention of the members of the Association, except in the event of an emergency, provided that Unit owners shall not be permitted to participate, and need not be recognized, at any such meeting.

- 4.7 Special Meetings. Special meetings 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 (1/3) of the Directors. Notice of the meeting shall be given personally, 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 in advance for the attention of the members of the Association, except in the event of an emergency, provided that Unit Owners shall not be permitted to participate, and need not be recognized, at any such meeting.

- 4.8 Waiver of Notice. Any Directors 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.

- 4.9 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 Declarations, the Articles or these By-Laws.

- 4.10 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.

- 4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the president (who may, however, designate any other person to preside).

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

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

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

- 4.13 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 years.

- 4.14 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of members of the Board of Directors (but less than a quorum of the Board) with equal representation from the Condominium. 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 the 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 paragraph (g) and (p) 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.

- 4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three 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 in the Condominium that will be operated ultimately by the Association. When Unit Owners other than the Developer own 15% or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) 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 years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to the Purchasers; (b) three 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, 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 5% of the Units that will be operated ultimately by the Association. Upon election of the first Unit Owner by members other than the Developer, the Developer shall forward to the Division the name and mailing address of the Unit Owner Board member so elected. The Developer can 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 thirty (30) 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 sixty (60) days after the Unit Owners other than the Developer

are entitled to elect a member or members of the Board of Directors, or earlier if the Developer has elected to accelerate such event as aforesaid, the Association shall call, and give not less than thirty (30) days' nor more than forty (40) 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.

Within a reasonable time after Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association (but not more than sixty (60) days after such event), the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Developer, including, but not limited to, the following items, if applicable:

- (a) 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;
- (b) A certified copy of the Articles of Incorporation for the Association;
- (c) A copy of the By-Laws of the Association;
- (d) The Minute Books, including all Minutes, and other books and records of the Association;
- (e) Any rules and regulations which have been adopted;
- (f) Resignations of resigning officers and Board members who were appointed by the Developer;
- (g) The financial records, including financial statements, of the Association, and source documents since the incorporation of the Association to the date of turnover. The records shall be reviewed by an independent certified public accountant. The minimum report required shall be a review in accordance with generally accepted accounting standards as defined by the rule of the Florida State Board of Accountancy. The accountant performing the review shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices, to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments. To the extent required by law, the Developer is required to bear all expenses of the Association and of the operation of the Condominium in excess of Assessments or other sums collected or due from Unit Owners or others prior to the time the Developer relinquishes control;
- (h) Association Funds or the control thereof;
- (i) All tangible personal property that is the property of the Association or is or was represented by the Developer in writing to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;
- (j) A copy of the plans and specifications utilized in the construction or remodeling of the 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;

- (k) Insurance policies;
  - (l) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;
  - (m) 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;
  - (n) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective;
  - (o) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;
  - (p) Leases of the Common Elements and other Leases to which the Association is a party, if applicable;
  - (q) 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; and
  - (r) All other contracts to which the Association is a party.
5. Powers 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:
- (a) Operating and maintaining all of the Common Elements.
  - (b) Determining the expenses required for the operation of the Condominium and the Association.
  - (c) Collecting the Assessments for Common Expenses from Unit Owners.
  - (d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
  - (e) 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 of the Condominium to overrule the Board as provided in Section 13 hereof.
  - (f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
  - (g) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.
  - (h) Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee.
  - (i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association, or

its designee.

- (j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (k) Obtaining and reviewing insurance for the Condominium Property.
- (l) 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.
- (m) 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.
- (n) Levying fines against the Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.
- (o) Purchasing or leasing Units for use as housing by resident employees for the Condominium.
- (p) 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 (2/3rds) of the Units in the Condominium represented at meeting at which quorum thereof has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum with respect to the Condominium in excess of \$50,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner of the Condominium 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 their 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.
- (q) Contracting for the management and maintenance of the Condominium Property and authorizing 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 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 Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (r) 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.

- (s) Granting easements and licenses over the Condominium Property as permitted by the Declaration or the Florida Condominium Act.
- (u) 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.
- (v) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Florida Condominium Act, and (ii) all powers of a Florida corporation not for profit.
- (w) Contracting with and creating special taxing districts.

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 shall otherwise be prescribed by the Directors.
- 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. 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 4.15 hereof and by law.

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 resignation shall be effective from such later date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or other Directors or officer (other than appointees of the Developer or other Directors or officers who are not Unit Owners) shall constitute a written resignation of such Director or officer.
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.

- (a) 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 expenses and contain at least all items set forth in Section 718.504(20) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of the Condominium and allocate and assess such expenses among the appropriate Unit Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, each budget shall include reserve accounts for capital expenditures and deferred maintenance. 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 estimated life and estimated replacement cost of each reserve item. Although reserve accounts must be included in the budget, funding thereof may be waived if the appropriate members of the Association have, by a majority vote at a duly called meeting of such appropriate members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby.

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

- (i) Notice of Meeting. A copy of the proposed budget for the Condominium shall be mailed to each Unit Owner in the Condominium not less than thirty (30) 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, provided that the Unit Owners shall not have the right to participate, and need not be recognized, at such meeting.
- (ii) Special Membership Meeting. If a budget is adopted by the Board of Directors which requires Assessments against such Unit Owners in any year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding year, as hereinafter defined, upon written application of ten percent (10%) of the Unit Owners shall be held within thirty (30) days of delivery of such application to the Board of Directors. Each Unit Owner shall be given at least

ten (10) days' notice of said meeting. At the special meeting, Unit Owners shall consider and adopt a budget. The adoption of said budget shall require a vote of Owners of not less than fifty percent (50%) of all the Units (including Units owned by the Developer) in the Condominium.

(iii) Determination of 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 in respect of the Condominium which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property, all Assessments imposed for the benefit of the Community Services Association and all special Assessments (including surcharges) against specific Unit Owner(s).

(iv) 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) in the Condominium.

(b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for the Condominium in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners in the Condominium 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 of the Condominium, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget of the Condominium for such year.

9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually, if possible, at least ten (10) 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 quarter of the year for which the Assessments are made. If an annual Assessment is not made as required, an Assessment shall be presumed to have been made in the amount of the last prior Assessment, and quarterly installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessment 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 an amended Assessment is made shall be payable in as many equal installments as there are full quarters of the fiscal year left as of the date of such amended Assessment, each such quarterly installment to be paid on the first day of the quarter, commencing the first day of the next ensuing quarter. If only a partial month quarter remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution. Regular quarterly installments shall be due one full quarter in advance.

- 9.3 Assessments for Charges. Charges by the Association against members for other than Common Expenses shall be payable in advance. 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 annexed 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 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 immediately upon notice 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 Assessment.
- 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 from Assessments or contributions to working capital or otherwise may be commingled in a single fund or divided into more than one fund, as determined by a majority of the Board of Directors.
- 9.6 Acceleration of Assessment Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment, the Board of Directors or its agent may accelerate the remaining installments of the Assessment upon notice to the Unit Owner, and the then unpaid balance of the Assessment shall be due on the date the claim of lien is filed as provided in Article 12 of the Declaration and Section 718.116, Florida Statutes (1989).
- 9.7 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons handling or responsible for Association funds in such amount as shall be determined by a majority of the Board, but no less than \$10,000 for each such person so bonded. The premiums on such bonds shall be paid by the Association as a Common Expense.
- 9.8 Accounting Records and Report. The Association shall maintain accounting records in the State, according to accounting practices normally used by similar associations or the Manager under any applicable management contract. The records shall be open to inspection by unit Owners or their authorized representatives at reasonable times and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) an account for each Unit designating the name and current mailing address of the Unit Owner, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amount paid upon the account and the dates so paid, and the balance due. Written summaries of the records described in clause (a) above, in the form and manner specified below, shall be supplied to each Unit Owner annually.

Within sixty (60) days following the end of the fiscal year, the Board shall mail, or furnish by personal delivery, to each Unit owner a complete financial report of actual receipts and expenditures for the Condominium for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

- (a) Cost for security;
  - (b) Professional and management fees and expenses;
  - (c) Taxes;
  - (d) Cost for recreation facilities;
  - (e) Expenses for refuse collection and utility services;
  - (f) Expenses for lawn care;
  - (g) Cost for building maintenance and repair;
  - (h) Insurance costs;
  - (i) Administrative and salary expenses; and
  - (j) General reserves, maintenance reserves and depreciation reserves.
- 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 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 contain a statement that Assessments will be considered and the nature of any such Assessments.
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 may rely upon the accuracy of 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 where the Declaration provides 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 and shall comply with the provisions of Section 718.112(2)(h), Florida Statutes (1989).
- 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 (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, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:
- (a) 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 66-2/3% of the entire Board or Directors; or
  - (b) after control of the Association is turned over to Unit Owners other than the Developer, by not less than 80% of the votes of the members of the Association represented at a meeting at which

a quorum has been attained; or

(c) by not less than 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 is recorded in the Public Records of the County.

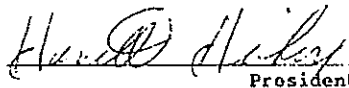
13. Rules and Regulations. Attached hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units of each Condominium represented at a meeting at which a quorum thereof is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium, and a majority of the members represented at a meeting of the entire membership at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium. 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. 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.

15. 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 were adopted as the By-Laws of DOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, on the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

APPROVED:

  
President

\_\_\_\_\_  
Secretary

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SCHEDULE A TO BY-LAWS

RULES AND REGULATIONS  
FOR

BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC.

The following Rules and Regulations supplement those contained in the Declaration of Condominium of BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC. They are applicable to all occupants of Units as well as to Unit Owners.

1. The entranceways, passages, vestibules, lobbies, halls and similar portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No personal property shall be stored in them.
2. Each Unit Owner's personal property must be stored within his Unit or within storage lockers or spaces, if any, appurtenant to his Unit as Limited Common Elements.
3. The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.
4. No articles shall be placed in the hallways.
5. No articles except suitable furniture, plants and planters shall be placed on balconies, terraces or similar areas.
6. Neither rugs, laundry nor any other articles shall be shaken or hung from windows, doors, balconies, terraces or exterior walls.
7. Garbage and other refuse shall be placed only in designated areas.
8. Employees of the Association are not to be engaged by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising the Association's employees.
9. No Unit Owner shall make disturbing noises in the Building or permit his family, servants, employees, agents, visitors, or licensees to do so. In particular, no Unit Owner shall play (or permit to be played in his Unit or the Common Elements appurtenant to it) any musical instrument, phonograph, television, radio or the like in a way that unreasonable disturbs or annoys other Unit Owners or Occupants.
10. No radio or television installation or other electronic equipment shall be permitted in any Unit if it interferes with the television or radio reception of another Unit.
11. With the exception of signs used or approved by the Developer, no signs, advertisements, notices or lettering may be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Common Elements or any part of a Unit so as to be visible outside the Unit. Additionally, no awning, canopy, shutter, air-conditioning unit or other projection shall be attached to, hung, displayed or placed upon the outside walls, doors, balconies, windows, roof or other portions of the Building or on the Common Elements.
12. The Association may retain a pass-key to all Units. If a Unit Owner shall alter or install any new lock, the Unit Owner shall provide the Association with a new key.
13. No flammable, combustible or explosive fluids, chemicals or other substances may be kept in any Unit or on the Common Elements, except such as are normally used in small barbecues or for normal household purposes.
14. A Unit Owner who plans to be absent must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer damage and furnishing the Association with the name(s) of that firm or individual.

15. Beverages in glass containers may not be consumed on the Common Elements.

16. Curtains and drapes (including their linings) which face on exterior windows or glass doors of Units shall be subject to the Board's disapproval, and, if disapproved, shall be removed and replaced with acceptable items.

17. No aluminum foil may be placed in any window or glass door of a Unit, and no reflective substance may be placed on any glass in a Unit except a substance previously approved by the Board of Directors for energy conservation purposes.

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

19. Children shall 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 children. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

20. Pets are not permitted on any part of the Common Elements (except a balcony or terrace appurtenant to the Unit of the animal's owner) except when they are leashed and being walked or transported directly off the Condominium Property or directly to their owner's Unit.

21. 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 (all as amended from time to time), to the extent applicable. Failure of an Owner or occupant to comply shall be grounds for legal actions which may include, without limitation, an action to recover sums due for damages an action for injunctive relief, and any combination of such actions.

In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine not exceeding \$50.00 may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation by By-Laws, provided the following procedures are adhered to:

(a) Notice. The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed. The Owner or occupant may be represented by counsel and may cross-examine witnesses.

(b) Hearing. The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be submitted to the owner or occupant by not later than twenty-one (21) days after the Board of Directors' meeting.

(c) Payment of Penalties: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.

(d) Application of Penalties: All monies received from fines shall be allocated as directed by the Board of Directors.

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VOLUSIA CO., FL

(e) Non-exclusive Remedy: These fines shall be construed to be non-exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

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This instrument prepared by:  
JAMES W. PEEPLES III, ESQ.  
GRAY, HARRIS, ROBINSON,  
KIRSCHENBAUM & PEEPLES  
Post Office Box 320757  
Cocoa Beach, Florida 32932-0757

JOINDER BY CONDOMINIUM ASSOCIATION

BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of the Declaration of Condominium of BOUCHELLE ISLAND VIII, A CONDOMINIUM, and exhibits attached thereto, which was recorded in Official Records Book \_\_\_\_\_, at Page \_\_\_\_\_, Public Records of Volusia County, Florida.

IN WITNESS WHEREOF, BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC., has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed the 27th day of March, 1992.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

BOUCHELLE ISLAND VIII CONDOMINIUM

ASSOCIATION, INC., a Florida  
corporation not for profit

[Signature]  
Witness Signature

John B. Shoemaker  
Print Witness Name

[Signature]  
Witness Signature

Harriett Hickox  
Print Witness Name

By: [Signature]  
HARRIETT HICKOX, President

Address: 301 Harbour Boulevard  
New Smyrna Beach, Florida 32169

STATE OF FLORIDA     )  
                              ) ss:  
COUNTY OF VOLUSIA    )

THE FOREGOING INSTRUMENT was acknowledged before me this 27th day of March, 1992, by HARRIETT HICKOX, as President of BOUCHELLE ISLAND VIII CONDOMINIUM ASSOCIATION, INC., who is personally known to me ~~or did produce her Florida driver's license as identification~~ and who did not take an oath.

My commission expires:

[Signature]  
Notary Public Signature

John B. Shoemaker  
Print Notary Public Name

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE  
My Commission Expires: 03/31/94  
BONDED: \$1000 - SURETY: \$10000

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