

BYLAWS

OF

PARK PLACE VILLAS CONDOMINIUM ASSOCIATION, INC.

*Recorded
April 10 1987*

ARTICLE I. IDENTIFICATION

1.1 Identity. These are the Bylaws of PARK PLACE VILLAS CONDOMINIUM ASSOCIATION, INC. (hereinafter "the Association"), a corporation not-for-profit under the laws of the State of Florida, organized for the purpose of administering that certain condominium located in Sarasota County, Florida, and known as PARK PLACE VILLAS, a Condominium ("the Condominium").

1.2 Principal Office. The principal office of the Association shall be at 100 Wallace Avenue, Suite 100, Sarasota, Florida, 33577, or at such other place as may be designated by the Board of Directors.

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

1.4 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.

1.5 Definitions. For convenience, these Bylaws shall be referred to as the "Bylaws"; the Articles of Incorporation of the Association as the "Articles"; and the Declaration of Condominium for the Condominium as the "Declaration." The other terms used in these Bylaws shall have the same definitions and meaning as those set forth in F.S. Chapter 718 as it exists on the date hereof (hereinafter "the Condominium Act" or "the Act"), as well as those set forth in the Declaration and the Articles, unless provided to the contrary in these Bylaws, or unless the context otherwise requires.

ARTICLE II. MEMBERS

2.1 Qualification. The members of the Association shall consist of all of the record owners of units in this Condominium.

2.2 Change of Membership. Changes in membership in the Association shall be established by (a) recording in the Public Records of Sarasota County, Florida, a deed or other instrument establishing a change in record title to a unit in this Condominium; (b) the delivery to the Association of a certified copy of such instrument; and (c) the approval by the Association to such change in ownership as required in the Declaration.

2.3 Multiple Owners. When a unit is owned by more than one (1) person, whether as co-tenants, joint tenants, tenants by the entirety or otherwise, each owner shall be a member of the Association by virtue of being a record owner of an interest in a unit. Lessees shall not be members.

2.4 Restraint upon Transfer. The membership of a unit owner, and the share of a member in the funds and assets of the Association, shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to the unit.

2.5 Evidence of Ownership. There shall be no stock or membership certificates in the Association. Membership shall be determined by approved ownership as herein provided.

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ARTICLE III. MEETINGS OF MEMBERS AND VOTING

3.1 Annual Meeting. There shall be an annual meeting of the members held on the date and at the place and time as determined by the Board from time to time, provided that there shall be an annual meeting every calendar year and no later than 13 months after the last annual meeting. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.

3.2 Special Meetings. Special meetings of the members shall be held as such places as provided for annual meetings and may be called by the President, Vice-President, or by a majority of the Board, and must be called by the President or Secretary on receipt of a written request from at least a majority of the Board, or from the owners of one-third (1/3) of the voting rights. Requests for a meeting by the members shall state the purpose for the meeting, and business conducted at any special meeting shall be limited to the matters stated in the notice for it. Such special meetings shall be held within thirty (30) days after receipt of said written request.

3.3 Notice of Annual Meeting. Written notice of the annual meeting shall be mailed by the Secretary to each Unit Owner at least 14 days and not more than 60 days before the annual meeting, and shall be posted in a conspicuous place on the Condominium Property at least 14 days before the annual meeting. The post office certificate of mailing shall be retained as proof of the mailing. An Association officer shall provide an affidavit affirming that such notices were properly delivered or mailed. Unit Owners may waive notice of the annual meeting.

3.4 Notice of Special Meetings, Generally. Except as modified by the specific requirements for special kinds of members' meetings as set out in these Bylaws, notice of special meetings, generally, shall be in writing, shall state the place, day and hour of the meeting and the purpose or purposes for which the meeting is called. The notice shall be delivered to each member entitled to vote at the meeting not less than 14 nor more than 60 days before the date of the meeting. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, with postage prepaid. Payment of postage for notice of any special meeting, by whomever called, shall be an obligation of the Association.

3.5 Notice of Other Special Meetings.

(a) Budget. The Board shall mail a notice and a copy of the proposed annual budget to the Unit Owners not less than 14 days before the meeting at which the budget will be considered.

(b) Excessive Budget. If a budget adopted by the Board requires Assessment against the Unit Owners for any calendar year exceeding 115% of Assessment for the preceding year, the Board, on written application of the owners of 10% of the voting rights to the Board, shall call a special meeting of the Unit Owners within 30 days, upon not less than 10 days' written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget by a vote of not less than a majority vote of all the voting interests. If a meeting of the Unit Owners has been called, and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board shall go into effect as scheduled.

(c) Recall of Board Members. A special meeting of the Unit Owners to recall a member or members of the Board may be

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called by the owners of 10% of the voting rights giving notice of the meeting as required for a meeting of Unit Owners, stating the purpose of the meeting.

(d) Nondeveloper Directors. Notice of a meeting to elect a director or directors from Unit Owners other than the Developer shall be given not less than 30 days nor more than 40 days before the meeting. The meeting may be called and notice given by any Unit Owner if the Association fails to do so.

3.6 Quorum. A majority of the voting rights represented in person, or by proxy, shall constitute a quorum, and if a quorum is not present, a majority of the voting rights present may adjourn the meeting from time to time. A simple majority of all voting rights present in person or by proxy shall decide any question brought before the meeting, except when otherwise required by the Condominium Act, Declaration, Articles or these Bylaws.

3.7 Designation of Voting Member. Persons or entities shall become members of the Association on the acquisition of fee title to a Unit in the Condominium after approval of the acquisition in the manner provided in the Declaration. Membership shall terminate when a person or entity no longer owns a Unit in the Condominium. If a Unit is owned by more than one natural person, any record owner of the Unit may vote in person or by proxy, provided that there shall be no more than one vote per Unit. In the case of conflict among the owners of the Unit, the vote for that Unit shall not be counted as to the matter under consideration in which the conflict arose; however, the unit may still be considered for purposes of a quorum. Ballots may be cast for Units owned by corporations or partnerships by a president, vice president, a partner, or any other person designated in a written certificate filed with the Secretary of the Association and signed by a president or vice president of a corporation or a partner of a partnership. The Association shall not have any votes for Units conveyed to it.

3.8 Proxies. Votes may be cast in person or by proxy. Each proxy shall set forth specifically the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. Each proxy shall contain the date, time and place of the meeting for which the proxy is given. If the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast. The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for a period longer than 90 days after the date of the first meeting for which it was given, and it may be revoked at any time at the pleasure of the Unit Owner executing it. The proxy shall be signed by the Unit Owner or Owners (if more than one), or by the appropriate officer or partner of a corporation or partnership or other designated person, or the duly authorized attorney-in-fact of that person or persons (provided the power of attorney is filed with the Secretary). The proxy shall be filed with the Secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a Unit Owner, properly executed and granting such authority, may vote for that Unit.

3.9 Adjourned Meetings. If any member meeting cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. The time and place to which the meeting is adjourned shall be announced at the

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meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place on the Condominium Property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

3.10 Waiver of Notice. Any Unit Owner may waive its right to receive notice of any meeting, whether annual or special, by a writing signed by it to that effect. The waiver shall be filed with the Secretary either before, at or after the meeting for which the waiver is given.

3.11 Minutes. The minutes of all member meetings shall be kept in a book available for inspection by Unit Owners or their authorized representatives, and Board members at any reasonable time. The minutes shall be retained by the Association for a period of not less than seven years. Unit Owners and their authorized representatives shall have the right to make handwritten notations from the minutes.

3.12 Order of Business. The order of business at annual meetings of members, and as far as practical at other members' meetings, shall be:

- (a) Call to order.
- (b) Election of a chairman of the meeting, unless the President or Vice President is present, in which case he shall preside.
- (c) Calling of the roll, certifying of proxies, determination of a quorum.
- (d) Proof of notice of the meeting or waiver of notice.
- (e) Reading and disposal of any unapproved minutes.
- (f) Reports of officers.
- (g) Reports of committees.
- (h) Appointment of inspectors of election.
- (i) Determination of number of directors.
- (j) Election of directors.
- (k) Unfinished business.
- (l) New business.
- (m) Adjournment.

3.13 Actions Requiring Unit Owner Votes. The following actions require approval by the Unit Owners and may not be taken by the Board of Directors acting alone:

- (a) Amendments to the Declaration, except those made by the Developer adding a phase to the Condominium and recording a certificate of surveyor.
- (b) Merger of two or more independent condominiums of a single complex to form a single condominium.
- (c) Purchase of land or recreation lease.
- (d) Cancellation of certain grants or reservations made by the Declaration, a lease or other document and any contract made by the Association before the transfer of control of the Association from the Developer to Unit Owners other than the Developer.
- (e) Exercise of Option to purchase recreational or other commonly used facilities lease.
- (f) Providing no Reserves, or less than adequate reserves.
- (g) Recall of members of Board of Directors.
- (h) Other matters contained in the Declaration, the Articles or these Bylaws that specifically require a vote of the members.

3.14 Action Without Meetings. Whenever the affirmative vote or approval of the members is required or permitted by the

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Declaration, Condominium Act, or these Bylaws, such action may be taken without a meeting if members entitled to cast not fewer than 75% of the votes if such meeting were held, shall agree in writing that such action be taken and waive the necessity of such meeting. Provided, however, that if a greater percentage approval is required, then not less than such percentage must so agree in writing.

3.15 Proviso. Until the Developer has terminated his control of the Association and its affairs in accordance with the Declaration and the Condominium Act, the proceedings of all meetings of members shall have no effect unless approved by the Board of Directors, except for the rights of the unit owners other than the Developer to elect Directors and such other matters for which the Condominium Act requires the approval, consent, vote or other action by unit owners other than the Developer.

ARTICLE IV. DIRECTORS

4.1 Number and Qualifications. Initially, there shall be three Directors selected by the Developer. When Unit Owners other than the Developer are entitled to elect a majority of the Directors, the Board shall be composed of any odd number of Directors that the Unit Owners may decide. The number of Directors, however, shall never be less than three. Other than those selected by the Developer, Directors must be either Unit Owners, or officers, directors, shareholders, employees or partners of a business entity that is a Unit Owner. No Director (except those selected by the Developer) shall continue to serve on the Board after he ceases to be a Unit Owner, or after he severs his employment or ownership relationship with a business entity that is a Unit Owner.

4.2 Election of Directors. Directors shall be elected by ballot at the annual meeting of members by a plurality of the votes cast. Each voter shall be entitled to cast votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. The election shall be by ballot, unless dispensed with by unanimous consent, and by a plurality of the votes cast. Not less than 60 days before the annual meeting of the members, a nominating committee of three members shall be appointed by the Board and the committee shall nominate one person for each directorship to be filled. Other nominations and nominations for additional directorships created at the meeting may be made from the floor.

4.3 Term. Each Director's term of service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided below. After the Developer has relinquished control of the Association, and in order to provide a continuity of experience, the members may vote to create classes of directorships having a term of one, two or three years so that a system of staggered terms will be initiated.

4.4 Vacancies. Except as to vacancies resulting from removal of Directors by members, vacancies in the Board occurring between annual member meetings shall be filled by majority vote of the remaining Directors. Any Director elected to fill a vacancy shall hold office only until the next election of directors by the members, irrespective of the length of the remaining term of the vacating Director.

4.5 Removal. Any Director, except those selected by the Developer, may be recalled and removed from office with or without cause by the vote or agreement in writing of a majority

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of all the voting interests in accordance with Section 718.112(2)(f) of the Act. Any vacancy on the Board thus created shall be filled by vote of the members at the same meeting. Should the Unit Owners fail to elect a successor, the Board of Directors shall fill the vacancy in accordance with 4.4 above. If more than one Director is subject to recall, there shall be a separate vote on the question to remove each Director.

4.6 Disqualification and Resignation. Any Director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect on receipt by the Secretary, unless it states differently. Any Board member elected by the Unit Owners who is absent from more than three consecutive regular meetings of the Board, unless excused by resolution of the Board, shall be deemed to have resigned from the Board automatically, effective when accepted by the Board. Any board member (or his Unit Owner) more than 30 days delinquent in the payment of an Assessment shall be deemed to have resigned from the Board, effective when the resignation is accepted by the Board. Commencing with Directors elected at the first annual meeting of the membership, a Director (or his Unit Owner) that transfers title to its Unit shall be deemed to have resigned.

4.7 Organizational Meeting. The organizational meeting of a newly elected Board shall be held within 10 days of their election at a place and time that shall be fixed by the Directors at the meeting at which they were elected and without further notice, except notice to Unit Owners required by the Act.

4.8 Regular and Special Meetings. The Board may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Special meetings of the Board may be called by the President and, in his absence, by the Vice President, and must be called by the Secretary at the written request of one-third of the Directors. Notice of meetings shall be given personally or by mail, telephone or telegraph. The notice shall state the time, place and purpose of the meeting and shall be transmitted not less than 3 days before the meeting. A copy of the notice of any special meeting shall be posted conspicuously on the Condominium Property at least 48 hours before the meeting, except in an emergency.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting and that waiver shall be deemed equivalent to the giving of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of the 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 Board meetings shall consist of a majority of the entire Board. 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, except when approval by a greater number of Directors is required by the Declaration, the Articles or these Bylaws. If there is less than a quorum present at any Board meeting, the majority of those present may adjourn the meeting until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.11 Indemnification. Directors shall not be liable to the members for any mistake of judgment and shall only be liable for their own individual wilful misconduct or bad faith. The members shall indemnify and hold each Director harmless from and against all contractual liability to others arising out of contracts made on behalf of the Association, unless such contract shall have

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been made in bad faith or contrary to the provisions of the Declaration or these Bylaws.

4.12 Joinder in Meeting. A Director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that Director for the purpose of determining a quorum.

4.13 Meetings Open. Board meetings shall be open to all Unit Owners to attend and observe. No Unit Owner, however, shall be entitled to participate in the meeting unless specifically invited to do so by the Board. Notice of any meeting in which 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 the Assessments.

4.14 Presiding Officer. The presiding officer at Board meetings shall be the President, or, in his absence, the Vice President, and in his absence, the Directors present shall designate any one of their number to preside.

4.15 Minutes of Meetings. The minutes of all Board meetings 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. Unit Owners and their authorized representatives shall have the right to make written notations from the minutes.

4.16 Executive Committee. The Board, by resolution, may appoint an executive committee to consist of three or more members of the Board. The executive committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board insofar as may be permitted by law. The executive committee, however, shall not have power to: (a) determine the Common Expenses required for the operation of the Condominium; (b) determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium; (c) adopt or amend rules and regulations covering the details of the operation and use of the Condominium Property; (d) purchase, lease or otherwise acquire Units in the Condominium in the name of the Association; (e) approve or recommend to Unit Owners any actions or proposals required by the Act, the Declaration, the Articles or these Bylaws to be approved by Unit Owners; or (f) fill vacancies on the Board of Directors. Meetings of the executive committee shall be open to Unit Owners.

4.17 Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties.

4.18 Order of Business. The order of business at meetings of Directors shall be:

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

4.19 Failure to Elect Director Quorum. If the Association or the Board fails to fill vacancies on the Board sufficient to constitute a quorum, any Unit Owner may apply to the circuit

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court within whose jurisdiction the Condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. 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 the powers and duties of a duly constituted Board and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

4.20 Developer Powers. The Developer shall have the power to designate the initial Board, the members of which need not be owners of units in the Condominium. The initial Board shall serve until the first election of Directors. Any vacancies occurring prior to the first election shall be filled by the remaining Directors.

ARTICLE V. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

5.1 In General. All of the powers and duties of the Association existing under the Act, the Declaration, the Articles and these Bylaws shall be exercised exclusively by the Board, or its duly authorized agents, contractors or employees, subject only to the approval by Unit Owners when that approval is specifically required. The powers and duties of the Board shall include, but shall not be limited to, the following:

(a) To maintain, manage and operate the Condominium Property.

(b) After control of the Association is obtained by Unit Owners other than the Developer, to institute, maintain, settle or appeal actions or hearings in the Association's name on behalf of all Unit Owners concerning matters of common interest, including but not limited to the Common Elements and commonly-used facilities. The statute of limitations for any actions in law or equity that the Association may have shall not begin to run until the Unit Owners have elected a majority of the members of the Board of Directors.

(c) To have irrevocable right of access to each Unit during reasonable hours as necessary for the maintenance, repair or replacement of any Common Elements or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units.

(d) To adopt budgets and to make, determine and collect Assessments and maintenance fees, and to use and expend assessments and other receipts of the Association to carry out the powers or duties thereof pursuant to the Declaration, these Bylaws and the Condominium Act.

(e) To lease, maintain, repair and replace the Common Elements.

(f) To institute lien and foreclosure proceedings for unpaid Assessments. The Association has the power to purchase the Condominium Parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

(g) To purchase Units in the Condominium and to acquire, hold, lease, mortgage and convey them, in addition of its right to purchase Units at a lien foreclosure sale.

(h) Without the joinder of any Unit Owner, to grant, modify or move any easement if the easement constitutes part of or crosses the Common Elements.

(i) To purchase any land or recreation lease on the approval of such voting interest as required by the Declaration.

(j) If it appears that through a drafter's error in the Declaration that the Common Elements, Common Expenses or Common Surplus has been stated or distributed improperly, to amend the Declaration correcting that error upon approval by the Board or a majority of the owners of the voting rights.

(k) To adopt reasonable rules and regulations for the use of the Common Elements and common areas serving the Condominium, and for the use and maintenance of the Units.

(l) To maintain accounting records.

(m) To obtain and maintain adequate insurance to protect the Association and the Common Elements.

(n) To furnish annual financial reports to members.

(o) To provide certificates of unpaid Assessment to any Unit Owner, mortgagee or other record lienholder.

(p) If applicable, to pay the annual fee to the Division of Florida Land Sales and Condominiums.

(q) To approve or disapprove Unit transfers. The Association may charge a preset fee of up to \$50.00 in connection with the approval or disapproval of any proposed transfer, lease, sale or other disposition of a Unit in the Condominium. However, if the lease or sublease is a renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made.

(r) To contract for maintenance and management of the Condominium, and to lease or concession portions of same.

(s) To pay taxes or assessments against the Common Elements or Association property.

(t) To pay costs of utilities services rendered to the Condominium and Association property and not billed directly to individual Unit Owners.

(u) To employ and dismiss personnel as necessary for the maintenance and operation of the Condominium Property and retain those professional services that are required for those purposes.

(v) To levy reasonable fines against a Unit for failure of the Owner, or its occupant, licensee or invitee to comply with the Declaration, Bylaws or reasonable rules of the Association. No fine shall become a lien against a Unit, nor exceed \$50.00, nor be levied except after giving reasonable notice and opportunity to be heard.

5.2 Other Powers. To exercise all other powers set forth in the Declaration, the Articles, these Bylaws, and in the Act, and all powers incidental thereto.

5.3 Record Of Mortgages. The Board shall maintain a book, or other written record, of all holders of mortgages upon each unit. The holder of each mortgage shall be designated as either an institutional first mortgagee or not, as the case may be. Each unit owner must notify the Association of any mortgage on its unit, within five (5) days after executing same. This record shall be open to inspection, or for copying, by all institutional first mortgagees during normal business hours, but the record shall not be open to others for inspection.

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ARTICLE VI. OFFICERS

6.1 Number. The officers shall be a President, a Vice President, a Treasurer and a Secretary, each of whom shall be elected annually by the Board at the organizational meeting of each new Board, and may be removed without cause at any meeting by a vote of a majority of all of the Directors. Officers must be members of the Association or a person exercising the membership rights of a Unit Owner. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board from time to time shall elect other officers and designate their powers and duties as the Board shall find to be required to manage Association affairs. Notwithstanding the foregoing, the above restrictions shall not apply while the Association is under the control of the Developer. If the office of any officer becomes vacant, the vacancy shall be filled by the Board.

6.2 President. The President shall be the chief executive officer of the Association and shall supervise all of the affairs of the Association. He shall have all of the powers and duties that usually are vested in the office of president of an association, including but not limited to the power to appoint committees from among the members to assist in the conduct of the affairs of the Association as he may determine appropriate. He shall preside at all meetings of the Board and shall execute all documents on behalf of the 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 those other powers and perform those other duties as shall 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 serving of all notices to the members and Directors and other notices required by law. He shall countersign all documents and instruments on behalf of the Association. The Secretary 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 at reasonable intervals and shall perform all other duties incident to the office of treasurer. All money 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. The Treasurer shall also collect the Assessments and maintenance fees and shall promptly report the status of collections of all delinquencies to the Board. At the discretion of the Board, the functions of the Treasurer may be delegated to and performed by a financial institution located in the same county as the Condominium, in which event, no bond shall be required.

6.6 Compensation. The compensation, if any, of all officers and other employees of the Association shall be fixed by

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the Board. This provision shall not preclude the Board from employing a director as an employee of the Association or from contracting with a director for management of the Condominium.

6.7 Fidelity Bonds. All officers and directors who disburse or control association funds shall be bonded by a surety company selected by the Board in an amount determined by the Board to sufficiently insure the proper handling of all funds and other assets of the Association. The Association shall bear the cost of bonding.

6.8 Indemnification. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may become a party or on which he may become involved by reason of being a Director or officer, whether or nor he is an officer or Director at the time such expenses are incurred, except in such cases where he is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

ARTICLE VII. FISCAL MANAGEMENT

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

7.1 Board Adoption of Budget. The Board shall adopt a budget for the Common Expenses of the Association in advance of each fiscal year at a special meeting of the Board called for that purpose at least 45 days before the end of each fiscal year.

7.2 Budget Requirements. The proposed annual budget of Common Expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, when applicable, but not limited to those classifications included in the Estimated Operating Budget which is attached as an exhibit to the Declaration. The budget shall also include reserve accounts for capital expenditures and deferred maintenance, and may include a reserve account for betterments and such additional accounts for specific categories consistent with accepted accounting principles.

7.3 Accounting Records and Reports. The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times. The records shall include, but are not 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 on the account and the balance due. Within 60 days after the end of each 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 previous 12 months. The report shall show the amounts of receipts and expenses by accounts and classifications required by Section 718.111(13) of the Act on the date hereof. The Board may require an annual audit of the Association records.

7.4 Depository. The depository of the Association shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by

the Board of Directors and in which the money for the Association shall be deposited. All sums collected by the Association may be commingled in a single fund or divided into more than one fund, as determined by the Board.

ARTICLE VIII. ASSESSMENTS AND COLLECTION

8.1 Assessments, Generally. Assessments shall be made against Units not less frequently than quarterly, in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. Assessment funds shall be collected against Unit Owners in the proportions or percentages provided in the Declaration. Such Assessments shall be due in four (4) equal quarterly installments which shall become due on the 1st day of January, April, July and October 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 monthly payments thereon shall be made until changed by an amended Assessment.

8.2 Emergency and Special Assessments. Common Expenses Assessments that cannot be paid from the annual Assessment for Common Expenses shall be made by the Board after 30 days' notice to the Unit Owners. These Assessments shall be paid at the times and in the manner that the Board may require in the notice of Assessment. The specific purpose(s) of any special Assessment shall be set forth in a written notice sent or delivered to each Unit Owner. Funds collected pursuant to a special Assessment shall be used only for the specific purpose(s) set forth in the notice or returned to the Unit Owners. However, upon completion of such special purpose(s), any excess funds shall be considered Common Surplus.

8.3 Acceleration of Assessments. As provided in the Declaration, upon default in the payment, the Board may elect to accelerate remaining installments of annual, supplemental or special Assessments, and such Assessments shall stand accelerated ten (10) days after delivery or receipt of such notice to or by the delinquent Unit Owner, or twenty (20) days after mailing of such notice by certified mail, whichever first occurs.

8.4 Amended Budget. If the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board. Unpaid Assessments for the remaining portion of the year for which an amended Assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended Assessment. The budget shall not be amended for emergency or nonrecurring expenses.

8.5 Audit. After the Developer transfers complete control of the Association, a report of the accounts of the Association shall be made annually by the Board, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made. At least every three years, the report shall include an audit by a certified public accountant.

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ARTICLE IX. CONTRACTS AND FINANCES

9.1 Contracts. The Board may authorize any officer to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. All contracts for the operation, maintenance or management of the Association or property serving the Unit Owners, must not be in conflict with the powers and duties of the Association or the rights of the Unit Owners.

9.2 Loans. No loans shall be contracted on behalf of the Association, and no indebtedness shall be issued in its name, unless authorized by a resolution of the Board. The Board may authorize the pledge and assignment of any regular or special assessment and lien rights as security for such loans.

9.3 Checks, Drafts, Etc. All checks, drafts and other orders for payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer(s) or agent(s) of the Association, and in such manner, as may from time to time be determined by the Board.

ARTICLE X. ROSTER OF UNIT OWNERS AND MORTGAGEES

Each Unit Owner shall file with the Association a copy of the deed or other instrument showing its ownership, together with a copy of any mortgage on his Unit and any satisfaction of that mortgage. The Association shall maintain these documents in a suitable binder for reference.

ARTICLE XI. TRANSFER OF UNITS

If authorized by the Declaration, the Board is empowered to approve or disapprove of transfer of Units, and the Board shall make reasonable rules, regulations and standards consistent with the Declaration governing same, which regulations and standards shall be designed to maintain a community of congenial residents of good character and with sufficient financial ability to timely pay the Assessments, taxes and other requirements for payments resulting from residence in the Condominium. However, no person shall be denied the right to purchase or lease a Unit because of race, religion, sex or national origin. Such standards shall be drafted by or under the direction of the Board.

ARTICLE XII. COMPLIANCE AND DEFAULT

12.1 Violations. In the case of a violation (other than the nonpayment of an Assessment) by a Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws or any lawfully adopted rules and regulations, the Association, by direction of its Board, may transmit to the Unit Owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions:

- (a) File an action to recover for its damages on behalf of the Association or on behalf of other Unit Owners.
- (b) File an action for injunctive relief requiring the offending Unit Owner to take or desist from taking certain actions.

(c) File an action for both damages and injunctive relief.

The foregoing action may be taken in addition to the Association's right to impose fines hereunder. All rights, remedies and privileges are deemed cumulative and the exercise of any one or more shall not be deemed an election of remedies.

12.2 Action by Unit Owner. A Unit Owner may bring an action against the Association for damages, injunctive relief, or both, if the Association fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws or the rules and regulations.

12.3 Attorneys' Fees. In any action brought pursuant hereto, the prevailing party is entitled to recover reasonable attorneys' fees.

12.4 No Waiver of Rights. Neither a Unit Owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a Unit Owner or the purposes of the provision, except that Unit Owners or Board members may waive notice of specific meetings in writing.

ARTICLE XIII. ARBITRATION OF INTERNAL DISPUTES

Internal disputes arising from the operation of the Condominium among Unit Owners, the Association, their agents and assigns, may be resolved by voluntary binding arbitration. Arbitrators shall be provided by the Division of Florida Land Sales and Condominiums pursuant to the Act. Each party to the dispute first must agree to the arbitration process and, in such case, the arbitrator's decision will be final. If judicial proceedings are taken after arbitration, the arbitrator's final decision will be admissible in evidence. Any party may seek enforcement of the arbitrator's final decision in a court of competent jurisdiction. Nothing in this Article shall preclude any party from proceeding alternatively in the manner prescribed in Article XII above.

ARTICLE XIV. LIABILITY SURVIVES MEMBERSHIP TERMINATION

Termination of membership in the Association shall not relieve or release a former member from any liability or obligation incurred with respect to the Condominium during the period of membership, nor impair any rights or remedies that the Association may have against the former member arising out of his membership and his covenants and obligations incident thereto.

ARTICLE XV. PARLIAMENTARY RULES

ROBERTS' RULES OF ORDER (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Act, the Declaration, the Articles or these Bylaws.

ARTICLE XVI. RULES AND REGULATIONS

The Board of Directors may adopt and amend, from time to time, reasonable rules and regulations governing the details of the use and operation of the Condominium Property, including the Common Elements. A copy of the rules and regulations adopted from time to time by the Board, and any amendments to existing rules and regulations, shall be posted in a conspicuous place on

the Condominium Property and a copy furnished to each Unit Owner. No rule, regulation or amendment shall become effective until 30 days after posting, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately on posting.

ARTICLE XVII. AMENDMENTS

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

17.1 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.

17.2 Adoption. An amendment may be proposed either by a majority of the Board or by not less than one third of the members of the Association. The amendment shall be adopted if it is approved by owners of not less than two-thirds (2/3) of the votint interests at the annual meeting or at any special meeting of the members.

17.3 Limitation. No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment abridge, alter or amend the rights of the Developer or mortgagees of Units without their consent.

17.4 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 Bylaws. The 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. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of the county, with identification on the first page thereof of the book and page of the public records where the Declaration is recorded.

17.5 Format. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder, rather than assist, understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW. SEE BYLAW NUMBER _____ FOR PRESENT TEXT." Nonmaterial errors in the Bylaws process shall not invalidate an otherwise properly promulgated amendment.

ARTICLE XVIII. CONSTRUCTION

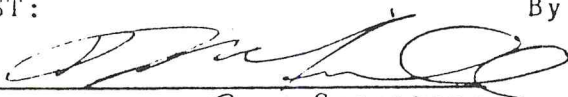
The provisions of these Bylaws shall be construed together with the Declaration of Condominium and the Articles. In the event of any conflict between the provisions hereof and thereof, the provisions of the Declaration shall control. The provisions hereof shall be liberally construed to grant the Association sufficient practical authority to operate the Condominium. Whenever the context permits or requires, 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.

The foregoing were adopted as the Bylaws of PARK PLACE VILLAS CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, on this 10th day of April, 1987.

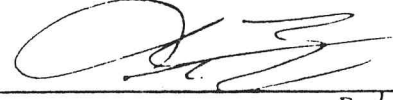
O.R. 1936 PG 0891

PARK PLACE VILLAS CONDOMINIUM
ASSOCIATION, INC.

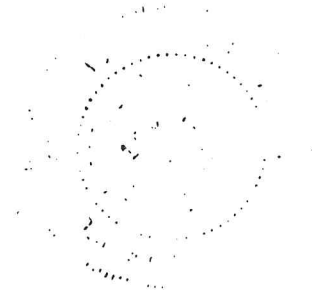
ATTEST:



Asst. Secretary

By:  _____
President

(SEAL)



O.R. 1936 PG 0892