

**BY-LAWS
OF
ADMIRALS WALK CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not For Profit)**

ARTICLE I - BY-LAWS GENERALLY

A. Scope:

These By-Laws shall apply to the ADMIRALS WALK CONDOMINIUM ASSOCIATION, INC. ("the Association"), a not-for-profit corporation 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 ADMIRALS WALK, A CONDOMINIUM ("the Condominium"). These By-Laws expressly are subject to the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and in the Declaration of Condominium ("the Declaration"). All of the terms used in these By-Laws shall have the same definitions and meanings as those set forth in the Declaration, unless herein provided to the contrary, or unless the context otherwise requires. Whenever 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.

B. Compliance:

Each present and future owner and tenant, guest, licensee, servant, agent, employee and any other person who shall be permitted to use the facilities of the Condominium or a Unit shall comply strictly with these By-Laws and the Rules and Regulations issued by the Association and with the covenants, conditions and restrictions set forth in the Declaration and the deed to the Unit. Ownership, rental or occupancy of any Unit conclusively shall be deemed to mean that the owner, tenant or occupant has accepted and ratified these By-Laws and the Rules and Regulations of the Association and will comply with them. Failure to comply with any of the same shall be grounds for a civil action to recover sums due for damages or injunctive relief, or both, maintainable by the Association on behalf of the Unit Owners.

C. Principal Office:

The principal office of the Association shall be 5595 Clark Road, Sarasota, Florida 34233, or at such other place as may be subsequently designated by the Board of Administration. All books and records of the Association shall be kept at its principal office.

D. Seal:

The seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation not-for-Profit," and the year of incorporation. An impression of the Seal is as follows:

(Seal of Association)

E. Fiscal Year:

The fiscal year of the Association shall be the calendar year.

ARTICLE II - MEMBERS

A. In General:

The requirements and procedures for admission, voting and termination of membership set forth in the Articles of Incorporation are incorporated herein by reference.

B. Voting:

(1) Number of Votes: In any meeting of members, the members shall be entitled to cast one voting interest ("vote") for each Unit owned. The vote of a Unit shall not be divisible. Should two or more Units be used by a single owner as one dwelling Unit, by combining the same in a manner approved by the Board or as otherwise provided in the Declaration, such use shall not in any manner affect or destroy the separateness of such Units for voting purposes.

(2) Majority Vote: The acts approved by a majority of the votes at a meeting at which a quorum shall be present, shall be binding upon all members for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. The terms "majority of the members" or "majority of the Voting Interests" shall mean those members having more than fifty percent (50%) of the total authorized votes of all members voting at any meeting of the members at which a quorum shall be present.

(3) Designation of Voting Member: 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 Voting Certificate signed by all of the record owners of that Unit according to the roster of members and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a Voting Certificate signed by the president or vice president and attested by the secretary or assistant secretary of the corporation and filed with the secretary of the Association. The person so designated to cast the vote of the Unit shall be known as the "voting member." If such a Voting Certificate is not on file with the secretary for a Unit owned by more than one person or one business entity, the vote of the Unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the Unit, except to such Unit as owned by a husband and wife. Such Voting Certificate shall be valid until revoked or superseded by a subsequent Voting Certificate, or until a change in the ownership of the Unit concerned.

A husband and wife owning a Unit jointly shall have the following options:

- (a) They may designate a voting member.
- (b) If they do not designate a voting member and 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.
- (c) If they do not designate a voting member and only one is present at a meeting, the spouse who is present may cast the Unit vote without establishing the concurrence of the absent spouse.
- (d) If both spouses are present at a meeting and concur, either one may cast the Unit vote.

4. Quorum of Members; Voting Requirements; Proxies:

(a) Members holding the voting interests of at least thirty-five percent (35%) of the Units shall constitute a quorum. Except as provided in Section C of Article IV hereof, a decision shall be made by Owners of the majority of the voting interests represented at a meeting at which a quorum is present.

(b) Unit Owners may not vote by general proxy but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales,

Condominiums and Mobile Homes of the Florida Department of Business and Professional Regulation. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with subsection C(2) of Article VI hereof; for votes taken to amend the Declaration pursuant to Florida Statute 718.110; for votes taken to amend the Articles of Incorporation or By-laws pursuant to Florida Statute 718.112, and for any other matter for which Florida Chapter 718 requires or permits a vote of the Unit Owners. Except as provided in paragraph (d), after January 1, 1992, no proxy, limited or general shall be used in the election of Board Members. General proxies may be used for other matters for which limited proxies are not required and also be used for voting non-substantive changes to items for which a limited proxy is given. Notwithstanding the provisions of this paragraph, Unit Owners may vote in person at Unit Owner meetings.

(c) Any proxy given shall be effective only for the specific meeting for which originally given or any lawfully adjourned meetings thereof. In no event, shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the Unit Owner executing it.

ARTICLE III - MEETINGS

A. Unit Owner Meetings:

(1) Generally: There shall be an annual meeting of the Unit Owners. A vacancy on the Board of Administration caused by the expiration of a director's term shall be filled by electing a new Board member, and the election shall be by closed ballot; however, if there is only one candidate for election to fill the vacancy, no election is required. The terms of all members of the Board of Administration shall expire upon the election of their successors at the annual meeting. Any Unit Owner desiring to be a candidate for Board membership shall comply with Section C of Article IV of these By-laws.

(2) Limitation of Membership: Except as otherwise provided, membership in the Association shall be limited to the Unit Owners or co-owners. In the event that a member shall lease or permit another to occupy his Unit, the tenant or occupant shall not vote in the affairs of the Association except as the member shall permit the tenant or occupant to exercise the proxy vote of the member. Every transfer of title to the member's Unit, in accordance with the Declaration and the Condominium Act, shall include membership in the Association, and upon making such transfer, the previous Owner's membership shall terminate automatically. Except as herein provided, membership in the Association may not be assigned or transferred and any attempted assignment or transfer thereof shall be void and of no effect.

(3) Notices and Place of Meetings: The By-laws shall provide the method of calling meetings of Unit Owners, including annual meetings. Written notice, which notice must include an agenda, shall be mailed or delivered to each Unit Owner at least fourteen (14) days prior to the annual meeting and shall be posted in a conspicuous place on the Condominium Property at least fourteen (14) continuous days preceding the annual meeting. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium Property or Association property upon which all notices of Unit Owner meetings shall be posted; however, if there is no Condominium Property or Association property upon which notices can be posted, this requirement does not apply. Unless a Unit Owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each Unit Owner. Where a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address which the Developer initially identifies for that purpose and thereafter as one or more of the Owners of the Unit shall so advise the Association in writing, or if no address is given or the Owners of the Unit do not agree, to the address provided on the deed of record. An officer of the Association, or the manager or other person providing notice of the Association meeting, shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association affirming that the notice was mailed or hand

delivered, in accordance with this subparagraph, to each Unit Owner at the address last furnished to the Association.

(4) Date of Annual Meetings of Members: The annual meetings of the members 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 thirteen (13) months after the last preceding annual meeting. The purpose of the meeting shall be to elect Directors and to transact any other business which properly comes before the meeting.

(5) Special Meetings of Members: Special meetings of the members shall be held whenever called by the president or by a majority of the Board. A special meeting must be called by the president if a majority of the members file a written request with the secretary. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

(6) Location of Meetings of Members: All annual and special meetings shall be held at the principal office of the Association or at such other suitable and convenient place as may from time to time be fixed by the Board and designated in the notices of such meetings.

(7) Meetings Open to Members:

(a) All meetings of the Board, whether regular or special, shall be open to members. Adequate notice of all meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours in advance of each meeting, except in an emergency. Notice of any meeting in which assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

(b) Meetings of the Board of Administration at which a quorum of the members is present shall be open to all Unit Owners. Any Unit Owner may tape record or videotape meetings of the Board of Administration. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums and Mobile Homes shall adopt reasonable rules governing the tape recording and videotaping of the meeting. The Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours preceding the meeting except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. However, written notice of any meeting at which non-emergency Special Assessments, or at which amendment to Rules regarding Unit use will be considered shall be mailed or delivered to the Unit Owners and posted conspicuously on the Condominium Property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the Association. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the Condominium Property or Association property upon which all notices of Board meetings shall be posted. If there is no Condominium Property or Association property upon which notices can be posted, notices of Board Meetings shall be mailed or delivered at least fourteen (14) days before the meeting to the Owner of each Unit. Notice of any meeting in which regular Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments. Meetings of a committee to take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final action on behalf of the Board or make recommendations to the

Board regarding the Association budget are subject to the provisions of this section by the Bylaws of the Association.

(8) Conduct of Annual Meetings: The president, or in his absence, the vice president, shall preside at all meetings; in the absence of both of them, the presiding officer shall be the officer designated by the Board. The order of business at annual meetings and, as far as practical, at other meetings shall be:

- (a) Collection of election ballots;
- (b) Called to order by the president;
- (c) Election of chairman of the meeting;
- (d) Calling of the roll and certifying of proxies;
- (e) Proof of notice of the meeting or waiver of notice;
- (f) Reading and disposal of any unapproved minutes;
- (g) Reports of officers;
- (h) Reports of committees;
- (i) Appointment of inspectors of election;
- (j) Determination of number of Directors;
- (k) Election of Directors;
- (l) Unfinished business;
- (m) New business;
- (n) Adjournment.

(9) Adjournment of Meetings of Members: If any meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (whenever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration), the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

B. Board of Administration Meetings:

(1) Organizational Meeting: The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such time and at such place as shall be fixed at the meeting at which they were elected. Notice of the organizational meeting shall be given to each Director personally or by mail, telephone or telegram, at least three (3) days prior to the day specified for such meeting.

(2) Regular Meetings of Board: Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board. Notice of regular meetings shall be given to each Director personally or by mail, telephone or telegram, at least three (3) days prior to the day specified for such meeting.

(3) Special Meetings of Board: Special meetings of the Board may be called by the president, and must be called by the secretary at the written request of any two (2) Directors. Not less than three (3) days' notice of any meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

(4) Waiver of Notice of Board Meetings: Any Director may waive notice of a meeting and such waiver shall be deemed equivalent to the receipt of notice by each such Director. Attendance by an 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.

(5) Quorum at Board Meetings: A quorum at a Board meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the votes present at a meeting in which a quorum is present shall constitute acts of the Board, except as specifically provided otherwise in the Articles of Incorporation, these By-Laws or the Declaration. If any meeting cannot be organized because a quorum has not attended, the Directors who are present shall adjourn the meeting and the re-scheduled meeting may be held after it is properly noticed in accordance with Section 718.112(2)(c) and Rule 61B-23.001 F.A.C. At any adjourned meeting, business which might have been transacted at the meeting as originally called may be transacted. Directors may submit in writing his or her agreement or disagreement with any action taken at a meeting that the Director did not attend, but such agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

(6) Conduct of Board Meetings: The Chairman of the Board, if one has been elected, shall preside over all Board meetings; otherwise the president shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside. The order of business at Board meetings shall be:

- (a) Calling of roll;
- (b) Proof of due notice of meeting;
- (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.

C. Budget Meeting:

(1) Any meeting at which a proposed annual budget of an association will be considered by the Board or Unit Owners shall be open to all unit Owners. At least fourteen (14) days prior to such meeting, the Board shall mail or hand deliver to each Unit Owner at the address last furnished to the Association a meeting notice and a copy of the proposed annual budget. Evidence of compliance with this 14-day notice must be made by an affidavit executed by an officer of the Association or the manager or other person providing notice of the meeting and filed among the official records of the Association.

(2) If a board adopts in any fiscal year an annual budget which requires assessments against Unit Owners which exceed one hundred fifteen percent (115%) of Assessments for the preceding fiscal year, the board shall conduct a special meeting of the Unit Owners to consider a substitute budget if the Board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the Board shall hand deliver to each Unit Owner, or mail to each Unit Owner at the address last furnished to the association, a notice of the meeting. An officer or manager of the association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the association.

(3) At the special meeting, Unit Owners shall consider and adopt a substitute budget. The adoption of said budget shall require a vote of Owners of not less than a majority of all the Units (including Units owned by the Developer). If a meeting of the Unit Owners has been called as aforesaid and a quorum is not obtained or a substitute budget has not been adopted by the Unit Owners, the budget adopted by the Board shall take effect as scheduled.

(4) In determining whether assessments exceed 115 percent of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property must be excluded from the computation. However, as long as the Developer is in control of the Board of Administration, the Board may not impose an assessment for any year greater than 115 percent of the prior fiscal or calendar year's assessment without approval of a majority of all the voting interests.

ARTICLE IV - BOARD OF ADMINISTRATION

A. Authority and Composition:

The affairs of the Association shall be governed by a Board of Administration consisting of three (3) persons, at least two (2) of whom shall be members of the Association.

B. Representation:

(1) When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units in the Condominium being operated by the Association, the Unit Owners other than the Developer shall be entitled to elect no less than one-third of the members of the Board of Administration of the Association. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration of an Association upon the following:

- (a) Three (3) years after fifty percent (50%) of the Units which are operated by the Association have been conveyed to purchasers;
- (b) Three (3) months after ninety percent (90%) of the Units being operated by the Association have been conveyed to purchasers;
- (c) When all the Units being operated 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;
- (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; or

- (e) Seven (7) years after recordation of this Declaration; or, in the case of the Association operating more than one condominium, seven (7) years after recordation of the Declaration for the first condominium it operates; or, in the case of the Association operating a phase condominium created pursuant to Section 718.403, Florida Statutes, seven (7) years after recordation of the Declaration creating the initial phase, whichever occurs first. The Developer is entitled to elect at least one member of the Board of Administration of an Association as long as the Developer holds for sale in the ordinary course of business at least five (5) percent, in condominiums with fewer than five (500) Units, and two percent (2%), in condominiums with more than five (500) Units, of the Units in a condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Administration.

(2) Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Administration of the Association, the Association shall call, and give not less than sixty (60) days' notice of an election for the members of the Board of Administration. The election shall proceed as provided in Section 718.112(2)(d), Florida Statutes. The notice may be given by any Unit Owner if the Association fails to do so. Upon election of the first Unit Owner other than the Developer to the Board of Administration, the Developer shall forward to the Department of Business and Professional Regulation, The Northwood Center, 1940 North Monroe Street, Tallahassee, Florida 32399-1033 the name and mailing address of the Unit Owner Board Member.

C. Election Procedures, Generally:

All Directors not chosen by Developer shall be elected at the annual meeting of the members of the Association immediately following Developer's election of Directors. Member-elected Directors shall be elected in the following manner:

(1) The members of the Board of Administration shall be elected by written ballot or voting machine.

(2) Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election.

(3) Any Unit Owner or other eligible person desiring to be a candidate for the Board of Administration must give written notice to the Association not less than forty (40) days before a scheduled election.

(4) Together with the written notice and agenda as set forth in subparagraph 2, the Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.

(5) The Florida Department of Business and Professional Regulation, The Northwood Center, 1940 North Monroe Street, Tallahassee, Florida 32399-1033, shall by rule establish voting

procedures consistent with the provisions contained herein, including rules providing for the secrecy of ballots. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement; however, at least twenty (20) percent of the eligible voters must cast a ballot in order to have a valid election of members of the Board of Administration. No Unit Owner shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A Unit Owner who needs assistance in casting the ballot for the reasons stated in Section 101.051, Florida Statutes, may obtain assistance in casting the ballot. Any Unit Owner violating this provision may be fined by the Association in accordance with Section 718.303, Florida Statutes. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run than vacancies exist on the Board.

(6) Any approval by Unit Owners called for by Chapter 718, Florida Statutes or the applicable Declaration or By-laws, including, but not limited to, the approval requirement in Section 718.111(8), Florida Statutes, shall be made at a duly noticed meeting of Unit Owners and shall be subject to all requirements of Chapter 718, Florida Statutes, or the applicable condominium documents relating to Unit Owner decision making, except that Unit Owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable By-laws or declaration or any statute which provides for such action.

(7) Unit Owners may waive notice of specific meetings if allowed by the applicable By-laws or Declaration or any statute.

(8) Unit Owners shall have the right to participate in meetings of Unit Owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner participation.

(9) Any Unit Owner may tape record or videotape a meeting of the Unit Owners subject to reasonable rules adopted by the Florida Department of Business and Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes.

(10) Notwithstanding the provisions of subsection B(4) of Article II hereof and Section C of this Article, the Association may, by the affirmative vote of a majority of the voting interests, provide for different voting and election procedures in its By-laws, which vote may be by a proxy specifically delineating the different voting and election procedures; provided, however, no additional Units are added to the Condominium Property. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

D. Vacancies:

Vacancies in the Board may be filled, until the date of the next annual meeting, by selections by the remaining Directors except that should any vacancy in the Board be created in any position previously filled by a person elected by Developer, such vacancy shall be filled by Developer electing by vote, in person or by limited proxy.

E. Term of Office:

The term of office of each Director, whether elected by Developer or by the membership, shall be for one (1) year, expiring at the next annual meeting of the membership, or when successors are duly elected and qualified, or any shorter period in the event of removal in the manner provided herein or by law.

F. Recall of Board Members:

(1) Subject to the provisions of Section 718.301, Florida Statutes, any member of the Board of Administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests. A special meeting of the Unit Owners to recall a member or members of the Board of Administration may be called by ten (10) percent of the voting interests giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting.

(2) If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided. The Board shall duly notice and hold a Board meeting within 5 full business days of the adjournment of the Unit Owner meeting to recall one or more Board members. At the meeting, the Board shall either certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within 5 full business days any and all records and property of the Association in their possession, or shall proceed as set forth in subparagraph 4.

(3) If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48 and the Florida Rules of Civil Procedure. The Board of Administration shall duly notice and hold a meeting of the Board within 5 full business days after receipt of the agreement in writing. At the meeting, the Board shall either certify the written agreement to recall a member or members of the Board, in which case such member or members shall be recalled effective immediately and shall turn over to the Board within 5 full business days any and all records and property of the Association in their possession, or proceed as described hereinabove.

(4) If the Board determines not to certify the written agreement to recall a member or members of the Board, or does not certify the recall by a vote at a meeting is disputed, the Board shall, within five full business days after the meeting, file with the Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums and Mobile Homes a petition for arbitration pursuant to the procedures in Section 718.1255, Florida Statutes. For the purposes of this section, the Unit Owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order of the arbitrator, the Florida Department of Business and Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes, may take action pursuant to Section 718.501, Florida Statutes. Any member or members so recalled shall deliver to the Board any and all records of the Association in their possession within 5 full business days of the effective date of the recall.

(5) If the Board fails to duly notice and hold a Board meeting within 5 full business days of service of an agreement in writing or with 5 full business days of the adjournment of the Unit Owner recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association.

(6) If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board Members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any provision to the contrary contained in this subsection. If vacancies occur on the Board as a result of a recall and a majority or more of the Board Members are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the Florida Department of Business and Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes, which rules need not be consistent with this subsection. The rules must provide procedures governing the conduct of the recall election as well as the operation of the Association during the period after a recall but prior to the recall election.

G. 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.

H. Powers and Duties:

All of the powers and duties of the Association shall be exercised by the Board, including those existing under the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the Declaration. Such powers and duties shall include the following:

1. To determine, make, levy and collect assessments from members, to defray the costs of the Condominium, and to use the proceeds of such assessments in the exercise of the powers and duties granted to the Association;
2. To maintain, repair, replace, operate and manage the Condominium and the Condominium Property wherever the same is required to be done and accomplished by the Association for the benefit of its members;
3. To reconstruct improvements after any casualty, and to further improve the property, real and personal;
4. To make, amend and enforce regulations governing the use of the property, real and personal, in the Condominium, so long as such regulations or amendments thereto do not conflict with the restrictions and limitations placed upon the use of such property under the terms of the Articles of Incorporation and the Declaration;
5. To maintain bank accounts for the Association,
6. To purchase, sell, lease or otherwise acquire or convey Units the name of the Association or its designee(s);
7. To obtain and review insurance for the Association;
8. To acquire and enter into leases and agreements of every nature, whereby the Association acquires leaseholds, memberships and other possessory or use interests in lands or facilities, including recreational and communal facilities, whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation, or other use or benefit to the members, or as may be deemed by the Board to be in the best interests of the Association, and further including any and all contracts with Developer and/or its successors in interest furnishing services to the Condominium and its members for compensation, subject to such conditions and limitations as the Association and Developer shall deem appropriate.
9. When a Unit Owner files a written inquiry by certified mail with the Board of Administration, the Board shall respond in writing to the Unit Owner within thirty (30) days of receipt of the inquiry. The Board's response shall either give a substantive response to the inquirer, notify the inquirer that a legal opinion has been requested, or notify the inquirer that advice has been requested from the Florida Department of Business and Professional Regulation, Division of Land Sales Condominiums and Mobile Homes. If the Board requests advice from the

division, the Board shall, within 10 days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the inquirer, provide in writing a substantive response to the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the Board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry.

I. First Board of Directors:

The first Board shall be comprised of three (3) persons designated to act and serve as Directors in the Articles of Incorporation, who shall serve until their successors are elected at the first annual meeting of the members of the Association called after the Declaration has been duly recorded. The undertakings and contracts authorized by the first Board shall be binding upon the Association in the same manner as though such had been authorized by the first duly elected Board, so long as such undertakings and contracts are within the scope, powers and duties which may be exercised by the Board in accordance with all applicable Condominium documents. Should any member of the first Board be unable to serve for any reason, the remaining members of the Board shall have the right to designate a party to act and serve, as Director for the unexpired term of the Director unable to serve. Notwithstanding, the foregoing, should any vacancy in the Board be created in any position previously filled by a person elected by Developer, such vacancy shall be filled by the Developer as authorized by Rule 61B-23.0026(1), Florida Administrative Code.

ARTICLE V - OFFICERS

A. Enumeration:

The Board shall elect a president, secretary and treasurer, and as many vice presidents, assistant secretaries and assistant treasurers as the Board shall determine. The president shall be elected from among the membership of the Board and shall be an Director, but no other officer need be a member or Director. The same person may hold two offices, except for the following combinations: (1) president and vice president; (2) president and secretary or assistant secretary.

B. Election:

The officers shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office until their successors have been elected and qualified.

C. President:

The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

D. Vice-President:

The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of president. He also generally shall assist the president and exercise such other powers and perform such other duties as shall be prescribed by the Board.

E. Secretary and Assistant Secretary:

The secretary shall: (1) keep the minutes of all proceedings of the Directors and the members; (2) attend to the giving and serving of all notices to the members and Directors, and such

other notices required by law; (3) maintain custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed; (4) keep the records of the Association, except those of the treasurer; and (5) perform all other duties incident to the office of secretary and as maybe required by the Directors or president. The assistant secretary shall perform the duties of secretary when the secretary is absent. The minutes of all meetings of members and the Board shall be kept by the secretary in a book which shall be available for inspection by members (or their authorized representatives), and the Directors at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

F. Treasurer:

The treasurer shall: (1) have custody of all of the property of the Association, including funds, securities and evidences of indebtedness; (2) keep the assessment rolls and accounts of the members; (3) keep the books of the Association in accordance with good accounting practices; and (4) perform all other duties incident to the office of the treasurer.

G. 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.

H. Removal:

Any officer may be removed from office at any time, with or without cause, by a majority vote of the Board.

ARTICLE VI - FINANCE

A. Bank Accounts:

The depository of the Association shall be such bank as is designated from time to time by the Board. Withdrawal of monies from accounts shall be only by checks signed by such persons as are authorized by the Board.

B. Fiscal Year:

The fiscal year shall be the calendar year.

C. Annual Budget:

(1) The proposed annual budget of Common Expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in Section 718.504(21), Florida Statutes. In addition, if the Association maintains Limited Common Elements with the cost to be shared only by those entitled to use the Limited Common Elements as provided for in Section 718.113(1), Florida Statutes, the budget or a schedule attached thereto shall show amounts budgeted therefor.

(2) In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be

computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to budgets in which the members of the Association have, by a majority vote at a duly called meeting of the Association, determine for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. However, prior to turnover of control of the Association by the Developer to Unit Owners other than the Developer pursuant to Section 718.301, Florida Statutes, the Developer may vote to waive the reserves or reduce the funding of reserves for the first two fiscal years of the operation of the Association, beginning with the year in which the Declaration of Condominium is recorded, after which time reserves may only be waived or reduced upon the vote of a majority of all non-developer voting interests voting in person or by limited proxy at a duly called meeting of the Association. Any vote to waive or reduce reserves shall be effective for only one annual budget. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

(3) Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests, voting in person or by limited proxy at a duly called meeting of the Association. Prior to turnover of control of the Association by the Developer to Unit Owners other than the Developer pursuant to Florida Statute 718.301, the Developer controlled association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all non-developer voting interests, voting in person or by limited proxy at a duly called meeting of the Association.

D. Transfer Fees:

No charge shall be made by the Association or any body thereof in connection with the sale, mortgage, lease, sublease, or other transfer of a Unit unless the Association is required to approve such transfer and a fee for such approval is provided for in the Declaration, Articles, or By-laws. Any such fee may be preset, but in no event may such fee exceed \$100 per applicant other than husband/wife or parent/dependent child, which are considered one applicant. 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. The foregoing notwithstanding, an Association may, if the authority to do so appears in the Declaration or By-laws, require that a prospective lessee place a security deposit, in an amount not to exceed the equivalent of one (1) month's rent, into an escrow account maintained by the Association. The security deposit shall protect against damages to the Common Elements or Association property. Payment of interest, claims against the deposit, refunds, and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes.

E. Reviews:

Within 90 days after the end of the fiscal year or annually on such date as provided in these Bylaws through an amendment or otherwise, the Association shall prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. If the Board so designates, such review shall be made by a certified public accountant. Within twenty one (21) days after the financial report is completed or received by the Association from the third party, the Association shall mail to each unit owner at the address last furnished to the Association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. The financial report referenced in this provision shall be a report of cash receipts and expenditures.

F. Assessments:

Assessments against the members for their share of the items of the budget shall be made for the calendar year annually in advance on or before January 1st, preceding the year for which the assessments are made. Such assessments shall be due in equal monthly installments, payable in advance on the first day of each month of the applicable year. 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 installments on such assessments shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, unless otherwise provided by applicable Florida Statutes. Charges by the Association against members for other than Common Expenses shall be paid in such manner as the Board may require, provided that such charges are issued separately than assessments for Common Expenses. Assessments for Common Expenses or emergencies that cannot be paid from the annual assessment shall be due only after thirty (30) days' notice is given to the members concerned, and shall be paid in such manner as the Board may require.

If a member shall be in default in the payment of an installment upon an assessment, the Board may elect to accelerate the remaining installments of the assessments on the date the Claim of Lien is filed. Such accelerate assessments shall include the amounts due for the remainder of the budget year.

G. Fidelity Bonds:

The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association. As used herein, the term "persons who control or disburse funds of the Association" means those individuals authorized to sign checks, and the president, secretary, and treasurer of the Association. The amount of the fidelity bond shall cover the an amount no less than the maximum funds that will be in the custody of the Association or management agent at any one time. The Association shall bear the cost of bonding.

H. Certificate of Compliance:

There shall be a provision that a certificate of compliance from a licensed electrical contractor or electrician may be accepted by the Association's Board as evidence of compliance of the Condominium Units to the applicable fire and life safety code.

ARTICLE VII - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Every Director and every officer shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceedings to which he may be a party, or in which he may become involved by reason of his being or having been an officer or Director, or any settlement thereof, whether or not he is an Director or officer at the time of incurring such expenses or liabilities, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, provided that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to all other rights to which such officer or Director may be entitled.

ARTICLE VIII - PARLIAMENTARY RULES

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

ARTICLE IX - RULES AND REGULATIONS

Annexed hereto and made a part hereof are rules and regulations concerning the use of the Condominium. The Board may from time to time modify, amend or add to such rules and regulations, except that Owners of a majority of the Units present and voting at a meeting at which a quorum is present may overrule the Board with respect to any such modification, amendment or addition. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board to each member at least thirty (30) days prior to the effective date hereof.

ARTICLE X - MANDATORY NONBINDING ARBITRATION

Prior to the institution of court litigation, the parties to a Dispute shall petition the Division for nonbinding arbitration. The arbitration shall be conducted according to rules promulgated by the Division and before arbitrators employed by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitation for the applicable Dispute, until the arbitration proceedings are completed. Any arbitration decision shall be presented to the parties in writing, and shall be deemed final if a complaint for trial *de novo* is not filed in a court of competent jurisdiction in which the Condominium is located within thirty (30) days following the issuance of the arbitration decision. The prevailing party in the arbitration proceeding shall be awarded the costs of the arbitration, and attorneys' fees and costs incurred in connection with the proceedings. The party who files a complaint for a trial *de novo* shall be charged the other party's arbitration costs, courts costs and other reasonable costs, including, without limitation, attorneys' fees, investigation expenses and expenses for expert or other testimony or evidence incurred after the arbitration decision, if the judgment upon the trial *de novo* is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial *de novo* shall be awarded reasonable court costs and attorneys' fees. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for a trial *de novo* has expired. If a complaint for a trial *de novo* has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

ARTICLE XI - AMENDMENTS

(1) **Proposal:** Amendments to these By-Laws may be proposed by the Board acting upon majority vote or by members owning at least two-thirds (2/3) of the Voting Interests in the Condominium, whether meeting as members or by a writing signed by them.

(2) **Text of Amendment:** No bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing By-laws shall contain the full text of the By-laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-law ____ for present text."

(3) **Non-Material Errors:** Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

(4) **Notices: Special Meeting to Amend By-law:** Such proposed amendment(s) shall be transmitted to the president (or other officer in the absence of the president) who shall thereupon call a special joint meeting of the Board and the membership for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt of such officer of the proposed amendment(s). The secretary shall give to each member written notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the members is required as herein set forth.

(5) **Approval and Recordation:** In order for such amendment(s) to become effective, the same must be approved by an affirmative vote of at least two-thirds (2/3) of the Voting Interests in the Condominium. Thereupon, such amendments) shall be transcribed, certified by the president and Secretary, and a copy thereof recorded in the Public Records of Sarasota County, Florida, within ten (10) days from the date of approval of such amendment(s) by the members.

(6) **Written Action in Lieu of Meeting:** In the event that the members holding the Voting Interests necessary to pass any amendment(s) shall execute any instrument amending these By-Laws, the same shall constitute a valid amendment and it shall not be necessary for the meeting otherwise prescribed above to be held. A copy of such amendment(s), bearing the signature of the member(s), and certified by the president and the secretary as being the amendment(s) so adopted by such members, shall be recorded in the Public Records of Sarasota County, Florida, within ten (10) days from the date of approval of such amendment(s).

(7) **Developer's Rights: Amendments:** Notwithstanding the foregoing provisions, no amendment to these By-Laws to abridge, amend or alter Developer's rights herein may be adopted or become effective without Developer's prior written consent.

ARTICLE XII - MISCELLANEOUS

All provisions of §718.112(2)(a) through (m), Florida Statutes, are deemed to be included in these By-laws.

The foregoing was adopted as the By-Laws of **ADMIRALS WALK CONDOMINIUM ASSOCIATION, INC.**, a corporation not-for-profit, organized and existing, under the laws of the State of Florida on the __ day of May, 2005.

ADOPTED AND APPROVED on the __ day of May, 2005.

ADMIRALS WALK CONDOMINIUM
ASSOCIATION, INC., a Florida non-profit
corporation

By: _____,
Secretary