

EXHIBIT "3"

BY-LAWS OF

DOLPHIN KEY CONDOMINIUM ASSOCIATION, INC.

A corporation not for profit organized
under the laws of the State of Florida

1. Identity. These are the By-Laws of DOLPHIN KEY CONDOMINIUM ASSOCIATION, INC., (the "Association"), a not for profit corporation under the laws of the State of Florida, and organized for the purpose of administering that certain condominium located in Pinellas County, Florida, and known as DOLPHIN KEY, A CONDOMINIUM (the "Condominium").
 - 1.1 Principal Office. The initial principal office of the Association shall be at 19519 Gulf Blvd., Indian Shores, FL 33785 or at such other place as may be subsequently designated by the Board of Directors. Notwithstanding the foregoing, all books and records of the Association shall be kept on the Condominium property.
 - 1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.
 - 1.3 Seal. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation.
2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration for the Condominium, unless herein provided to the contrary, or unless the context otherwise requires.
3. Members.
 - 3.1 Annual Meeting. The annual members' meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, the meeting shall be held within 45 miles of the condominium property provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held in the month of November following the year in which the Declaration is filed.

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

3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of members, stating the time and place, the purpose(s) for which the meeting is called, and an identification of agenda items shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place on the Condominium Property as designated by the Board pursuant to 718.112 (2)(d)(2). The notice of the annual meeting shall be sent by mail to each Unit Owner, unless the Unit Owner waives in writing the right to receive notice of the annual meeting by mail. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be effected not less than fourteen (14) days, nor more than sixty (60) days, prior to the date of the meeting. Notice for the election of Directors shall be given in accordance with 718.112(2)(d)(3). Proof of posting and mailing of the notice shall be given by Affidavit.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

An officer of the Association shall provide an affidavit, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered in accordance with this Section and Section 718.112(2)(d) of the Act, to each Unit Owner at the address last furnished to the Association. No other proof of notice of a meeting shall be required.

3.4 Quorum. A quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast 35% of the total voting interests. No voting interest or consent right allocated to a unit owned by the association shall be exercised or considered for any purpose, whether for a quorum, an election, or otherwise.

3.5 Voting.

- (a) Number of Votes. In any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.
- (b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these By-Laws. Similarly, unless specifically stated to the contrary, if some greater percentage of members is required herein or in the Declaration or Articles, it shall mean such greater percentage of the votes of members present at a meeting at which a quorum is attained.
- (c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, those persons (including husbands and wives) shall decide among themselves as to who shall cast the vote of the Unit. In the event that those persons cannot so decide, no vote shall be cast. A person casting a vote for a Unit shall be presumed to have the authority to do so unless the President or the Board of Directors is otherwise notified. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote attributable to such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed.

3.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be in writing, dated, signed by the person authorized to cast the vote for the Unit, name the person(s) voting by proxy and the person authorized to vote for such person(s) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Each proxy shall contain the date, time and place of the

meeting for which it is given and, if a limited proxy holder may vote and the manner in which the vote is to be cast. Holders of proxies need not be Unit owners. If required by Chapter 718, Florida Statutes, limited proxies shall be used for (1) votes taken to waive or reduce reserves; (2) for votes taken to waive financial statement requirements as provided by 718.111 (13); (3) for votes taken to amend the Declaration pursuant to 718.110. (4) for votes taken to amend the Articles or By-Laws pursuant to 718.112; and for any other matter for which Chapter 718, Florida Statutes requires or permits a vote of Unit Owners. General proxies may be used for other matters for which limited proxies are not required. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended shall contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: **WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.**

- 3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.
- 3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
- (a) Collection of election Ballots;
 - (b) Call to order by President;
 - (c) Proof of notice of the meeting or waiver of notice;
 - (d) Reading of minutes;
 - (e) Reports of officers;
 - (f) Reports of committees;
 - (g) Appointment of inspectors of election;

- (h) Election of Directors;
- (i) Unfinished business;
- (j) New Business;
- (k) Adjournment.

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

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

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

4. Directors.

- 4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than five (5) directors, the exact number to be determined in the first instance in the Articles, and, thereafter, except as provided herein, from time to time upon majority vote of the membership. Directors, other than designees of Developer, must be unit Owners. A person who has been convicted of any felony by any court of record in the United States and who has not had the right to vote restored pursuant to the law of the jurisdiction of residence is not eligible for board membership. The validity of an action by the Board is not affected if it is later determined that a member of the Board is ineligible for Board membership due to having been convicted of a felony.
- 4.2 Election of Directors. The election of Directors shall be conducted in the following manner:

- (a) Election of Directors shall be held at the annual members' meeting, except as provided herein to the contrary. There shall be no quorum requirement, however, at least twenty percent (20%) of the eligible voters must cast a ballot for an election to be valid.
- (b) Nominations for Directors shall be made in accordance with the requirements of 718.112(2)(d)(3).
- (c) The election shall be by secret written ballot and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. 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. No proxy shall be used in the election of the Board.
- (d) Within 90 days after being elected or appointed to the board, each newly elected or appointed director shall certify in writing to the secretary of the association that he or she has read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members. In lieu of this written certification, the newly elected or appointed director may submit a certificate of satisfactory completion of the educational curriculum administered by a division-approved condominium education provider. A director who fails to timely file the written certification or educational certificate is suspended from service on the board until he or she complies with this sub- subparagraph. The board may temporarily fill the vacancy during the period of suspension. The secretary shall cause the association to retain a director's written certification or educational certificate for inspection by the members for 5 years after a director's election. Failure to have such written certification or educational certificate on file does not affect the validity of any action.

4.3 Vacancies and Removal.

- (a) Except as to vacancies resulting from removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors or the sole remaining Director, provided that all vacancies in directorships to which Directors

were appointment by the Developer pursuant to the provisions of paragraph 4.16 hereof shall be filled by the Developer without the necessity of any meeting.

- (b) Any Director elected by the members (other than Developer) may be removed by concurrence of a majority of the votes of the members at a special meeting of members called for that purpose (which shall be called upon the demand of ten percent (10%) or more of the voting interests of the Association Members) or by written agreement signed by a majority of the owners of all units. The vacancy in the Board of Directors so created shall be filled by the members at the same meeting, or by the Board of Directors in the case of removal by a written agreement unless said agreement also designates a new Director to take the place of the one removed. In the event a majority or more of the board members are removed, the vacancies shall be filled in accordance with the rules promulgated by the Division pursuant to Florida Statutes 718.112(2)(j)(5). The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer or Directors who were not Unit Owners) shall constitute the resignation of such Director. (c) Anything to the contrary herein notwithstanding, until a majority of Directors are elected by the members other than Developer of the Condominium, neither the first Directors of the Association, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by Developer without the necessity of any meeting.
- (d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association in accordance with the provisions of Section 718.1124, Florida Statutes.
- (e) Director or officer delinquencies. A director or officer more than 90 days delinquent in any monetary obligation due the Association shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law.
- (f) Director and officer offenses. A director or officer charged by information or indictment with a felony theft or embezzlement offense involving the association's funds or property must remove from office, creating a vacancy in the office to be filled according to law until the end of the period of the suspension or the end of the directors term of office, whichever occurs first. While such director or officer has such criminal charge pending, he or she

may not be appointed or elected to a position as a director or officer. However, if the charges are resolved without a finding of guilt, the director or officer shall be reinstated for the remainder of his or her term of office, if any.

- 4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and has taken office, or until he is removed in the manner elsewhere provided. After such time as the Unit Owners, other than the Developer, have elected a majority of the Board of Directors, the Board may elect, by resolution of a majority of the Directors, to provide for increased and/or staggered terms of service. Such resolution shall set forth the method by which the terms may be staggered and the procedures for electing directors to the terms thus established.
- 4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors upon proper notice pursuant to the provisions of Section 718.112(2)(c), Florida Statutes.
- 4.6 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously at a location designated by the Board, on the Condominium Property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency, provided that Unit Owners shall be permitted the right to speak at such meetings with reference to all designated agenda items, subject to rules established by the Board. If 20 percent of the voting interests petition the board to address an item of business, the board shall at its next regular board meeting or at a special meeting of the board, but not later than 60 days after the receipt of the petition, place the item on the agenda.
- 4.7 Special Meetings. Special meetings of the Directors may be called by the President, and just be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium property at least forty-eight (48) continuous hours preceding the meeting for the

attention of the members of the Association, except in the event of an emergency. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed, or approved, shall be mailed or delivered to the Unit Owner and posted conspicuously on the Condominium property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by the secretary 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 upon which all notices of Board meetings shall be posted.

- 4.8 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- 4.9 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.
- 4.10 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting any business that might have been transacted at the meeting as originally called may be transacted as set forth in the notice for the rescheduled meeting.
- 4.11 Joinder in Meeting. The joinder of a Director in the action of a meeting shall constitute the approval of that Director of the business conducted at the meeting, but such joinder shall not allow the applicable Director to be counted as being present for purposes of quorum. A Director who is present at a meeting of its Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he or she votes against such action because of an asserted conflict of interest. A Director of the Association who abstained as from voting on any action taken on any corporate matter shall be presumed to have taken no position with regard to the action. A Director may submit in writing agreement or disagreement with any action taken at a meeting the member did not attend. Such action may not be used as a vote for or against any action taken and may not be used to create a quorum. A member attending by telephone conference on a speaker

phone may be counted toward a quorum and may vote by telephone. Directors may not vote by proxy or by secret ballot at Board meetings, except that officers may be elected by secret ballot. A vote or abstention for each member present shall be recorded in the minutes.

4.12 Presiding Officer. The presiding officer at the Directors' meetings shall be the President (who may, however, designate any other Unit Owner to preside).

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

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

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

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

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

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

- 4.16 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) directors during the period that Developer is entitled to appoint a majority of the Directors, as hereinafter provided. Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, the Unit Owners other than Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Upon the election of such director(s), Developer shall forward to the Florida Division of Condominiums, Timeshares, and Mobile Homes the name and mailing address of the director(s) elected. Unit Owners other than Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to Purchasers; (b) three months after ninety (90%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; (c) when all of the Units that will be operated ultimately by the Association have been conveyed to purchasers, and none of the others are being offered for sale by 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 Developer in the ordinary course of business, or (e) when the developer files a petition seeking protection in bankruptcy; (f) when a receiver for the developer is appointed by a circuit court and is not discharged within 30 days after such appointment; or (g) seven (7) years after the date of the recording of the certificate of a surveyor and a map pursuant to Florida Statute 718.104 (4) (e), whichever occurs first. Developer is entitled (but not obligated) to elect at least one (1) member of the Board of Directors as long as Developer holds for sale in the ordinary course of business five percent (5%) of the Units that will be operated ultimately by the Association.

Developer can turn over control of the Association to Unit Owners other than Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days' notice of Developer's decision to cause its appointees to resign is given to Unit Owners, neither Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Unit Owners other than Developer refuse or fail to assume control.

Not less than seventy-five (75) days after the Unit Owners other than Developer are entitled to elect a member or members of the Board of Directors, or sooner event as aforesaid, the Association shall call, and give not less than sixty (60) days' notice of a meeting of the Board of Directors in accordance with section 718.112(2)(d). The meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Within a reasonable time after Unit Owners other than Developer elect a majority of the members of the Board of Directors of the Association (but not more than ninety (90) days after such event), Developer shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held or controlled by Developer, including, but not limited to, the following items, if applicable:

- (a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, Developer must certify by affidavit that it is a complete copy of the actual recorded Declaration.
- (b) A certified copy of the Articles of Incorporation of the Association.
- (c) A copy of the By-Laws of the Association.
- (d) The minute books, including all minutes, and other books and records of the Association.
- (e) Any rules and regulations which have been adopted.
- (f) Resignations of officers and members of the board of directors who are required to resign because the Developer is required to relinquish control of the Association.
- (g) The financial records, including financial statements of the association, and source documents from the incorporation of the Association through the date of the turnover. The records must be audited for the period from the incorporation of the Association or from the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Florida Board of Accountancy, pursuant to chapter 473. The accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash

disbursements and related paid invoices to determine if expenditures were for association purposes, and billings, cash receipts and related records to determine that Developer was charged and paid the proper amounts of assessments.

- (h) Association funds or the control thereof.
- (i) All tangible personal property that is the property of the Association or is or was represented by Developer to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property.
- (j) A copy of the plans and specifications utilized in the construction or remodeling of Improvements and the supplying of equipment, and for the construction or remodeling of Improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvements of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property.
- (k) A list of the names and addresses, of which the Developer had knowledge at any time in the development of the Condominium, of all contractors, subcontractors, and suppliers utilized in the construction of the improvements and in the landscaping of the Condominium.
- (l) Insurance policies.
- (m) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property.
- (n) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association.
- (o) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.
- (p) A roster of Unit Owners and their addresses and telephone numbers, if

known, as shown on Developer's records.

- (q) Leases of the Common Elements and other Leases to which the Association is a party, if applicable.
- (r) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.
- (s) A report included in the official records, under seal of an architect or engineer authorized to practice in this state, attesting to required maintenance, useful life, and replacement costs of the following applicable common elements comprising a turnover inspection report:
 - 1. Roof
 - 2. Structure
 - 3. Fireproofing and fire protection systems
 - 4. Elevators
 - 5. Heating and cooling systems
 - 6. Plumbing
 - 7. Electrical systems
 - 8. Swimming pool or spa and equipment
 - 9. Seawalls
 - 10. Pavement and parking areas
 - 11. Drainage systems
 - 12. Painting
 - 13. Irrigation systems
- (t) All other contracts to which the Association is a party.

4.17 Written Inquiry. In compliance with Section 718.112(2)(a)2, Florida Statutes, when a Unit owner files a written inquiry by certified mail with the board of directors, the board shall respond in writing to the unit owner within 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 division. 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 inquiry, provide in writing a substantive response to the inquiry. The failure to provide a substantive response to the inquiry 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. The association may through its board of administration adopt reasonable rules and regulations regarding the frequency and manner of responding to unit owner inquiries, one of which may be that the association is only obligated to respond to one written inquiry per unit in any given 30-day period. In such a case, any additional inquiry or inquiries must be responded to in the subsequent 30-day period, or periods, as applicable.

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

- (a) Operating and maintaining the Common Elements.
- (b) Determining the expenses required for the operation of the Condominium and the Association.
- (c) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
- (d) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners to overrule the Board as provided in Section 13 hereof.
- (e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.
- (f) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.
- (g) Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee
- (h) Selling, leasing, mortgaging or otherwise dealing with Units acquired, and subleasing Units leased, by the Association, or its designee.
- (i) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.
- (j) Obtaining and reviewing insurance for the Condominium Property pursuant

to the provisions of 718.111(11), Florida Statutes.

- (k) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.
- (l) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.
- (m) Levying fines against appropriate Unit Owners for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners. Subject to limitations of §718.303(3), Florida Statutes, 2014, fine shall not exceed \$100.00 per violation per day (or such greater amount as may be permitted by law from time to time) nor may any fine be levied except after giving reasonable notice and opportunity for a hearing to the affected Unit Owner and, if applicable, his tenant, licensee or invitee. No fine shall become a lien upon a Unit.
- (n) Purchasing or leasing Units for use by resident superintendents and other similar persons.
- (o) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the affirmative vote of the Owners of at least two-thirds (2/3rds) of all Units shall be required for the borrowing of any sum which would cause the total outstanding indebtedness of the Association to exceed \$10,000.00. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (o) is not repaid by the Association, a Unit Owner who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit.
- (p) Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (who may be an affiliate of Developer) to assist the Association in carrying out its powers and duties by

performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (q) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings (and imposing reasonable charges for such private use, but only if pursuant to a lease of the applicable facility).
- (r) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws and in the Act, (ii) all powers incidental thereto, and (iii) all other powers of a Florida corporation not for profit.
- (s) Imposing a lawful fee in connection with the approval of the lease or sublease not to exceed the maximum amount permitted by law in any one case.

6. Officers.

- 6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers, other than designees of Developer, must be Unit Owners.
- 6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.
- 6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.

- 6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving of all notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.
- 6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.
7. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out of pocket expenses relating to the proper discharge of their respective duties.
8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or officer (other than appointees of Developer or officers who were not Unit Owners) shall constitute a written resignation of such Director or officer.
9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions:
- 9.1 Budget.
- (a) Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually prepare a budget for the Condominium (which shall

detail all accounts and items of expense and contain at least all items set forth in Section 718.504(21) of the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of such Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance (to the extent required by law). These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing regardless of the amount of deferred maintenance expense or replacement costs, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining useful life and the estimated replacement costs of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any extension of the useful life of a reserve item caused by deferred maintenance. Reserves shall not be required if the members of the Association have, by a majority vote at a duly called meeting of the members, determined for a specific fiscal year to provide no reserves or reserves less adequate than required hereby. However, prior to turnover of control of the Association by the Developer, the Developer may vote to waive the reserves for the first two (2) fiscal years of the Association's operation beginning with the fiscal year in which the Declaration is recorded, after which time reserves may only be waived or reduced upon the vote of a majority of non-developer voting interests present at a duly called meeting of the Association. If a meeting of 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 reserve, as included in the budget, shall go into effect.

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

- (i) Notice of Meeting. A copy of the proposed budget of Common Expenses shall be hand delivered or mailed to each Unit Owner at least fourteen (14) days prior to the meeting of the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. The meeting shall be open to all the Unit Owners. An officer or manager of the Association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement. Such affidavit shall be filed among official records of the Association.

- (ii) Special Membership Meeting. If the Board of Directors adopts in any fiscal year an annual budget which requires assessments against Unit Owners which exceed 115 percent of assessments for the preceding fiscal year, the Board of Directors shall conduct a special meeting of the Unit Owners to consider a substitute budget if the Board of Directors receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10 percent 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 of Directors 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. Unit Owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board of Directors shall take effect as scheduled.
- (iii) Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen percent (115%) of Assessments for the preceding year, there shall be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded further from such computation Assessments for improvements to the Condominium Property.
- (iv) Proviso. As long as Developer is in control of the Board of Directors of the Association, the Board shall not impose Assessments for a year greater than one hundred fifteen percent (115%) of the prior year's Assessments, without the approval of a majority of Unit Owners other than the Developer.
- (b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for a fiscal year in accordance with the

requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget for such year.

- 9.2 Assessments. Assessments against Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually in the year preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month (or each quarter at the election of the Board) of the year for which the Assessments are made. If annual assessments are not made as required, Assessments shall be presumed to have been made in the amount of the last prior Assessments, and monthly (or quarterly) installments on such Assessments shall be due upon each installment payment date until changed by amended Assessments. In the event the annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which amended Assessments are made shall be payable in as many equal installments as there are full months (or quarters) of the fiscal year left as of the date of such amended Assessments, each such monthly (or quarterly) installment to be paid on the first day of the month (or quarter), commencing the first day of the next ensuing month (or quarter). If only a partial month (or quarter) remains, the amended Assessments shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution.
- 9.3 Special Assessments and Capital Improvement Assessments. Special Assessments and Capital Improvement Assessments (as defined in the Declaration) shall be levied as provided in the Declaration and shall be paid in such manner as the Board of Directors of the Association may require in the notice of such Assessments.
- 9.4 Depository. The depository of the Association shall be such bank or banks in the State as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or contributions to working capital or otherwise may be commingled in a single fund for investment purposes or divided into more than one fund, as determined by a majority of the Board of Directors. Such funds must be accounted for separately, and the combined account balance may not at any time be less than the amount identified as reserve funds in the combined account.

- 9.5 **Acceleration of Installments Upon Default.** If a Unit Owner shall be in default in the payment of an installment upon his Assessments, the Board of Directors or its agent may accelerate the Assessments due for the balance of the budget year and file a claim of lien therefor and the then unpaid balance of the Assessments for the balance of the year shall be due upon the date stated in the lien.
- 9.6 **Fidelity Bonds.** Fidelity bonds shall be required by the Board of Directors for all persons handling or responsible for Association funds. The fidelity bond must cover the maximum funds that will be in the custody of the Association or management agent at any one time. The premiums on such bonds shall be paid by the Association as a Common Expense.
- 9.7 **Accounting Records and Reports. Financial Reporting Requirements.**
- (1) Basis of accounting. The financial reporting required by Sections 718.111(13) and 718.301(4), F.S., shall be prepared on the accrual basis using fund accounting in accordance with generally accepted accounting principles. Reviewed financial statements shall be reviewed in accordance with standards for accounting and review services and audited financial statements shall be audited in accordance with generally accepted auditing standards. Reviews and audits of an association's financial statements shall be performed by an independent certified public accountant licensed by the Florida Board of Accountancy. As used in this rule the terms "generally accepted accounting principles," "standards for accounting and review services," and "generally accepted auditing standards" shall have the same meaning as set forth in Chapter 61H1-20, F.A.C.
- (2) Components. The financial statements required by Sections 718.111(13) and 718.301(4), F.S., shall at a minimum include the following components:
- (a) Accountant's or Auditor's Report;
 - (b) Balance Sheet;
 - (c) Statement of Revenues and Expenses;
 - (d) Statement of Changes in Fund Balances;
 - (e) Statement of Cash Flows; and
 - (f) Notes to financial statements.
- (3) Disclosure requirements. The financial statements required by Sections 718.111(13) and 718.301(4), F.S., shall contain the following disclosures within the financial statements, notes, or supplementary information:
- (a) The following reserve disclosures shall be made regardless of whether reserves have been waived for the fiscal period covered by the financial

statements:

1. The beginning balance in each reserve account as of the beginning of the fiscal period covered by the financial statements;
 2. The amount of assessments and other additions to each reserve account including authorized transfers from other reserve accounts;
 3. The amount expended or removed from each reserve account, including authorized transfers to other reserve accounts;
 4. The ending balance in each reserve account as of the end of the fiscal period covered by the financial statements;
 5. The amount of annual funding required to fully fund each reserve account, or pool of accounts, over the remaining useful life of the applicable asset or group of assets;
 6. The manner by which reserve items were estimated, the date the estimates were last made, the association's policies for allocating reserve fund interest, and whether reserves have been waived during the period covered by the financial statements;
- (4) Developer assessments. All financial reporting required by Chapter 718, F.S., shall disclose the assessment revenues from the developer separately from that of the non-developer unit owners.
- (5) Financial reports required by Section 718.111(13)(b), F.S.. The financial report required by Section 718.111(13)(b), F.S., shall meet the following requirements:
- (a) The report shall be prepared using a cash basis method of accounting.
 - (b) The report shall include the reserve disclosures required by paragraph 61B-22.006(3)(a), F.A.C.
 - (c) The report shall include the special assessment disclosure required by paragraph 61B-22.006(3)(c), F.A.C.
 - (d) If the association maintains limited common elements and the expense is apportioned to those units entitled to the exclusive use of the limited common elements the report shall contain the limited common element disclosures required by paragraph 61B-22.006(3)(d), F.A.C.

(e) The financial reports of multicondominium associations shall separately disclose the following items:

1. The receipts and expenditures directly associated with specific condominiums; and

2. The receipts and expenditures of the association that are not directly associated with specific condominiums.

(6) The minutes of the association shall reflect the number of votes cast by the membership to waive the requirement for audited, reviewed, or compiled financial statements and the type of financial reporting that the association will be preparing and disseminating to the membership.

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

9.9 Notice of Meetings. Notice of any meeting where Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments.

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

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

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

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

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. A member of the Board of Directors may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for purposes of creating a forum.

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

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

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

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

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

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

modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to Developer.

14. Construction. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular and the use of any gender shall be deemed to include all genders.
15. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.
16. Official Records. From the inception of the Association, the Association shall maintain a copy of each of the following, if applicable, which shall constitute the official records of the Association:
 - (a) The plans, permits, warranties, and other items provided by Developer pursuant to Section 718.301(4) of the Act;
 - (b) A photocopy of the recorded Declaration of Condominium and all amendments thereto;
 - (c) A photocopy of the recorded By-Laws of the Association and all amendments thereto;
 - (d) A certified copy of the Articles of Incorporation of the Association or other documents creating the Association and all amendments thereto;
 - (e) A copy of the current Rules and Regulations of the Association;
 - (f) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes must be retained for a period of at least 7 years.
 - (g) A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and if known, telephone numbers. The Association shall also maintain the electronic mailing addresses and the numbers designated by the unit owners for receiving notice sent by electronic transmission of those unit owners consenting to receive notice by electronic transmission. The electronic mailing addresses and telephone numbers must be removed from Association records if consent to receive a notice by electronic transmission is revoked. However, the Association is not liable for an erroneous disclosure of the

electronic mail address or the number for receiving electronic transmissions of notices.

- (h) All current insurance policies of the Association and the Condominium;
- (i) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility;
- (j) Bills of sale or transfer for all property owned by the Association;
- (k) Accounting recordings for the Association and the accounting records for the Condominium, according to the good accounting practices. All accounting records shall be maintained for a period of at least 7 years. Any person who knowingly or intentionally defaces or destroys accounting records required to be created and maintained by chapter 718, Florida Statutes, during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the Association or one or more of its members, is personally subject to a civil penalty pursuant to section 718.501 (1) (d), Florida Statutes. The accounting records must include, but not be limited to:
 - 1. Accurate, itemized, and detailed records for all receipts and expenditures.
 - 2. A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, the amount paid upon the account, and the balance due.
 - 3. All audits, reviews, accounting statements, and financial reports of the Association or Condominium.
 - 4. All contracts for work to be performed. Bids for work to be performed are also considered official records and shall be maintained by the Association.
- (l) Ballots, sign-in sheets, voting proxies and all other papers relating to elections, which shall be maintained for a period of 1 year from the date of the meeting to which the documents relates notwithstanding subparagraph (k) 2. above;
- (m) All rental records if the Association is acting as agent for the rental of Units.

- (n) A copy of the current Question and Answer Sheet as described in Section 718.504, Florida Statutes.
- (o) A copy of the inspection report as provided for in section 718.301 (4) (p), Florida Statutes.
- (p) All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

The official records of the Association must be maintained within the state for at least seven years. The official records of the Association shall be made available to any unit owner within 45 miles of the condominium property or within the county in which the condominium property is located within five working days after receipt of written request by the board or its designee. This paragraph may be complied with by having a copy of the official records of the Association available for inspection or copying on the condominium property or the Association may offer the option of making the records available to a unit owner electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. The Association is not responsible for the use or misuses of the information provided to and Association member or his or her authorized representative pursuant to the compliance requirements of the Act unless the Association has an affirmative duty not to disclose such information pursuant to Chapter 718.111, Florida Statutes, 2014.

The official records of the Association are open to inspection by any Association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, as a reasonable expense, if any, of the member. The Association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying. The failure of the Association to provide the records within ten (10) working days after receipt of a written request creates a rebuttable presumption that the Association willfully failed to comply. Minimum damages shall be \$50.00 per calendar day up to ten (10) days, the calculation to begin on the eleventh working day after receipt of the written request. The failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this Chapter 718.111, Florida Statutes, 2014 to be maintained during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained with the intent of causing harm to the Association or one or more of its members is personally subject to a civil penalty pursuant to section 718.501 (1) (d). The Association shall maintain an adequate number of copies of the Declaration, Articles of Incorporation, Bylaws, and Rules, and all amendments to each of the foregoing, as well as the question and answer

sheet provided for in Section 718.504 and year-end financial information required in Section 718.111(d)(12), Florida Statutes 2014, on the condominium property to ensure their availability to unit owners and prospective purchasers, and any charge its actual costs for preparing and furnishing these documents to those requesting the documents. Notwithstanding the provisions of this paragraph, the following records are not accessible to unit owners:

- (i) Any record protected by the lawyer-client privilege as described in Section 90.502; and any record protected by the work-product privilege, including any record prepared by an association attorney or prepared at the attorney's express direction; which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.
- (ii) Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a unit.
- (iii) Personnel records of the Association employees, including but not limited to, disciplinary, payroll, health, and insurance records.
- (iv) Medical records of unit owners.
- (v) Social security numbers, driver's license numbers, credit card numbers, e-mail addresses, telephone numbers, emergency contact information, any addresses of a Unit Owner other than as provided to fulfill the Association's notice requirements, and other personal identifying information of any person, excluding the person's name, unit designation, mailing address and property address.
- (vi) Any electronic security measure that is used by the Association to safeguard data, including passwords.
- (vii) The software and operating system used by the Association which allows manipulation of data, even if the owner owns a copy of the same software used by the Association. The data is part of the official records of the Association.

16.1 Certificate of Compliance. 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.

17. Arbitration. Any internal disputes arising from the operation of the Condominium between Unit Owners and the Association, or the agent or assigns of Unit Owners or the Association may be resolved through mandatory non-binding arbitration as provided for in Section 718.1255, Florida Statutes.
18. Good Faith. An officer, director, or agent shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the interests of the Association. An officer, director, or agent shall be liable for monetary damages as provided in section 617.0834, Florida Statutes, 2014 if such officer, director or agent reached or failed to perform his or her duties and the breach of, or failure to perform, his or her duties constitutes a violation of a criminal law as provided for in section 617.0834, Florida Statutes, 2014; constitutes a transaction from which the officer or director derived an improper or personal benefit, either directly or indirectly; or constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.
19. Chapter 718.112, Florida Statutes. These bylaws shall provide for the following and, if they do not do so, shall be deemed to include the provisions of Chapter 718.112, Florida Statutes as amended from time to time. In the event of an inconsistency between these bylaws and Chapter 718.112, the provisions of Chapter 718.112 shall prevail.

The foregoing was adopted as the By-Laws of DOLPHIN KEY CONDOMINIUM ASSOCIATION, INC. a corporation not for profit on the 9th day of arch, 2017.

Approved:

/s/ Evelyn V. Page _____
PRESIDENT

/s/ Robert E. Lyons _____
SECRETARY