

APPENDIX "E"

BY-LAWS

OR 863 PG 2011

BY-LAWS

OF

OR 863 PG 2012

LEMON BAY BREEZES
CONDOMINIUM ASSOCIATION, INC.

A Corporation Not For Profit
 Under the Laws of the State of Florida

1. Identity. These are the By-Laws of LEMON BAY BREEZES CONDOMINIUM ASSOCIATION, INC., hereinafter called "Association", a corporation not for profit under the Laws of the State of Florida. The Articles of Incorporation of the Association were filed in the office of the Secretary of State on the 30th day of October, 1980. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, hereinafter called the "Condominium Act", which condominium is identified by the name LEMON BAY BREEZES CONDOMINIUM and is located upon the following land in Charlotte County, Florida:

That portion of Lots 29 and 34 lying North and East of State Road 776, GROVE CITY LAND COMPANY'S SUBDIVISION, in Section 6, Township 41 South, Range 20 East, according to the Plat thereof recorded in Plat Book 1, Page 11, of the Public Records of Charlotte County, Florida.

1.1 The Office of the Association shall be at 3452 New Boynton Road, Boynton Beach, Florida.

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

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "Corporation not for profit" and the year of incorporation, an impression of which is as follows:

2. Members.

2.1 Roster of Members. The Association shall maintain a roster of the names and mailing addresses of unit owners, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association from time to time to substantiate the holding of a membership and from changes of mailing addresses furnished from time to time. Each member shall furnish to the Association a copy of the record evidence of his title substantiating his membership in the manner required by the Articles of Incorporation and the Declaration of Condominium.

2.2 Annual Meeting. The annual members' meeting shall be held on the second Tuesday in February of each year, at 2:00 P.M. local time, at such place on the Condominium Property as the President or a majority of the Board of Directors shall determine; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a holiday. The purpose of the meeting shall be to elect Directors and to transact any other business authorized to be transacted by the members; provided, that if the date for the first annual meeting of the

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members subsequent to relinquishment of control of the Association by the Developer of the Condominium is less than six (6) months after the first election of Directors by the membership of the Association, this annual meeting shall not be held, and the Directors first elected by the membership of the Association shall serve until the date for the next following annual meeting.

2.3 Special Members' Meetings shall be held at such places as provided for annual meetings whenever called by the President or by a majority of the Board of Directors, and must be called by those officers 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.

2.4 Notice of a meeting of members stating the time and place and the objects for which the meeting is called shall be given by the officer calling the meeting. A copy of the notice shall be posted in a conspicuous place on the Condominium Property and a copy shall be delivered or mailed to each member entitled to attend the meeting except members who waive the notice in writing. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting, delivery or 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. The Post Office Certificate of Mailing shall be retained as proof of such mailing. Notice of a meeting may be waived before, at, or after the meeting. Mailed notices of meetings shall be by certified mail, return receipt requested.

2.5 A quorum at members meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation or these By-Laws.

2.6 Voting.

A. In any meeting of members the owners of units shall be entitled to cast one vote.

B. 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, or is under lease, the person entitled to cast the vote for the unit shall be designated by a written statement or certificate signed by all of the record owners of the unit according to the roster of unit owners and filed with the Secretary of the Association. 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 the president or vice president and attested by the secretary or assistant secretary of the corporation, and filed with the Secretary of the Association. If a unit is owned by a partnership, the person entitled to cast the vote for the unit shall be designated by a written statement or certificate signed by all of the general partners of the partnership and filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote for a unit may be revoked by any owner of a share in the unit. If a certificate designating the person entitled to cast the vote for a unit is not on file, the vote of the owners shall not be considered in determining whether a quorum is present nor for any other purposes; provided, that where a unit is jointly owned by a husband and wife, either unit owner shall be entitled to vote for the unit and shall be considered in determining whether a quorum is present, unless the two of them disagree as to how the vote for their unit shall be cast.

2.7 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy. A proxy must be filed with the Secretary of the Association before the appointed time of the meeting, or before the time to which the meeting is adjourned. No one person may hold more than five proxies.

2.8 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, 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 adjourned meeting is given in the manner required for notice of a meeting.

2.9 The order of business at annual members' meetings and as far as practical at other members' meetings, shall be as follows:

- A. Call to order by President.
- B. Election of Chairman of the meeting.
- C. Calling of the roll and certifying of proxies.
- D. Proof of notice of meeting or waiver of notice.
- E. Reading and disposal of any unapproved minutes.
- F. Reports of Officers.
- G. Reports of Committees.
- H. Election of Inspectors of election.
- I. Determination of Number of Directors.
- K. Old or unfinished business.
- L. New business.
- M. Adjournment.

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2.10 Limitation. Until a majority of the Directors of the Association are elected by the members other than the Developer of the Condominium, the proceedings of all meetings of members of the Association shall have no effect unless approved in writing by the Board of Directors.

3. Directors.

3.1 Membership. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than seven (7) Directors, the exact number to be determined at the time of election.

3.2 Election of Directors shall be conducted in the following manner:

A. Election of Directors shall be held at the annual members' meeting.

B. A nominating committee of three (3) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

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C. The election shall be by ballot (unless dispensed by unanimous consent) 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.

D. Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by majority vote of the remaining Directors.

E. Any Director may be removed by the vote or agreement in writing by a majority of all unit owners at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

F. Limitation. Until a majority of the Directors are elected by the members other than the Developer of the Condominium, neither the first Directors of the Association nor any Directors replacing them nor any Directors named by the Developer shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed only by the Developer.

3.3 The term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4 The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.5 Regular meetings of the Board of Directors may be held at such time and places 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. A notice of regular meetings shall be posted conspicuously at least 48 hours in advance on the Condominium Property for the attention of members of the Association. All regular meetings of the Board shall be open to the membership, except that meetings of the initial Board of Directors appointed by the Developer shall not be open to the membership, except with the Developer's written consent, unless required by law to be open to the membership.

3.6 Special meetings of the Directors may be called by the President and must be called by the 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. Notice of a special meeting shall be posted conspicuously at least 48 hours in advance for the attention of members of the Association except in an emergency. All special meetings of the Board shall be open to the membership, except that special meetings of the initial Board of Directors appointed by the Developer shall not be open to the membership, unless required by law to be open to the membership.

3.7 Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting, and that waiver shall be deemed equivalent to the giving of notice.

3.8 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 required by the Declaration of Condominium, the Articles of Incorporation, or these By-Laws.

3.9 Adjourned meetings. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 Joinder in meeting by written concurrence. A member of the Board of Directors may join by written concurrence in any action taken at a meeting of the Board but such concurrence may not be used for the purposes of creating a quorum.

3.11 The presiding officer of Directors' meetings shall be the President. In the absence of the President, the Directors present shall designate the Vice President or one of the other Directors to preside.

3.12 The order of business at Directors' 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. Old or unfinished business.
- G. New business.
- H. Adjournment.

3.13 Directors' fees if any, shall be determined by majority vote of the membership.

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

5. Officers.

5.1 The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all the Directors. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument nor 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 find to be required to manage the affairs of the Association.

5.2 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, including but not limited to the power to appoint committees from among the members from time to time, to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.

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5.3 The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He shall also assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

5.4 The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring a 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 Secretary of an association and as may be required by the Directors or the President.

5.5 The Assistant Secretary, if one be appointed or elected, shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

5.6 The Treasurer shall have custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer.

5.7 The Compensation of all officers and employees of the Association shall be fixed by the Directors. The provision that Directors' fees shall be determined by members shall preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the Condominium.

6. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Article of Incorporation shall be supplemented by the following provisions:

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

A. Current expense, which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to capital surplus or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

B. Capital surplus for

(1) Deferred maintenance which shall include funds for maintenance items that occur less frequently than annually.

(2) Replacements, which shall include funds for repair or replacements required because of damage, depreciation or obsolescence.

(3) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

C. Operations, which shall include the gross revenues from the use of the common elements, if any. Only the additional direct expense required by the revenue-producing operating will be charged to this account, and any surplus from that operating shall be used to reduce the assessments for current expense in the year following the year in which the surplus is

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realized. Losses from operations shall be met by special assessments against apartment owners, which assessments may be made in advance in order to provide a working fund.

6.2 Budget. The Board of Directors shall adopt a budget for each calendar year. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications including those expenses listed in Section 718.504(20) of the Florida Statutes and shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts according to good accounting practices as follows:

A. Current Expense, the amount for which shall not exceed 115% of the budget for this account for the prior year.

B. Deferred Maintenance, and the amount to be reserved shall be computed by means of a formula which is based upon the estimated life and estimated replacement cost of each reserve item.

C. Replacements, the amount for which shall not exceed 115% of the budget for this account for the prior year.

D. Operations, the amount of which may be to provide a working fund or to meet losses.

E. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements, the amount for which shall not exceed \$10,000.00; provided, however, that in the expenditure of this fund no sum in excess of \$2,500.00 shall be expended for a single item or purpose unless the item or purpose has been approved by the members in the manner required by the Declaration of Condominium.

F. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by members entitled to cast not less than 75% of the votes of the entire membership of the Association.

G. Provided further, as long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than 115% of the prior fiscal or calendar year's assessment without approval of a majority of all unit owners.

The owners of units that have been sold by the Developer will be assessed for common expenses at the rate stated in their contracts for purchase of units, and the Developer will be assessed for the amounts by which the common expenses exceed the amounts assessed against the owners of units sold by the Developer. During this period no provisions will be made for betterments or capital surplus.

H. Copies of a proposed budget and proposed assessments shall be delivered or mailed to each member not less than thirty (30) days prior to the meeting of the Board of Directors at which the proposed budget will be considered for adoption, together with a notice of that meeting. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member. Said meeting shall be open to all unit owners. In the event the adopted budget exceeds 115% of the assessments for the preceding year, the Board shall call a special meeting of the unit owners upon:

(1) Written application of 10% of the unit owners to the Board within thirty (30) days after said adoption by the Board;

(2) Notice shall be sent not less than ten (10) days prior to the meeting and held within thirty (30) days of receipt of the petition to the Board requesting the meeting. At the special meeting, unit owners shall

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consider and enact a budget, which budget shall be adopted by a vote of not less than 75% of all unit owners. In determining whether assessments exceed 115% of the assessments for the preceding year, the following items shall be excluded: authorized provisions for reasonable reserves for repair or replacement of condominium property, anticipated expenses by the Condominium Association which are not anticipated being accrued on a regular or annual basis, and assessments for betterments to the Condominium Property.

6.3 Assessments. Assessments against the unit owners for their shares of the items of the budget shall be made by the Board of Directors for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. The amount required from each unit owner to meet the annual budget shall be divided into four (4) equal assessments, one of which shall be due on the first day of each calendar quarter of the year for which the assessments are made, or thirty (30) days after the mailing to the unit owners concerned of a statement for the assessment coming due, whichever date shall last occur. If assessments are not made annually as required, quarterly assessments shall be presumed to have been made in the amount of the last prior quarterly assessment, and assessments in this amount shall be due on the first day of each calendar quarter until changed by an amended assessment. In the event a quarterly assessment shall be insufficient in the judgment of the Board of Directors to provide funds for the anticipated current expense for the ensuing quarter and for all of the unpaid operating expenses previously incurred, the Board of Directors shall amend the budget and shall make amended quarterly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to the approval of the membership of the Association as previously required in these By-Laws.

6.4 Assessments for Charges. Charges by the Association against members for other than common expenses shall be payable in advance. Those charges may be collected by assessment in same manner as common expenses, and when circumstances permit, those charges shall be added to the assessments for common expenses. Charges for other than common expenses may be made only after approval of a member, and may include but shall not be limited to charges for the use of Condominium Property when authorized by the Declaration of Condominium, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

6.5 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be due only after thirty (30) days notice is given to the unit owners concerned and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

6.6 The Depository of the Association shall be such bank or banks 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 by only by checks signed by such persons as are authorized by the Directors.

6.7 An Audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be furnished to each member not later than April 1 of the year following the year for which the audit is made.

6.8 Fidelity Bonds may be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of those bonds and the sureties shall be determined by the Directors. The premiums on those bonds shall be paid by the Association as a common expense.

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

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

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

2) A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the members of the Association, Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing that approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, the approvals must be either by:

a) Not less than 75% of the entire membership of the Board of Directors and by not less than 75% of the votes of the entire membership of the Association; or

b) By not less than 80% of the votes of the entire membership of the Association; or

c) Until a majority of the Directors are elected by members other than the Developer of the Condominium, only by all of the Directors.

3) Provided, however, that no amendment shall discriminate against any member nor against any unit or class or group of units unless the members so affected shall consent thereto in writing. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium.

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 By-Laws. Unless otherwise required by law, no amendment to these By-Laws need be recorded in the Public Records of Charlotte County, Florida, in order to become effective.

9. Developer Control of Association. Anything to the contrary notwithstanding the Developer shall designate and control the initial Directors and fill vacancies in the initial Board of Directors. Initial Transfer of control shall take place as follows:

1) When unit owners other than the Developer own 15 percent or more of the units in the condominium (all phases), the unit owners other than the Developer shall be entitled to elect one-third of the members of the Board of Directors of the Association. Unit owners other than the Developer are entitled to elect a majority of the members of the Board of Directors of the Association:

a) Three years after 50 percent of the units (all phases) have been conveyed to the purchasers.

b) Three months after 90 percent of the units (all phases) have been conveyed to the purchasers.

c) When all the units (all phases) have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business, or

d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent of the units ultimately to be operated by the Association.

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2) Within 60 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 thirty (30) days' or more than forty (40) days' notice of, a meeting of the unit owners to elect the members of the Board of Directors. The meeting may be called and the notice given by any unit owner if the Association fails to do so.

3) If a Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

a) Assessment of the Developer as a unit owner for capital improvements.

b) Any action by the Association that would be detrimental to the sales of units by the Developer. However, an increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of units.

4) Prior to, or not more than sixty (60) days after, the time that unit owners other than the Developer elect a majority of the members of the Board of Administration of the Association, and the unit owners shall accept control.

The foregoing were adopted as the By-Laws of LEMON BAY BREEZES CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the _____ day of _____, 19____.

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Secretary

APPROVED:

President