

BY - LAWS
OF
THE INTERCOASTAL CONDOMINIUM ASSOCIATION, INC.
(a non-profit Florida corporation)

ARTICLE I
GENERAL

1. These are the By-Laws of THE INTERCOASTAL CONDOMINIUM ASSOCIATION, INC., called the Association in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on August 14, 1980.

2. The association has been organized for the purpose of administering condominiums pursuant to Chapter 718, Florida Statutes, referred to herein as the Condominium Act. The condominium to be administered hereunder is to be known as THE INTERCOASTAL CONDOMINIUM ASSOCIATION, INC., upon lands located in Indian Shores, Pinellas County, Florida.

3. The principal office of the Association shall be located at 19727 Gulf Boulevard, Indian Shores, Florida, Pinellas County, Florida, or such other place as the Board of Directors may determine from time to time.

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

5. 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, in impression of which is as follows:

(SEAL)

6. For purposes of service of process, the Association shall designate a resident agent or agents, which designation may be changed from time to time, and his or their office shall be deemed an office of the corporation for the purpose of service of process.

ARTICLE II

MEMBERS' MEETINGS

1. Annual Members' Meetings: The annual members' meeting shall be held at the office of the corporation at 10:00 A.M., Eastern Standard Time, on the second (2nd) Monday in January of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.

2. Special Members' Meetings: Special Members' Meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

3. Notice of all Members' Meetings: Notice of all Members' Meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days or more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meetings may be waived before or after meetings.

4. Quorum: 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 present 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.

5. Voting Rights: The members of the Association shall be entitled to cast one vote for each apartment owned by them. If an apartment is owned by one person, his right to vote shall be established by the record title to his apartment. If an apartment is owned by more than one person, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by all of the record owners of the apartment and filed with the Secretary of the Association. If an apartment is at any time owned by a corporation, the person entitled to cast the vote for the apartment 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. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the apartment concerned. A certificate designating the person entitled to cast the vote of an apartment may be revoked by any owner of an apartment. If such a certificate is not on file, or if such has been revoked, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

6. 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 and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting. No one person shall be designated to hold more than five (5) proxies for any purpose.

7. 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 the quorum is present.

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

- a. Election of Chairman of the Meeting.
- b. Calling of the roll and certifying of proxies.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading and disposal of any unapproved minutes.
- e. Reports of Officers.
- f. Reports of Committees.
- g. Budget.

h. Election of inspectors of elections.

i. Election of directors.

j. Unfinished business.

k. New business.

l. Adjournment.

9. Proviso: The members are restricted in their rights to elect Board members, and the Developer has retained certain rights to protect its investment and to maintain the development. Transfer of control in the association shall be as follows:

"(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect not less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business; or

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business,

whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business any unit in a condominium operated by the association."

"(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 an association, the association shall call, and give not less than 30 days' or more than 40 days' notice of, a meeting of the unit owners to elect the members of the board of administration. The meeting may be called and the notice given by any unit owner if the association fails to do so."

Developer may, however, relinquish control sooner, at its option.

ARTICLE III

BOARD OF DIRECTORS

1. Management of Affairs: The affairs of the Association shall be managed by a Board of not less than three (3) nor more than eleven (11) Directors, the exact number to be determined at the time of election.

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, upon the terms hereinafter provided.

b. A nominating committee of five (5) 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 at this time.

c. The election shall be by written ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his vote 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 the remaining Directors.

e. Any Director may be removed by concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose by ten percent (10%) or more of the entire membership. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

f. Provided, however, that all elections of the Board are subject to the retained rights of the Developer as set forth in Article II, paragraph 9, above, and these restrictions relating to the election of Directors and the transfer of control are incorporated herein.

3. Term: At the first annual meeting for election of Directors, the directors shall be divided into two classes the term of the first class to expire at the next annual meeting after their election, the term of the second class to expire at the second annual meeting after their election. Other than the first election, Directors shall be elected to a two-year term.

4. Organizational Meeting: 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.

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

6. Special Meetings: Special meetings 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. Not less than three (3) days' 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.

7. Waiver of Notice: Any Director may waive notice of a meeting before or after the meeting and such waiver may be deemed equivalent to the giving of notice.

8. Quorum of Directors: 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 board 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.

9. Adjourned Meetings of Directors: 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.

10. Joinder in Meeting by Approval of Minutes: The joinder of a Director in the action of a meeting by signing and concurring in the Minutes of that meeting shall not constitute the presence of such Director for the purpose of determining a quorum.

11. Presiding Officer at Directors' Meetings: The presiding officer of a directors' meeting shall be the Chairman of the Board if such an Officer has been elected; and if none, the President shall preside. In the absence of the presiding officer of the meeting, the Directors present shall designate one of their number to preside.

12. Order of Business at Directors' Meetings: 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. Unfinished business.
- g. New business.
- h. Adjournment.

13. Compensation: Neither Directors nor Officers shall receive compensation for their services as such.

14. Powers: The property and business of a corporation shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by statute, the Certificate of Incorporation, or the Declaration of Condominium to which these By-Laws are attached. The powers of the Board of Directors shall specifically include, but not be limited to, the following:

- a. To make and collect assessments and establish a time within which payment of same are due.
- b. To use and expend the assessments collected to maintain, care for and preserve the units and condominium property, except those portions thereof which are required to be maintained, cared for or preserved by the unit owners;
- c. To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above;
- d. To enter into and upon the units when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation;
- e. To insure and keep insured said condominium property, in the manner set forth in the Declaration, against loss from fire and/or other casualties, and the unit owners against public liability, and to purchase such other and further insurance as the Board of Directors may deem advisable.
- f. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the unit owners for violations of their By-Laws and the terms and conditions of Declaration;
- g. To employ such personnel as may be required for the maintenance and preservation of the property;
- h. To make reasonable rules and regulations for the occupancy of the condominium parcels;

i. To approve or disapprove the transfer, mortgage and ownership of the apartments in the manner provided in the applicable Declaration of Condominium.

j. To contract for management of THE INTER-COASTAL CONDOMINIUM ASSOCIATION, INC., and to delegate to the contractor all powers and duties of the Association except such as specifically required by the applicable Declaration of Condominium or these By-Laws to have approval of the Board of Directors or the membership of the Association or the owners within a particular condominium property.

k. To purchase apartments in the condominium, subject to the provisions of the applicable Declaration of Condominium.

l. To do any and all things necessary on behalf of the Condominium and the Association.

ARTICLE IV

OFFICERS

1. Executive Officers: 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, a Secretary, all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President may not be also the Secretary or an Assistant Secretary. 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.

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

3. Vice President: The vice president in the absence of the president, or as a result of his disability, shall exercise

the powers and perform the duties of the president. He shall also assist the president generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

4. Secretary: The Secretary shall keep the Minutes of all proceedings of the Directors and the members. He shall attend to the giving and 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 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 of the duties incident to the office of Secretary of an Association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5. Treasurer: The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

ARTICLE V

FINANCES

The provisions for fiscal management of the Association set forth in the several Declarations of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

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 within the year for which the budget is made, including a reasonable allowance for contingencies in working funds, except expenditures chargeable to reserve, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.

b. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

c. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

d. Betterment, 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.

2. Budget: The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices limited as follows:

a. Current expense and deferred maintenance, the amounts for which shall not exceed one hundred fifteen (115%) percent of the budget for each such account for the prior year; provided, however, non-recurring area costs, current expenses and deferred maintenance shall be excluded from this limitation whether or not reserves therefore were established.

b. Reserve for replacement, the amount for which shall not exceed one hundred twenty-five (125%) percent of the budget for this account for the prior year.

c. Assessment for betterments, the amount of which shall not exceed one hundred twenty-five (125%) percent of the budget for this account for the prior year.

d. Proviso. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by apartment owners entitled to cast not less than a majority of the votes of the entire membership of the Association in regard to area costs and other costs applicable to the Association; and further provided, however, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all apartments of the condominium, or after some of the apartments have been sold and none of the other apartments are being offered for sale by the Developer in the ordinary course of business, or until January 1, 1981, or until Developer elects to terminate its control of the condominium, whichever shall first occur, the Association may omit from the budget all allowances for contingencies, deferred maintenance, reserves and betterments. In such event, when such allowances are added to the budget, the initial budgeted allowances for contingencies, deferred maintenance, reserves and betterments shall be approved by apartment owners entitled to cast not less than a majority of the votes of the entire membership of the Association.

e. Notice of Budget to Members. The Board shall mail a meeting notice and copies of the proposed annual budget of common expenses to the unit owners not less than thirty (30) days prior to the meeting at which the budget will be considered. If the Bylaws or Declaration provide that the budget may be adopted by the Board, then the unit owners shall be given written notice of the time and place of the meeting of the Board which will consider the budget. The meeting shall be open to the unit owners. If an adopted budget requires assessment against the unit owners in any fiscal or calendar year exceeding one hundred fifteen (115%) percent of the assessments for the preceding year, the Board, upon written application of ten (10%) percent of the unit owners to the Board, shall call a special meeting of the unit owners within thirty (30) days, upon not less than ten (10) days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. Unless the Bylaws require a larger vote, the adoption of the budget shall require a vote of not less than a majority vote of all unit owners. The Board may propose a budget to the unit owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the unit owners at the meeting or by a majority of all unit owners in writing, the budget shall be adopted. In determining whether assessments exceed one hundred fifteen (115%) percent of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation.

f. Alternate Method of Adoption of Budget. The budget applicable to the condominium may, at the election of the Board of Directors, be adopted in the following alternative manner: The Board of Directors may propose the budget for the condominium to apartment owners at a meeting called for that purpose, or by writing delivered to each apartment owner. If such a budget is approved by a majority of those apartment owners at the meeting or by a majority of their whole number by a writing, the budget shall be deemed adopted.

g. Budget - while Developer controls. Anything contained herein to the contrary notwithstanding, no assessments which in total for a year exceed one hundred fifteen (115%) percent of the prior fiscal year assessment may be imposed by the Board of Directors so long as the Developer is in control of having a right to vote on that budget.

3. Assessments: Assessments against the apartment owners for their share of the budget shall be made in advance of the fiscal year for which the assessments become due.

Such assessments shall be due in monthly installments on the first day of each month for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last

prior assessment and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors if the accounts of the amended budget do not exceed the limitations for that year. Any account that does exceed such limitation shall be subject to the approval of the membership of the Association as previously required in these Bylaws. The unpaid assessment for the remaining portion of the fiscal year for which the amended assessment is made shall be due upon the date of the assessment. The first assessment shall be determined by the Board of Directors of the Association. Any surplus funds from assessments on hand at the end of a year shall be retained by the Association and held by the Association as agent for the members in proportion to their interest. Such funds which relate to current expenses and area costs shall be used to reduce next year's assessments and any interest earned on such funds shall be held and used for that purpose as heretofore provided. The Board shall initially collect from the members an amount equal to two (2) times the amount of the total estimated monthly assessment, shall be used to establish a deposit fund which may be used by the Board to pay the costs of the Condominium. The Board may from time to time collect from the members such additional amounts as are necessary to maintain the deposit fund at a level equal of twice the total of the estimated monthly assessments.

4. Acceleration of assessment installments upon default:

If an apartment owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the apartment owner, and then the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the apartment owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

5. Assessments for emergencies: Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the apartment owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the apartment owners concerned, the assessment shall become effective against the apartment owners concerned, and it shall be due after thirty (30) days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

6. Bank Depository: 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 such accounts shall be only by checks, signed by such persons as are authorized by the Directors.

7. Accountant's Report: An accountant's report of the accounts of the Association shall be made annually by a certified public accountant and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

8. Fidelity Bonds: Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be determined by the Directors, but shall be in an amount not less than one hundred fifty (150%) percent of the estimated annual operating expenses and reserves. The premiums on such bonds shall be paid by the Association.

ARTICLE VI

AMENDMENTS

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

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

2. Proposal and Adoption of Amendments: A resolution adopting a proposed amendment may be proposed by either the Board of Directors or the Association or by 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 such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by: not less than sixty-six and two-thirds (66 2/3%) percent of the entire membership of the Board of Directors and by not less than sixty-six and two-thirds (66 2/3%) percent of the votes of the entire membership of the Association; or, not less than eighty (80%) percent of the votes of the entire membership of the Association.

The foregoing were adopted as the Bylaws of THE INTER-COASTAL 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 August 14, 1980.



SECRETARY

Approved:



PRESIDENT