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MEMORANDUM

TO: All Owners of Waterside at Admiral's Cove Condominium Association, Inc.

FROM: Jane L. Cornett, Esquire

DATE: February 22, 2012

RE: Proposed Amended and Restated Bylaws

This memo is to summarize the new Bylaws and to discuss the variations between your existing Bylaws and the proposes Amended and Restated Bylaws.

The following items have been deleted and are not included in the new draft:

1. All obsolete references to the Developer, such as Developer's power to designate a member of the Board of Directors;
2. A detailed list of the Association's official records (see page 11 and 12 of the existing Bylaws);
3. A detailed list of the items to be included in the budget.

Items 2 & 3 are items that are typically changed by amendments to the law so to detail them in the Bylaws just means you will probably have to make Bylaw changes at some point in the future.

A large number of sections have been updated to comply with the current requirements of Florida law. All current legal requirements are marked with asterisk in the proposed Bylaws. One major reason to use a whole new template for revised Bylaws is the fact that so much of Florida law has changed since your Bylaws were written in 1989.

The requirement for a special members meeting has been changed from a petition from (one-third) 1/3 of the members to twenty-five percent (25%) and ten percent (10%) in the case of a recall. This change is due to statutory changes.

Certain sections existed in the old Bylaws and exist in the new Bylaws but have been revised to comply with a current law, such as Article 4 on Fines.

The old Bylaws under Powers and Duties did not include any specifics and the new proposed Bylaws are quite specific.

Certain items such as Transfer Fees and Security Deposits are no longer mentioned in the Bylaw but they are covered in the Declaration so they have been removed as being a duplication.

The following is substantial rewording.
Please consult your existing Bylaws for current language.

AMENDED AND RESTATED BYLAWS OF WATERSIDE AT ADMIRAL'S COVE CONDOMINIUM ASSOCIATION, INC.

1. IDENTITY. These are the Amended and Restated Bylaws (hereinafter "Bylaws") of Waterside at Admiral's Cove Condominium Association, Inc., a Florida not-for-profit corporation formed for the purpose of administering Waterside at Admiral's Cove, which Declaration of Condominium was recorded in Official Records Book 6254, Page 704 et.seq., Palm Beach County, Florida, (hereinafter "the Condominium"), which is located at 200 Admiral's Cove Boulevard, Jupiter, Florida 33477, Palm Beach County, Florida, upon the lands described in the Declarations of Condominium. (The corporation shall hereafter be referred to as the "Association.")

1.1 Office. The office of the Association shall be at 200 Admiral's Cove Boulevard, Jupiter Florida 33477, or such other location within Palm Beach County, as may from time to time be determined by the Board of Directors.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board of Directors.

1.3 Seal. The corporate seal of the Association shall be adopted and may be changed by the Board of Directors and shall bear the name or abbreviated name of the Association, the word "Florida," and the year of establishment and shall identify the Association as a not-for-profit corporation. A common seal may be used in lieu of a raised corporate seal and in no event shall a seal be required to validate corporate actions unless specifically required by law.

1.4 Definitions. All terms used in these Bylaws shall have the same meaning, to the extent applicable, as set forth below and in the Florida Condominium Act (F.S. Chapter 718), all as amended from time to time and the Declaration of Condominium.

1.4.1 "Act" or "Condominium Act" means the Condominium Act (F.S. Chapter 718), as amended from time to time. *

1.4.2 "Apartment" has the same meaning as the term "Unit" as defined in the Condominium Act.

1.4.3 "Apartment Owner" or "Owner" has the same meaning as the term "Unit Owner" as defined in the Act, except that for the purpose of interpreting use and occupancy restrictions related to Units, in cases in which a primary occupant has been

designated for a Unit because of its ownership, the word "Owner" refers to the primary occupant and not the record Owner.

1.4.4 "Assessment" means a share of the funds required for the payment of common expenses, which from time to time are assessed against the Unit Owner, and additional sums as may be assessed directly against the Unit.

1.4.5 "Association" means WATERSIDE AT ADMIRAL'S COVE CONDOMINIUM ASSOCIATION, INC., a Florida Not-For-Profit Corporation, the entity responsible for the operation of the Condominium identified in Article 1 of these Bylaws.

1.4.6 "Association Property" means all real property owned or leased by the Association for the use and benefit of the Unit Owners.

1.4.7 "Board of Directors" or "Board" or "Directors" means the representative body that is responsible for the administration of the Association's affairs, and is the same body that is sometimes referred to in the Act as the "Board of Administration."

1.4.8 "Charge" means any legal or equitable indebtedness to the Association incurred by, or on behalf of, a Unit Owner, other than assessments for Common Expenses. These obligations may arise by oral or written contract, by law, or in equity, or may be created by these Condominium Documents.

1.4.9 "County" means the County of Palm Beach, state of Florida.

1.4.10 "Rules and Regulations" means those Rules and Regulations promulgated by the Board of Directors governing the use, occupancy, alteration, maintenance, transfer, and appearance of Units, common elements, and limited common elements, subject to any limits set forth in the Declarations of Condominium.

1.4.11 "Unit" means a part of the condominium property subject to exclusive ownership.

1.4.12 "Unit Owner" or "Owner of a Unit" means the Owner of a condominium parcel.

2. MEMBERS' MEETINGS.

2.1 Annual Meetings. Annual members' meetings shall be held at such convenient location in Palm Beach County as may be determined by the Board of Directors. The annual meeting shall be held on the first ~~Monday in February~~ quarter of each calendar year at a date and time determined by the Board for the purpose of transacting any business authorized to be transacted by the members.

2.2 Special Meetings. Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors and shall be called by the President within a reasonable time of receipt of written notice from twenty-five percent (25%) of the Voting Interests of the Association. Members' meetings to recall a member or members of the Board of Directors may be called by ten percent * (10%) of the Voting Interests of the Association who shall give notice of the meeting, stating the purpose of the meeting, under F.S. 718.112(2)(j), as amended from time to time.

2.3 Notice of Members' Meetings. Notice of all members' meetings, stating the time, place, and purpose(s) of the meeting, shall be sent to each Unit Owner by United States regular mail, hand delivery or electronic transmission, at least fourteen (14) days prior to the meeting for annual meetings and ten (10) days for special * meetings. Hand delivery is acceptable where permissible by law. Any members' meeting or election at which one (1) or more Directors are to be elected must be noticed as provided for in Section 2.4 below. An Officer of the Association or other person providing notice shall execute an affidavit of mailing per F.S. 718.112(2)(d)2, as amended from time to time, which shall be retained in the official records as proof of mailing. The notice of the annual meeting shall include an agenda for all known substantive matters to be discussed or have an agenda attached to it. A copy of the notice and agenda shall be posted at a conspicuous location on the Condominium Property or Association Property as designated by Board resolution.

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 that member's waiver of notice of the meeting except when the member's (or the member's authorized representative's) attendance is for the sole and express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

2.4 Board of Directors Election Meetings — Notice and Procedure. The * regular election of Directors shall occur as the first item of business at the annual meeting.

2.4.1 Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or by delivery including regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election. Any person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than forty (40) days before the scheduled election. Not less than fourteen (14) days before the election, the Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote therein, together with a written ballot that shall include an information sheet (if provided by the candidate), no larger than 8½ inches by 11 inches, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association.

2.4.2 There is no quorum requirement necessary for an election. However, at least twenty percent (20%) of the Voting Interests of the Association must cast a ballot in order to have a valid election, and elections shall be decided by a plurality of those votes cast.

2.4.3 In the event that there are only as many (or fewer) candidates pre-qualified for election as there are open seats on the Board, no election shall be held and the pre-qualified candidates shall automatically become members of the Board after the annual meeting.

2.5 Quorum/Voting. A quorum at members' meetings shall consist of persons entitled to cast a majority of the Voting Interests of the Association. Decisions made by a majority of the voting interests present and voting, in person or by proxy, at a meeting at which a quorum is present, shall be binding and sufficient for all purposes * except such decisions as may by F.S. Chapter 718 or the Condominium Documents require a larger percentage, in which case the percentage required in F.S. Chapter 718 or the Condominium Documents shall govern.

2.6 Indivisible Vote. Each Unit shall have one (1) indivisible vote. If a Unit is owned by a corporation, any Officer may vote on behalf of that corporation. If a Unit is owned by a partnership, any partner may vote on behalf of the partnership. If a Unit is owned in trust, any grantor or beneficiary of a trust shall be entitled to vote. Any person asserting the right to vote on behalf of a Unit owned by an artificial entity shall be conclusively presumed to be entitled to vote on behalf of that Unit unless the Unit has filed voting instructions with the Association designating some other person entitled to vote. If multiple Owners of a Unit cannot agree on a vote, the vote shall not be counted as to the issue on which disagreement exists. Voting certificates are not necessary.

2.7 Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing, signed, and dated, and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than ninety (90) days, and must be filed with the Association before or at the voter registration immediately preceding the meeting or adjournment thereof. Except as specifically otherwise provided by law, Unit Owners may not vote by general proxy but may vote by limited * proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes (the "Division"). Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes regarding reserves, to waive financial statement requirements, to amend the Declaration, to amend the Articles of Incorporation or Bylaws, and for any other matter * as to which F.S. Chapter 718 requires or permits a vote of the Unit Owners. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required, and also may be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. An executed telegram or cablegram appearing to have been transmitted by the proxy giver, or a photographic, photostatic, facsimile, or equivalent reproduction of a proxy, is a sufficient proxy. Owners may retroactively cure any

alleged defect in a proxy by signing a statement ratifying the Owner's intent to cast a proxy vote. The use of proxies is to be liberally construed.

2.8 No Quorum. If any meeting of members cannot be organized because a quorum is not present, or if insufficient voting interests are represented to approve a proposed item of Association business, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

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

2.9.1 Call to order by the President;

2.9.2 At the discretion of the President, appointment by the President of a Chair of the meeting (who need not be a member or a Director);

2.9.3 Appointment by the Chair of inspectors of election;

2.9.4 Election of Directors (who will be seated at the Board's * organizational meeting following the annual meeting);

2.9.5 Calling of the roll, certifying of proxies, and determination of a quorum; or, in lieu thereof, certification and acceptance of registration procedures establishing the number of persons present in person or by proxy;

2.9.6 Proof of notice of the meeting or waiver of notice;

2.9.7 Disposal of unapproved minutes;

2.9.8 Reports of Officers;

2.9.9 Reports of committees;

2.9.10 Unfinished business;

2.9.11 New business;

2.9.12 Adjournment.

2.10 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 that may be taken at any annual or special meeting of 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 requisite number of voting interests to approve the action. Members may also consent

in writing to action taken at a meeting, before or after the meeting, by providing a written statement to that effect and their vote shall be fully counted as though they had attended the meeting. Within ten (10) days after obtaining 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.

3. BOARD OF DIRECTORS.

3.1 Number, Term, and Qualifications. The affairs of the Association shall be governed by a Board composed of five (5) Directors. All Directors shall be Unit Owners or spouses of Unit Owners. When a Unit is owned by a corporation, partnership, or similar entity, the primary occupant, as designated under the Declarations of Condominium, and the spouse of the primary occupant shall be eligible for Board membership. A grantor of a trust described in F.S. 733.707(3), or a * beneficiary as defined in F.S. 737.303(4)(b) and the spouses of these persons, shall be considered eligible for Board membership. No more than one (1) natural person from each Unit shall be eligible to stand for election for Board membership or serve on the * Board. Persons who are convicted felons and who have not had their civil rights restored are not eligible to serve on the Board. Any person who is delinquent more than * ninety (90) days in the payment of any assessment may not be a candidate for the Board. All Directors will be elected for a ~~two~~ one (~~2~~1) year term. The term of each Director's service shall extend until their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled in the manner provided in the Condominium Act or resigns.

3.2 Board Vacancies and Resignations. Resignations of Directors are * effective when received by the Association in writing unless a later date is stated. A Director will be deemed to have resigned if he or she becomes delinquent more than ninety (90) days in the payment of any assessments due to the Association. Vacancies * may occur due to disqualification, resignation, sale of a unit or death. Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by appointment by a majority vote of the remaining Directors for the remainder of the unexpired term as provided in Article 3.1; provided that when a Director has been recalled by the membership, the vacancy created by his or her removal cannot be filled with the same person as has been removed from the Board.

3.3 Organizational Meeting. The organizational meeting of each newly elected Board of Directors to elect Officers shall be held at a place and time as shall be fixed by the Directors provided a quorum shall be present. Unless otherwise noticed, the organizational meeting shall be held immediately following the annual meeting of the members.

3.4 Regular Meetings. Regular meetings of the Board of Directors may be held at a time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings, unless fixed by Board resolution, shall be given

to each Director personally or by mail, telephone, or facsimile at least two (2) days prior to the day named for the meeting.

3.5 Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than two (2) days' notice of the meeting except in an emergency shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile, which notice shall state the time, place, and purpose of the meeting.

3.6 Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

3.7 Notice to Owners of Board Meetings. Notice of meetings, which notice * shall specifically include an agenda, shall be posted conspicuously as provided in Section 2.3 of these Bylaws at least forty-eight (48) continuous hours in advance of the meeting for the attention of Unit Owners except in an emergency. Meetings at which a regular monthly or quarterly assessment is to be considered shall contain a statement that assessments will be considered, and the nature of the assessments. However, * written notice of any meeting at which nonemergency special assessments or at which amendments to Rules regarding Unit use will be considered shall be mailed or delivered to the Unit Owners and posted conspicuously as provided in Section 2.3 of these Bylaws not less than fourteen (14) continuous days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be by an affidavit executed by the person giving notice and shall be filed in the official records of the Association.

3.8 Owner Participation in Board Meetings. Meetings of the Board of * Directors at which a majority of the members of the Board are present shall be open to all Unit Owners. The right to attend meetings includes the right to speak with reference to all designated agenda items. The Board may, however, adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Unless otherwise provided by the Board, each Unit Owner is entitled to speak for three (3) minutes with reference to designated agenda items. Board meetings subject to the attorney-client privilege shall not be subject to Unit Owner observation.

3.9 Board Meetings, Quorum, and Voting. The designation of the agenda for Board meetings shall be at the discretion of the President. However, the President shall be obligated to include any item on the agenda for a Board meeting if requested in writing by two (2) Board members. A quorum at Directors' Meetings shall consist of a majority of the Directors. Directors may participate in Board meetings telephonically, as long as a speaker phone is used at the site of the meeting. The acts approved by a majority of the entire Board of Directors present at a meeting shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings (except that Directors may vote by secret ballot when electing Officers) and a vote or abstention for each member present shall be recorded in the minutes. Directors may

not abstain from voting except in the case of an asserted conflict of interest. If at any meeting of the Board there is less than a quorum present, the Director(s) 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. Absent Directors may later sign written joinders in Board actions, but joinders may not be used for purposes of creating a quorum or counted as official votes for the Board's meeting.

3.10 Presiding Officer. The presiding Officer at Directors' meetings shall be the President, and in his or her absence, the Vice President. In the absence of the presiding Officer, the Directors present shall designate one (1) of their number to preside.

3.11 Director Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS. All of the powers and duties of the Association existing under the laws of Florida generally, the Florida Not-For-Profit Corporation Act, the Condominium Act, and the Condominium Documents, all as amended from time to time, shall be exercised exclusively by the Board of Directors or its duly authorized agents, contractors, or employees, subject only to the approval by Unit Owners when approval is specifically required. The powers and duties of the Directors shall include, but shall not be limited to, the following:

4.1 To Assess. The Directors shall adopt budgets and make and collect special and periodic assessments against Owners to defray the costs of the Association.

4.2 To Expend Association Funds. The Directors shall use the proceeds of assessments in the exercise of their powers and duties.

4.3 To Maintain the Condominium Property and Association Property. The Directors shall maintain, repair, replace, and operate the property within the Condominiums.

4.4 To Adopt Regulations. The Directors shall enact and may amend Rules and Regulations concerning the transfer, use, appearance, maintenance, and occupancy of the Units, Common Elements, Limited Common Elements, and Association Property, and enact Rules, policies, and resolutions pertaining to the operation of the Association, subject to any limitations contained in the Declaration of Condominium.

4.5 To Reconstruct After Casualty. The Directors may reconstruct the Units, Common Elements, Limited Common Elements, and Association Property improvements after casualty and to further improve the property, as specified in the Declaration of Condominium.

4.6 To Approve Transfers. The Directors may approve or disapprove proposed transactions or transfers in the manner provided by the Declaration of Condominium, and charge a preset fee, not to exceed the maximum permissible by law, in connection with such right of approval. In connection with the lease of Units, the Board may require the posting of a security deposit to protect against damages to the Common Elements or Association Property, in the manner provided by law.

4.7 To Enforce. The Directors may enforce by legal means the provisions of applicable laws and the Condominium Documents, and interpret the Condominium Documents, as the final arbiter of their meaning.

4.8 To Contract. The Directors may contract for management, maintenance, and operation of the Condominiums and the Association.

4.9 To Insure. The Directors shall carry insurance for the protection of the Unit Owners and the Association, under requirements contained in the Declarations of * Condominium and F.S. Chapter 718, both as amended from time to time.

4.10 To Pay Utility Bills. The Directors shall pay the cost of all utility services rendered to the Condominiums and Association Property and not billed to Owners of individual Units.

4.11 To Hire and Discharge. The Directors may employ personnel and designate other Officers to be paid a reasonable compensation and grant them any duties as seem appropriate for proper administration of the purposes of the Association.

4.12 To Sue and Be Sued. The Directors may bring and defend lawsuits.

4.13 To Deal in Real and Personal Property. The Directors may make and execute contracts, deeds, mortgages, notes, and other evidence of indebtedness, leases, and other instruments by its Officers and purchase, own, lease, convey, and encumber real and personal property. The Directors may grant easements and licenses over the condominium property necessary or desirable for proper operation of the Condominiums.

4.14 To Enter into Contracts for Products and Services. All contracts for the purchase, lease, or renting of materials or equipment, or that are not to be fully performed within one (1) year, and all contracts for services, shall be in writing. As to * any contract that requires payment exceeding five percent (5%) of the gross budget (including reserves) except for contracts with employees of the Association, attorneys, accountants, architects, engineers, and landscape architects, and community association managers, the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency or unless the desired supplier is the only source of supply within the County serving the Association. The Association need not accept the lowest bid. If a contract was awarded under the competitive bid

procedures of this Section, any renewal of that contract is not subject to such competitive bid requirements if the contract contained a provision that allowed the Board to cancel a contract on thirty (30) days' notice. Materials, equipment, or services provided to a condominium under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this Section.

4.15 To Levy Fines. The Directors may, under F.S. 718.303, impose * fines against a Unit not to exceed the maximum permissible by law, for failure by Owners, occupants, licensees, tenants and invitees to comply with the provisions of the Board policies and resolutions, the Condominium Documents, including the Rules and Regulations, and applicable laws

4.15.1 A fine may be imposed for each day of continuing violation at rate * of $200 per day with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed $5,000.

4.15.2 The party against whom the fine is sought to be levied shall be * afforded an opportunity for hearing by being given notice of not less than fourteen (14) days. Notice shall be deemed effective when deposited in the United States Mail, certified, return receipt requested, to the address of the Unit Owner listed in the official records of the Association, and as to tenants, to the mailing address for the Unit. The notice shall include:

4.15.2.1 A statement of the date, time, and place of the hearing;

4.15.2.2 A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Board policies and resolutions, or laws that have allegedly been violated; and

4.15.2.3 A short and plain statement of the matters asserted by the Association.

4.15.3 The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be held before a Committee of other Unit Owners who may not be Board Members, Officers, or spouses or relatives of Directors or Officers. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect the fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal. Unit Owners shall be jointly and severally liable for the payments of fines levied against tenants, guests, invitees, or other occupants of a Unit.

4.16 To Ensure Fire Safety Compliance. The Directors may accept a * Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the condominium Units with the applicable Fire and Life Safety Code.

4.17 To Approve the Installation of Hurricane Shutters. The Directors * shall adopt hurricane shutter specifications for the Condominiums that shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code or shall be structured to ensure that installed shutters are in compliance with the applicable building code. Unit Owners wishing to install hurricane shutters must obtain prior approval of the Board of Directors. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board, provided that the Board may condition approval upon the Unit Owner's agreement to execute appropriate documentation regarding installation.

4.18 To Exercise Emergency Powers. In the event of any "emergency" * as defined in Section 4.19.8 below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by F.S. * 718, as amended from time to time.

4.18.1 The Board may name as assistant Officers persons who are not Directors, which assistant Officers shall have the same authority as the executive Officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any Officer of the Association.

4.18.2 The Board may relocate the principal office or designate alternative principal offices or authorize the Officers to do so.

4.18.3 During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at the meeting shall constitute a quorum.

4.18.4 Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association and shall have the rebuttable presumption of being reasonable and necessary.

4.18.5 The Board may use reserve funds to meet Association needs.

4.18.6 Any Officer, Director, or employee of the Association acting with a reasonable belief that his or her actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.

4.18.7 These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

4.18.8 For purposes of this Section only, an "emergency" exists only during a period of time that the condominium, or the immediate geographic area in which the condominium is located, is subjected to:

4.18.8.1 a state of emergency declared by local civil or law enforcement authorities;

4.18.8.2 a hurricane warning;

4.18.8.3 a partial or complete evacuation order;

4.18.8.4 federal or state "disaster area" status; or

4.18.8.5 a catastrophic occurrence, whether natural or manmade, that seriously damages or threatens to seriously damage the physical existence of the condominium, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism;

4.18.8.6 an unanticipated set of circumstances, which, if not acted upon with immediacy, is likely to cause imminent and significant financial harm to the Association, the Unit Owners, the condominium property, or association property.

4.19. Conveying Common Elements for the purposes of providing utility easements, right-of-way expansion, or other public purpose whether negotiated or as part of the eminent domain procedure, which authority can be exercised by the Board of Directors without approval of the Unit Owners. *

5. OFFICERS.

5.1 Executive Officers. The executive Officers of the Association shall be the President, one (1) or more Vice Presidents, a Secretary, a Treasurer, and such assistant Officers as may be desired, all of whom shall be elected annually by and from the Board of Directors, and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two (2) or more offices except that the President shall not also be the Secretary. Assistant Officers need not be Directors.

5.2 President — Powers and Duties. The President shall be the chief executive Officer of the Association, shall appoint committees, and shall preside at all meetings of the Board of Directors and membership meetings. The President shall have general supervision over the affairs of the Association and shall have all of the powers and duties that are usually vested in the office of President of a corporation.

5.3 Vice President — Powers and Duties. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise other powers and perform other duties as shall be prescribed by the Directors.

5.4 Secretary — Powers and Duties. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He or she shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He or she shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. The Secretary shall keep and have custody of the records of the Association except those of the Treasurer. He or she shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

5.5 Treasurer — Powers and Duties. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep the assessment rolls and accounts of the members. He or she shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer of a corporation.

5.6 Officers' Compensation. Officers shall not be entitled to compensation for service as such but shall be entitled to reimbursement of expenses reasonably incurred. This provision shall not preclude the Board of Directors from employing an Officer or Director as an agent or employee of the Association.

5.7 Committees. The President may appoint committees and delegate to the committees those powers and duties of the Association as the President deems advisable. All committees and committee members shall serve at the pleasure of the President. Committees of the Association as defined in F.S. 718.103(7), as amended from time to time, shall conduct their affairs in the same manner as provided in these Bylaws for Board of Director meetings. All other committees may meet and conduct their affairs in private without prior notice or Owner participation unless otherwise directed by the Board of Directors.

6. Indemnification.

6.1 Indemnity. The Association shall indemnify any Officer, Director, or committee member who was or is a party or is threatened to be made a party to any threatened, pending, or contemplated action, lawsuit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a Director, Officer, or committee member of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action, lawsuit, or proceeding unless (i) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he or she did not act in good faith or in a manner he or she reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that he or she had reasonable cause to believe his or her conduct was unlawful, and (ii) the court also determines specifically that indemnification should

be denied. The termination of any action, lawsuit, or proceeding by judgment, order, settlement, or conviction, or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner that he or she reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. It is the intent of the membership of the Association, by the adoption of this provision, to provide the most comprehensive indemnification possible to their Officers, Directors, and committee members as permitted by Florida law.

6.2 Defense. To the extent that a Director, Officer, or committee member of the Association has been successful on the merits or otherwise in defense of any action, lawsuit, or proceeding referred to in Section 6.1 above, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

6.3 Advances. Expenses incurred in defending a civil or criminal action, lawsuit, or proceeding shall be paid by the Association in advance of the final disposition of the action, lawsuit, or proceeding on receipt of an undertaking by or on behalf of the affected Director, Officer, or committee member to repay the amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Association as authorized by this Article 6.

6.4 Miscellaneous. The indemnification provided by this Article 6 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, or committee member and shall inure to the benefit of the heirs and personal representatives of such person.

6.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, committee member, employee, or agent of the Association, or a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the provisions of this Article.

6.6 Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 6 may not be amended without the approval in writing of all persons whose interest would be adversely affected by such amendment.

6.7 Delegation. To the extent permitted by law, the powers and duties of the Directors and Officers may be delegated for the purpose of management.

7. MINUTES AND INSPECTION OF RECORDS. Minutes of all meetings of Unit Owners and of the Board of Directors shall be kept in a business-like manner. These, plus records of all receipts and expenditures and all other official records, as * defined in F.S. 718.111(12), as amended from time to time, shall be available for inspection by Unit Owners and Board members at all reasonable times. However, the Directors may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and any copying. The following items are not open to inspection by an owner: all personal records of Association employees including, disciplinary, payroll, health and insurance records, social security numbers, driver's license numbers, credit card numbers, email address, facsimile number, telephone numbers, emergency contact information, and any address of the owner other than the property location; medical records and any information obtained in connection with a lease or sale.

8. FISCAL MANAGEMENT. Fiscal management shall be in accordance with the following provisions:

8.1 Budget. The budget shall be adopted by the Board. A proposed annual budget of common expenses shall be prepared by the Board of Directors that shall include all anticipated expenses for operation, maintenance, and administration of the Condominium. The proposed budget may also include expenses of security, in-house communications, Directors and Officers insurance, transportation services, and bulk cable or master antenna television, all of which are declared to be common expenses under these Bylaws. The proposed budget shall include reserves per F.S. * 718.112(2)(f)2, as amended from time to time, the funding of which may be waived or reduced by the Owners. Reserve funds and any accrued interest on the funds shall remain in the reserve account for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the Voting Interests of the Condominium at a duly called meeting of the Association or by the written approval of a majority of the Voting Interests of the Condominium. The budget will contain a reasonable allowance for contingencies and provide funds for all operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year, provided that notice of the Board meeting at which the revised budget will be considered along with a copy of the proposed revisions to the budget shall be mailed to each member as provided in Article 8.2 hereof. If an adopted budget requires assessments against the Unit Owners in any fiscal or calendar year that exceed one hundred fifteen percent (115%) of the assessments for the preceding year, the Board, on written application of ten percent (10%) of the Voting Interests to the Board, shall call a special meeting of the Unit Owners within thirty (30) days on not less than ten (10) days' written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget. The adoption of the budget requires a vote of not less than a majority vote of all the Voting Interests of the Association. 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 the Voting Interests in writing, the budget is adopted. If a meeting of the Unit Owners has been called and a

quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board of Directors goes into effect as scheduled. In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Association that are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the Condominium Property or Association Property must be excluded from the computation.

* 8.2 Mailing. A copy of the proposed annual budget shall be mailed or hand-delivered to the Unit Owners not less than fourteen (14) days prior to the meeting of the Directors at which the budget will be adopted together with a notice of the meeting.

8.3 Assessments. The annual shares of the Unit Owners of the Common Expenses shall be made payable in installments due monthly or quarterly (as determined by the Board) in advance and shall become due on the first day of each period and shall become delinquent ten (10) days thereafter. The Association shall have the right to accelerate assessments of an Owner delinquent in the payment of common expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.

8.4 Special Assessments. Assessments for common expenses that are not provided for and funded in the budget or an amendment to the budget may be made by the Board of Directors, and the time of payment shall likewise be determined by them. Notice of the Board meeting at which assessments shall be considered shall be posted and mailed to each Unit Owner as provided in Article 3.7 hereof except in the event of * an emergency. The funds collected under a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, on completion of the specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the Board, either be returned to the Unit Owners or be applied as a credit towards future assessments.

8.5 Assessment Roll. The assessments for Common Expenses and Charges shall be set forth on a roll of the Units, which shall be available for inspection at all reasonable times by Unit Owners. The roll shall indicate for each Unit the name and address of the Owner and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative of the Association or by the Board of Directors as to the status of a Unit's account may be relied on for all purposes by any person for whom made.

8.6 Liability for Assessments and Charges. A Unit Owner shall be liable for all assessments and charges coming due while the Owner of a Unit, and the Owner and Owner's grantees or successors after a voluntary conveyance or other acquisition of title shall be jointly and severally liable for all unpaid assessments and charges due and payable up to the time of the voluntary conveyance. Liability may not be avoided by

waiver of the use or enjoyment of any Common Elements or Association Property or by abandonment of the Unit for which the assessments are due. When a mortgagee holding a first mortgage of record obtains title to a Unit by foreclosure, the mortgagee and its successors and assigns shall be liable only for the Unit's assessments, charges, or share of the common expenses that became due prior to acquisition of title as provided in F.S. 718.116, as amended from time to time.

8.7 Liens for Assessments. The unpaid portion of an assessment, including an accelerated assessment that is due, together with all costs, interest, late fees, and reasonable attorneys' fees for collection, including appeals, shall be secured by a continuing lien on the Unit.

8.8 Lien for Charges. Unpaid Charges due to the Association together with costs, interest, late fees, and reasonable attorneys' fees shall be secured by a common-law and contractual lien upon the Unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association.

8.9 Collection — Interest; Administrative Late Fee; Application of Payments. Assessments or charges paid within ten (10) days after the date due shall not bear interest, but all sums not paid on or before ten (10) days shall bear interest at the highest rate permitted by law from the date due until paid. In addition to interest the Association may charge an administrative late fee in an amount not to exceed the greater of twenty-five dollars ($25) or five percent (5%) of each installment of the assessment for which payment is late, or the maximum late fee permissible by law. All payments on account shall be first applied to interest, then the late fee, then to any costs and reasonable attorneys' fees incurred, and then to the assessment payment first due.

8.10 Collection — Lawsuit. The Association, at its option, may enforce collection of delinquent assessments or charges by lawsuit at law, by foreclosure of the lien securing the assessments or charges, or by any other remedy available under the laws of the state of Florida, and in any event the Association shall be entitled to recover the payments that are delinquent at the time of collection or judgment, together with those that have become due by acceleration or that have thereafter become due, plus interest thereon, and all costs incident to the collection and the proceedings, including reasonable attorneys' fees, incurred before trial, at trial, and on appeal. The Association may attach rental income for delinquent Units and may withhold approval for the sale, lease, or other transfer of a Unit, or any interest therein, until all past due assessments, charges, interest, late fees, costs, and attorneys' fees have been paid in full. The Association must deliver or mail by certified mail to the Unit Owner a written notice of the Association's intention to foreclose the lien as provided by law.

8.11 Accounts. All sums collected from assessments or charges shall be credited to accounts from which shall be paid the expenses for which the respective assessments or charges are made.

8.12 Association Depository. The Depository of the Association in which the funds of the Association shall be deposited shall be financial institutions authorized to do business in Florida that carry FDIC insurance or equivalent private insurance such as insurance placed through the Society Investor Protection Corporation (SIPC), as shall be designated by the Board of Directors. Alternatively, the Association may deposit funds with brokerage houses or institutions that are members of the National Association of Securities Dealers, Inc. and insured by SIPC or equivalent industry insurance. Principal of association funds, whether reserves or operating funds, may not be placed at risk for investment purposes. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the Directors.

8.13 Commingling of Funds. All funds shall be maintained separately in * the Association's name. No community association manager or business entity required to be licensed or registered under F.S. 468.432, as amended from time to time, and no agent, employee, Officer, or Director of the Association, shall commingle any Association funds with his or her funds or with the funds of any other condominium association or community association as defined in F.S. 468.431, as amended from time to time, or with those of any other entity. Reserve funds and operating funds of the Association may be commingled for investment purposes, as provided by law.

8.14 Financial Reports. A complete financial report of actual receipts and expenditures of the Association shall be made annually that shall comply with F.S. * 718.111(13), as amended from time to time, as determined in the Rule adopted by the Division, based upon the amount of the Association's budget from time to time.

8.15 Fidelity Bonding. The Association shall obtain and maintain * adequate fidelity bonding in the minimum principal sum set forth in F.S. 718.111(11), as amended from time to time, for each person (whether or not a Director) who controls or disburses Association funds, and the President, Secretary, and Treasurer. The Association shall bear the cost of bonding. In the case of a licensed manager, the cost of bonding may be reimbursed by the Association as the parties may agree. All persons providing management services to the Association, or otherwise having the authority to control or disburse association funds, shall provide the Association with a certificate of insurance evidencing compliance with this section, naming the Association as an insured under the policy.

9. PARLIAMENTARY RULES ROBERT'S RULES OF ORDER (latest edition) shall be used as a guide in the conduct of members' meetings, Board meetings, and committee meetings to ensure fairness, impartiality, and respect for minority views without unduly burdening majority rights. Meetings shall also be conducted in accordance with these Bylaws and the procedures established by the Board from time to time, including the form of voting documents to be used. The ruling of the Chair of the meetings, unless he or she or the Board of Directors designates a third person as Parliamentarian, shall be binding unless contrary to law.

10. BYLAW AMENDMENTS. Amendments to the Bylaws shall be adopted in the following manner:

10.1 Proposal of Amendments. An amendment may be proposed by either a majority of the Directors or by twenty-five percent (25%) of the entire voting interests.

10.2 Proposed Amendment Format. Proposals to amend existing Bylaws shall contain the full text of the article to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment stating, * "SUBSTANTIAL REWORDING OF BYLAWS. SEE BYLAW NUMBER ..... FOR PRESENT TEXT."

10.3 Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

10.4 Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of fifty-one percent (51%) of the voting interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present or by the written agreement of fifty-one percent (51%) of the entire voting interests. Amendments correcting errors, omissions, or scrivener's errors may be executed by the Officers of the Association, on Board approval, without need for Association membership vote.

10.5 Effective Date. An amendment when adopted shall become effective after being recorded in the Palm Beach County Public Records.

10.6 Automatic Amendment. These Bylaws shall be deemed amended, if necessary, so as to make them consistent with the provisions of the Declaration of * Condominium or the Articles of Incorporation. Whenever F.S. Chapter 718, F.S. Chapter 617, or other applicable statutes or administrative regulations, as amended from time to time, are amended to impose procedural requirements less stringent than set forth in these Bylaws, the Board of Directors may operate the Association under the less stringent requirements. The Board of Directors, without a vote of the Owners, may adopt, by majority vote, amendments to these Bylaws as the Board deems necessary to comply with operational changes as may be enacted by future amendments to F.S. * Chapters 607, 617, and 718, or other statutes or administrative regulations as required for the operation of the Association, all as amended from time to time.

10.7 Proviso. No amendment shall change the configuration of any Unit or the share in the common elements appurtenant to it or increase the Owner's share of

the common expenses unless the record Owner of the Unit concerned and all record owners of the mortgages on the apartment shall join in the execution of the amendment and all other Unit Owners approve the amendment.

11. DISPUTE RESOLUTION.

11.1 Mandatory Arbitration. If unresolved, disputes between the Board and Unit Owners as defined in F.S. 718.1255(1), as amended from time to time, must be arbitrated in mandatory nonbinding arbitration proceedings as provided in the Condominium Act prior to commencing litigation, as long as the Condominium Act requires arbitration. *

11.2 Unit Owner Inquiries. When a Unit Owner files a written inquiry by certified mail with the Board, the Board shall respond in writing to the Unit Owner within thirty (30) days of receipt of the inquiry. The Board's response shall either give a substantive response to the inquirer or notify the inquirer that advice has been requested from the Association's counsel or the Division. If the Board requests advice from the Division, the Board shall provide in writing a substantive response to the inquirer within ten (10) days of its receipt of the advice. If a legal opinion is requested, the Board shall provide in writing a substantive response to the inquirer within sixty (60) days after the receipt of the inquiry. The failure to provide a substantive response to the inquirer as provided herein precludes the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. Absent a different rule adopted by the Board of Directors, the Board shall be obligated to respond to only one (1) inquiry per month pertinent to any particular Unit. In the event of a grievance of a Unit Owner against the Association, the Board of Directors, or a member thereof, written notice in detail of the grievance shall be given the Directors prior to the institution of litigation (including but not limited to arbitration) and they shall be allowed a period of thirty (30) days in which to resolve the grievance. *

11.3 Other Remedies. Nothing herein shall preclude the Association from pursuing any remedy for the violation of the Condominium Documents or disputes with a Unit Owner or other party as may be available to the Association under the laws of the state of Florida or the Condominium Documents.

12. MISCELLANEOUS. The following miscellaneous provisions shall apply to these Bylaws and the Condominium Documents.

12.1 Conflicts. The term "Condominium Documents," as used in these Bylaws and elsewhere, shall include the Declarations of Condominium, Articles of Incorporation, these Bylaws, the Rules and Regulations of the Association, the Surveyor's Plat, and graphic descriptions of improvements of record, and all other exhibits to the original Declarations of Condominium or amendments thereof. In the event of a conflict between the language in the Declarations of Condominium and the graphic descriptions of record, the graphic descriptions of record shall control. In the

event of a conflict between language in any of the other Condominium Documents, the following priorities shall control:

1. Declaration of Condominium;
2. Articles of Incorporation;
3. Bylaws; and
4. Rules and Regulations.

12.2 Gender. The use of the term "he," "she," "his," "hers," "their," "theirs" and all other similar pronouns should be construed to include all genders and encompass the plural as well as the singular.

12.3 Severability. In the event that any provisions of these Bylaws are deemed invalid, the remaining provisions shall be deemed in full force and effect.

IN WITNESS WHEREOF, Waterside at Admiral's Cove Condominium Association, Inc., has caused these presents to be signed in its name, by its President and Secretary, and its corporate seal affixed on this ____ day of _____, 2012.

Signed, sealed and delivered

WITNESSES:

Waterside at Admiral's Cove Condominium Association, Inc.

_____
Witness #1 Signature

By:_____
, President

_____
Witness #1 Printed Name

_____
Witness #2 Signature

_____
Witness #2 Printed Name

By:_____
, Secretary

_____
Witness #1 Signature

_____
Witness #1 Printed Name

_____
Witness #2 Signature

_____
Witness #2 Printed Name

Corporate Seal

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ as President of Waterside at Admiral's Cove Condominium Association, Inc., [ ] who is personally known to me **or** [ ] who has produced identification [Type of Identification: _____].

_____
Notary Public
Commission Stamp/Seal:

Notary Seal

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____as Secretary of Waterside at Admiral's Condominium Association, Inc., [ ] who is personally known to me **or** [ ] who has produced identification [Type of Identification: _____].

_____
Notary Public
Commission Stamp/Seal:

Notary Seal