

AMENDED
BYLAWS

OF

SEVILLE R.O. ASSOCIATION, INC.
a Florida not-for-profit corporation

ARTICLE I

NAME AND LOCATION

1.1 Name. The name of the corporation is SEVILLE R.O. ASSOCIATION, INC., hereinafter referred to as the "Corporation".

1.2 Location. The principal office of the Corporation shall be located at unit #101 at 2612 Pearce Drive, Clearwater, Florida 34624, but meetings of Members and Directors may be held at such places within the State of Florida as may be designated by the Board of Directors. The principal offices of the Corporation may be changed to any other place designated by the Board of Directors.

ARTICLE II

DEFINITIONS

2.1 "Building" shall mean and refer to any one of the buildings commonly known as Buildings 1,2,3,4,7,8,11,12 and 14 located on the nine (9) platted condominium parcels within the Community.

2.2 "Common Area or Areas" shall mean and refer to all real property (including the improvements thereon) now or hereafter owned by the Corporation, or as to which it has been granted easement rights, for the common use and enjoyment of the Members of the Corporation.

2.3 "Community" shall mean and refer to that certain residential development known as SEVILLE CONDOMINIUMS.

2.4 "Unit" shall mean and refer to the condominium unit within the Community owned by the Unit Owner.

2.5 "Member" shall mean and refer to those persons entitled to membership in the Corporation as provided for in the Articles of Incorporation and these Bylaws, and who shall have purchased a Membership Certificate.

2.6 "Membership Certificate" shall mean and refer to the certificate or certificates issued to each Member evidencing membership held thereby.

2.7 "Owner" or "Unit Owner" shall mean and refer to the owner, whether one or more persons or entities, of any unit within the Community.

2.8 "Fee Simple Deed" shall mean the deed by which the Corporation shall transfer fee simple title of a Unit to a Unit Owner and which each Member shall be entitled.

ARTICLE III

ASSOCIATION MEMBERSHIP

3.1. Membership. Membership in this Corporation shall be limited to Unit Owners (or a family member of a Unit Owner) who have purchased Membership Certificates in the Corporation. Each Member shall be limited to ownership of one (1) Membership Certificate for each Unit leased. Upon the transfer of a Membership Certificate, as allowed herein, the transferee shall become a Member if all the requirements for Membership have been met. If the Membership Certificate is vested in more than one person, all of the persons owning the Membership Certificate shall be eligible to attend meetings and act as full Members of the Corporation; but, as hereinafter indicated, the vote of a Membership Certificate shall be cast by the Voting Member, and only the Voting Member may hold office in the Corporation. If a Membership Certificate is owned by a corporation, the corporation may designate an individual officer or employee as its Voting Member.

3.2. Issuance of Membership Certificate. The issuance of Membership Certificates shall be limited to three hundred seventy one (371) certificates, representing one (1) certificate for each Unit. The initial price for each Membership Certificate shall be established by the Board of Directors.

3.3. Classes of Membership. There shall be two (2) classes of membership in the Corporation. The initial participants who purchase a Membership Certificate prior to the purchase of the real property located within the Community upon which the nine (9) platted condominium buildings are located (the "Platted Land") shall be Class A Members. Only Class A Members shall have a guaranteed Membership Certificate price. Those participants who purchase a Membership Certificate after acquisition of the Platted Land shall be Class B Members. The Board of Directors shall have the right to increase the price of unissued and/or returned (see 3.7 below) Class B Membership Certificates from time to time, at its discretion, and returned (See 3.7 below) Class A Membership Certificates from time to time, at its discretion.

3.4. Distribution of Assets. Upon dissolution of the Corporation pursuant to the Articles of Incorporation the Association shall be dissolved and its assets distributed pursuant to a plan of distribution adopted at a meeting of the Board of Directors by a majority vote of the Board then in office. No Members shall be entitled to vote on the plan and only Class A Members shall be entitled to participate in the distribution of assets upon liquidation. Distribution of assets shall be based on each Class A Member's percentage of ownership interest in its building which is the same formula used to determine each Class A Member's Membership Certificate purchase price. The plan of distribution shall be consistent with the requirements of §617.0505, Florida Statutes, and shall be adopted and provided to each Class A Member at least sixty (60) days prior to dissolution.

3.5. Transfers. Transferability of each Membership Certificate shall be restricted and limited to a transfer in conjunction with the Unit. The actual Membership Certificate is an essential instrument to a transfer. In order for a transfer to be valid, the transferring Member must produce the Membership Certificate (or post bond if the Membership Certificate is lost or destroyed) and have it transferred on the books of the Corporation.

3.6. Notification and Price. No transfer of a Membership Certificate shall be effective unless the Board of Directors is first notified of the transfer in writing at least fifteen (15) days prior thereto and the Board of Directors issues its written approval of the transfer, which approval shall not be unreasonably withheld. All transfers shall not exceed the initial purchase price paid for the Membership Certificate by the Member.

3.7. Put Option. Each Member, or each Member's heir(s) or personal representative(s) in the event of a Member's death, shall have the option to return its share to the Corporation which, in turn, will have the option

(a) Simultaneously pay the Member, or its heir(s) or representative(s), as the case may be, the initial share price paid by the Member in consideration thereof; or

(b) Hold the share for resale at the then market rate and upon sale remit to the heir (or representative) the initial share price paid by the Member less an administrative fee, not to exceed Fifty Dollars (\$50.00), and retain any excess money realized on the sale at the then market rate.

3.8. Ownership. Each Membership Certificate shall be titled in the same manner as the respective Member's Fee Simple Deed or, upon subsequent Unit transfers, in the same manner as the Unit is titled.

3.9. Pledge. Each Member who is indebted to the Corporation by virtue of any promissory note in favor of the Corporation securing payment thereof; (2) any default in any payment due the Corporation; or (3) any default in any special assessment due to the Corporation shall collaterally assign its Membership Certificate(s) to the Corporation and grant to the Corporation a security interest in the Membership Certificate(s) to secure payment to the Corporation of such sums. The Corporation shall take such actions as are necessary to make the appropriate entries on the books of the Corporation indicating the pledge of Membership Certificates to the Corporation.

3.10. Default. In the event that a Member defaults in the performance of any of the terms of these Bylaws, any promissory note executed in favor of the Corporation in conjunction with the purchase of a Membership Certificate, or with regard to any other debt owed the Corporation, the Corporation shall have the rights and remedies provided in the Uniform Commercial Code enforced in the State of Florida as of the date of this Agreement, and shall have all other rights as may be set forth in said promissory note or any instrument securing same or as provided by Florida law. In such event, the Corporation may, upon five (5) days' notice to the Member, and without liability for any diminution in price which may have occurred, sell all of the pledged Membership Certificates in such manner and for such price as the Corporation may determine. At any bona fide public sale, the Corporation shall be free to purchase all or any part of the pledged Membership Certificates. Out of the proceeds of any sale, the Corporation may retain an amount equal to all amounts due it by the Member including, without limitation, the amount of the expenses of the sale, plus attorneys' fees and costs for any collection work, litigation or appeals incident thereto, and all interest then owing, and the balance of the proceeds, if any, shall be paid to the Member; provided, however, the amount paid to the Member shall not exceed the initial share price paid by the Member and any proceeds of sale in excess of such initial share price shall be retained by the Corporation. In the event the proceeds of any sale are insufficient to cover the amounts set forth above, the Member shall remain liable to the Corporation for any deficiency. Provided, however, the Corporation's rights under this Section 3.8 are inferior and subordinate to the lien of any first mortgagee of the property located within the Community in privity with the Corporation.

3.11. Restriction. No Member shall be permitted to pledge, assign, transfer, lien, hypothecate, sell, convey or otherwise dispose of its Membership Certificate(s) in contravention of these Bylaws as amended from time to time.

3.12. Inscription of Membership Certificates. Membership Certificates shall be inscribed with the following legend:

"The rights of any holder of this membership certificate are subject to the provisions of the Articles of Incorporation and the Bylaws of the Corporation and to all the terms, covenants, conditions and provisions of any recreation or other lease between the Corporation, as Lessor, and the person in whose name this certificate is issued, as Lessee, and said instruments restrict the title and rights of any transferee of this certificate and imposes a lien on this certificate to secure payment of assessments, common expenses and other sums which may become due to the Corporation from the holder hereof."

3.13. Recreation Lease Purchase. Each Member agrees by membership in the Corporation that the Corporation shall be its designated representative for the purpose of negotiation and purchase of the recreation lease and related parcels of land which service the Community; that the Corporation shall have full power and authority to act on behalf of the Member as attorney-in-fact to perpetuate and enforce the rights of the Member as a Unit Owner pursuant to §718.401, Florida Statutes, without the need for execution of a power of attorney or further written instrument; and that each Member by its membership acknowledges its approval as a Unit Owner to the exercise of all rights afforded pursuant to said statutory section.

ARTICLE IV

MEETING OF MEMBERS

4.1. Annual Meetings. There shall be an annual meeting of the Members, which shall be held during the first calendar quarter of each year on the date and at such time and place as the Board of Directors shall designate.

4.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-third (1/3) of the Members entitled to vote.

4.3. Special Meeting to Recall Board Members. A special meeting of the Members to recall a member or members of the Board of Directors may be called by ten percent (10%) of the Members entitled to vote giving notice of the meeting as required for a meeting of Members, stating the purpose of the meeting.

4.4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meetings. Proof of posting, delivery or mailing of notice may be given by affidavit of the person serving the notice.

(a) Notice of all meetings shall be given at least fourteen (14) days but not more than sixty (60) days in advance to each Member either by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Corporation, or by delivering the same to the Member's residence. In addition, a copy of the notice shall be posted in a conspicuous place in the Community.

(b) Delivery of notice pursuant to subsection (a) to any co-owner of a Membership Certificate shall be effective upon all such co-owners of such Unit, unless a co-owner has requested the Secretary in writing that notice be given to such co-owner and has furnished the Secretary with the address to which such notice may be sent or delivered.

4.5. Quorum. The presence at a meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, these Bylaws, or the laws of the State of Florida. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, with notice posted conspicuously in the Community at least 48 hours in advance of such rescheduled meeting, until a quorum as aforesaid shall be present or are represented. Action undertaken at a meeting at which a quorum was established shall constitute valid acts of the membership even though during such meeting less than a quorum shall have been present.

4.6. Proxies. At all meetings of Members, the Members may vote in person or by proxy. Directors shall not be entitled to vote by proxy. All proxies shall be in writing and filed with the Secretary prior to or at the meeting at which they are to be used. Proxies shall be effective only for the specific meeting for which originally given and for lawful recess or adjournment to a specific date thereof, but not for a period longer than ninety (90) days from the original date of the specific meeting for which it was given. Every proxy shall be revocable and shall automatically cease upon conveyance or other transfer of title by the Member of his Membership Certificate.

4.7. Majority Vote. The acts approved by a majority of the votes cast, either in person or by proxy, at a meeting at which a quorum is established shall constitute the acts of the Members, except when approval by a greater or different voting majority is required by the Articles of Incorporation, these Bylaws, or the laws of the State of Florida. The term "majority" shall mean more than fifty percent (50%). The Corporation shall not be entitled to vote the Membership Certificates which it holds.

4.8. Voting. If a Membership Certificate is owned by one person, his right to vote shall be established by the record title to the Membership Certificate. If a Membership Certificate is owned by a corporation, the officer, agent or employee thereof entitled to cast the vote of the corporation therefore shall be designated in a certificate for this purpose signed by the president or a vice president of such corporation and filed with the Secretary of this Corporation. Except as hereafter provided with regard to a Membership Certificate owned jointly by a husband and wife, if a Membership Certificate is owned by more than one (1) person, the person entitled to cast the vote therefor shall be designated in a certificate signed by all of the record owners of the Membership Certificate and filed with the Secretary. The person designated in a certificate pursuant to this Section who is entitled to cast the vote for a Membership Certificate, as well as any sole owner of a Membership Certificate, shall be known as the "Voting Member". Such certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the Membership Certificate concerned. If a Membership Certificate is owned jointly by a husband and wife, the following provisions are applicable thereto:

- (a) They may, but they shall not be required to, designate a Voting Member.
- (b) If they do not designate a Voting Member and if both are present at a meeting, either one present may cast the vote (but only one [1] vote), just as though he or she owned the Membership Certificate individually and without establishing the concurrence of the absent person.
- (c) If they do not designate a Voting Member, and only one is present at a meeting, the person present may cast the vote, just as though he or she owned the Membership Certificate individually and without establishing the concurrence of the absent person.

4.9. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum is not present, the Members who are present either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous place in the Community at least forty-eight (48) hours in advance of such rescheduled meeting, stating the time and place to which the meeting is adjourned.

4.10. Waiver of Notice. Any Member may waive notice of any annual or special meeting of Members by a writing signed either before, at or after such meeting. Attendance by a Member, or a designated Voting Member, at a meeting shall also constitute a waiver of notice of the time, place and purpose of the meeting.

4.11. Minutes of Meetings. The minutes of all meetings of Members shall be kept in a book available for inspection by Members or their authorized representatives, and members of the Board of Directors at any reasonable time. The minutes shall be retained by the Corporation for a period of not less than seven (7) years. Members and their authorized representatives shall have the right to make, at the expense of the Member, photocopies of the minutes.

4.12. Order of Business. The order of business at annual meetings of Members and as far as practical at other Members' meetings, shall be:

- (a) Call to order;
- (b) Election of a chairman of the meeting, unless the President or Vice President is present, in which case he shall preside;
- (c) Calling of the roll, certifying of proxies, determination of a quorum;
- (d) Proof of notice of the meeting or waiver of notice;
- (e) Reading and disposal of any unapproved minutes;
- (f) Reports of officers;
- (g) Reports of committees;
- (h) Appointment of inspectors of election;
- (i) Determination of number of Directors;
- (j) Election of Directors;
- (k) Unfinished business;
- (l) New business;
- (m) Adjournment.

4.13. Written Consent. Whenever the vote of the Members at a meeting is required or permitted by any provision of the Articles of Incorporation, these Bylaws, or the laws of the State of Florida to be taken in connection with any action of the Corporation, the meeting and vote of

members may be dispensed with if all of the Members, who would have been entitled to vote upon the action of such meeting if such meeting were held, shall consent in writing to such action being taken. Members may waive notice of specific meetings and may take action by written agreement without meetings.

4.14. Actions Specifically Requiring Member Votes. The following actions require approval by the Members and may not be taken by the Board of Directors acting alone:

- (a) Purchase of land within the Community.
- (b) Sale of land within the Community.
- (c) Providing no reserves, or less than adequate reserves.
- (d) Recall of Members of Board of Directors.
- (e) Other matters contained in the Articles of Incorporation, these Bylaws, or the laws of the State of Florida that specifically require a vote of the Members.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

5.1. Number and Qualification. The affairs of the Corporation shall be managed by a Board of nine (9) Directors selected by the Members. All Directors shall be owners of a Membership Certificate or shall be the designated voter of such a Membership Certificate. No Director shall continue to serve as such after he ceases to be an owner of a Membership Certificate or the designated voter of a Membership Certificate. An interim Board of three (3) members shall act on behalf of the Corporation until selection of the nine (9) members which will comprise the initial Board occurs. The Board shall be comprised of one (1) Board member nominated from each of the nine (9) buildings located within the Community.

5.2. Term of Office. Each Director's term of service shall extend until the next annual meeting of the Members and thereafter until his successor is duly elected and qualified or until he is removed in the manner provided in Section 5.3. The Members, however, at any annual meeting and in order to provide a continuity of experience, may vote to create classes of directorships having a term of one (1), two (2) or three (3) years so that a system of staggered terms will be initiated.

5.3. Removal. Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of all Members of the Corporation entitled to vote. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members from the Building in which that Board Member resided, and shall serve for the unexpired term of his predecessor. A special meeting of the Members to recall any member of the Board of Directors may be called by ten percent (10%) of the Members entitled to vote giving notice of the meeting as required for a meeting of the Members, stating the purpose of the meeting.

5.4. Compensation. No Director shall receive compensation for any service he may render to the Corporation. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

6.1. Nomination. Except with respect to the initial Board, nominations for election to the Board of Directors shall be made by a Nominating Committee comprised of a Chairman, who shall be a Member of the Board of Directors and one Member from each Building, who may or may not be a Member of the Board of Directors. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the owners of Membership Certificates and designated voters of Membership Certificates.

6.2. Election. Election to the Board of Directors shall be by secret ballot. At such election, Members or their proxies may cast in respect to such vacancy as many votes as they are entitled to exercise under the provisions hereof. The person receiving the largest number of votes from each Building shall be elected. Cumulative voting is not permitted.

ARTICLE VII

MEETINGS OF DIRECTORS

7.1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually, at such place and hour as may be fixed from time to time by resolution of the Board of Directors. Should such meeting fall upon a Sunday or a legal holiday, then the meeting shall be held at the same time on the next day which is not a Sunday or a legal holiday. Written notice shall be given (personally or by mail) to each Member at least fourteen (14) days prior to the annual meeting, and shall be posted in a conspicuously in the Community at least forty-eight (48) hours prior to the meeting.

7.2. Special Meetings. Special meetings of the Board of Directors may be called by the President, or in his absence, by any Vice President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, which notice shall state the time, place and purpose of the meetings, and shall be transmitted not less than forty-eight (48) hours prior to the meeting, except that, at any meeting where the budget or assessments against Membership Certificates are to be considered for any reason, notice of such meeting shall be posted conspicuously in the Community at least thirty (30) days in advance of such meeting. If a budget adopted by the Board of Directors requires assessment against the Members in any fiscal or calendar year exceeds one hundred fifteen percent (115%) of the assessments for the previous year, the Board, upon written application of ten percent (10%) of the Members, shall call a special meeting of the Members within thirty (30) days, upon not less than ten (10) days' written notice to each Member. At the special meeting, Members shall consider and enact a budget, which shall be adopted upon a vote of not less than a majority of all Members entitled to vote.

7.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present

at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

7.4. Waiver of Notice. Notwithstanding any provision of these Bylaws as to notice, a Director may waive notice of any meeting either before, at or after such meeting. Attendance at a meeting by a Director shall also act as waiver of notice thereof unless the Director states that his attendance is for the express purpose of objecting to the transaction of the business because the meeting was not lawfully called.

7.5. Adjourned Meetings. If there is less than a quorum present at any meeting of the Board of Directors, the majority of those present may adjourn the meeting until a quorum is present. At any such adjourned meeting, for which notice is posted conspicuously in the Community at least forty-eight (48) hours in advance, any business that might have been transacted at the meeting as originally called may be transacted.

7.6. No Proxy. There shall be no voting by proxy at any meeting of the Board of Directors.

7.7. Joinder in Meeting by Approval of Minutes. A Director may join in the action of a meeting by signing and concurring in the minutes of that meeting. That concurrence, however, shall not constitute the presence of that Director for the purpose of determining a quorum.

7.8. Open Meetings. Meetings of the Board of Directors shall be open to all Members.

7.9. Presiding Officer. The presiding officer at Board of Directors meetings shall be the President or, in his absence, a Vice President, and in his absence, the Directors present shall designate any one of their number to preside.

7.10. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Members or their authorized representative and Board Members at any reasonable time. The Corporation shall retain these minutes for a period of not less than seven (7) years. Members and their authorized representatives shall have the right to make, at the expense of the Member, photocopies of the minutes.

7.11. Executive Committee. The Board of Directors, by resolution, may appoint an Executive Committee to consist of three (3) or more Members of the Board. The Executive Committee shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Community during the intervals between the meetings of the Board insofar as may be permitted by law. The Executive Committee, however, shall not have power to:

- (a) determine the common expenses required for the operation of the Community;
- (b) determine the assessments payable by the Members to meet the common expenses of the Community;
- (c) adopt or amend rules and regulations covering the details of the operation and use of the Community;
- (d) purchase, lease or otherwise acquire units in the Community in the name of the Corporation;

(e) approve or recommend to Members any actions or proposal required by the Articles of Incorporation, these Bylaws, or the laws of the State of Florida to be approved by Members; or

(f) fill vacancies on the Board of Directors.

7.12. Order of Business. The order of business at meetings of Directors shall be:

(a) Calling of roll;

(b) Proof of notice of meeting or waiver of notice;

(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.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

8.1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Community, property, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, subject to the declarations of condominium and other agreements of record which are binding upon and inure to the benefit of the Community;

(b) exercise for the Corporation all powers, duties and authority vested or delegated to this Corporation and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or any other agreement of record which inures to its benefit.;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) employ a manager, an independent contractor, or such employees as they may deem necessary and to prescribe their duties;

(e) authorize the execution or modification of any easement as may be now or hereafter encumber the Community, or other assignment, conveyance or transfer of property of the

Corporation, real, personal or mixed, except where Member consent or approval is expressly required by the terms of the Articles of Incorporation, these Bylaws, or the laws of the State of Florida;

(f) enforce its lien rights (subject to the lien of any first mortgagee of the property located within the Community in privity with the Corporation) on each Membership Certificate which it has for any unpaid assessments with interest and for reasonable attorneys' fees incurred in the collection of the assessment or enforcement of the lien and, without limitation or exclusion to other remedies, to purchase any Unit and fixtures in satisfaction of its lien and a foreclosure sale and to hold, lease, mortgage or convey it;

(g) institute, maintain, settle or appeal actions or hearings in its name on behalf of all Members concerning matters of common interest, including, but not limited to, the property owned by the Corporation and commonly used facilities;

(h) acquire Membership Certificates, whether by initial issue or purchase in any manner, including at a lien foreclosure sale, and to hold, lease, mortgage, pledge, and convey them;

(i) modify or move any easement for ingress and egress, for utilities purposes or for cable television or similar items;

(j) purchase any land on the approval of the Members of the Corporation;

(k) adopt reasonable rules and regulations for the use of the Community;

(l) maintain accounting records;

(m) obtain and maintain adequate insurance to protect the Corporation and the Community;

(n) furnish adequate financial reports to members;

(o) give notice of exposure to liability in excess of insurance coverage in any legal action to all Members, who shall have the right to intervene and defend;

(p) provide a certificate showing the amount of unpaid assessments respecting a Membership Certificate to any Member, mortgagee or other record lienholder who requires same;

(q) contract for maintenance and management of the Community;

(r) pay costs of utilities services rendered to the Community and not billed directly to individual Units;

(s) employ and dismiss personnel as necessary for the maintenance and operation of the Community and retain those professional services that are required for those purposes;

(t) authorize Lessees (including non-members) or others to use portions of the common areas, such as social rooms and meeting rooms, for private parties and gatherings;

(u) repair or reconstruct improvements after casualties;

(v) impose a fee not in excess of Fifty Dollars (\$50.00) for the reasonable expense required for the transfer or sale of a Membership Certificate or for the assignment or sublease of a lease or the approval thereof; and

(w) with respect to all non-member tenants: (i) to enter into and enforce leases and statutory rights and obligations; and (ii) to impose and enforce such rules, regulations and other requirements as necessary.

8.2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Corporation and to see that their duties are properly performed;

(c) fix the amount of the annual assessments, if any, against each Membership Certificate owner;

(d) send written notice of assessments, if any, to every Member subject thereto in advance of the date upon which same are payable;

(e) foreclose the lien against any Membership Certificate for which assessments are not paid upon the date due (subject to any grace period established by the Board of Directors) or bring an action at law against the Member personally obligated to pay the same; provided, however, such actions shall be subject to the lien of any first mortgagee of the property located within the Community in privity with the Corporation;

(f) issue, or to cause an appropriate officer to issue, upon demand by any Owner, a certificate setting forth whether or not any assessment levied against such Member has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(g) procure and maintain adequate liability and hazard insurance on property owned by the Corporation;

(h) cause all officers or employees having fiscal responsibilities to be bonded, if it deems it appropriate;

(i) cause the common areas and other land for which the Corporation is obligated for maintenance to be maintained; and

(j) perform such other functions and duties as may be provided by the Articles of Incorporation and not expressly reserved to the Members.

ARTICLE IX

FISCAL MANAGEMENT

9.1. Board Adoption of Budget. The Board of Directors shall adopt a budget for the expenses of the Corporation in -advance of each fiscal year at a special meeting of the Board called for that purpose at least forty-five (45) days before the end of each fiscal year.

9.2. Budget Requirements. The proposed annual budget of expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, when applicable, but not limited to:

- (a) Administration of the Corporation;
- (b) Management fees;
- (c) Maintenance;
- (d) Debt service;
- (e) Rent for recreational and other commonly used facilities;
- (f) Taxes on Corporation property;
- (g) Taxes on leased areas;
- (h) Insurance;
- (i) Security provisions;
- (j) Other expenses;
- (k) Operating capital;
- (l) Fees payable to the Public Service Commission and any other governmental agency;
- (m) Reserve accounts for capital expenditures and deferred maintenance for any item for which the deferred maintenance expense or replacement cost is greater than TEN THOUSAND AND 00/100 DOLLARS (\$10,000.00). Reserves may be removed from the final budget if, by vote of the majority of the Members entitled to vote who are present at a duly called meeting, they shall determine for a fiscal year to provide no reserves or reserves less adequate than may be necessary.
- (n) Fees payable to the Division of Florida Land Sales.

9.3. Budget Meeting. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget to the Members not less than thirty (30) days before the meeting at which the budget shall be considered. The meeting shall be open to all Members.

9.4. Member Rejection of Excessive Budget. If a budget adopted by the Board of Directors requires assessments against the Members in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of the assessments for the previous year, the Board, on written application of ten percent (10%) of the Members, shall call a special meeting of the Members within thirty (30) days. The special meeting shall be called on not less than ten (10) days' written notice to each Member. At the special meeting, Members shall consider and enact a budget by vote of not less than a majority of all Members entitled to vote. Provisions for reasonable reserves for repair of the Corporation property, nonrecurring expenses and assessments for betterments to the Corporation property shall be excluded from the computation in determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in the previous year.

9.5. Budget Adoption by Members. At its option, for any fiscal year, the Board of Directors may propose a budget to the Members at a meeting of Members or in writing. If the proposed budget is approved by the Members at the meeting or a majority of all Members entitled to vote, in writing, the budget shall be adopted.

9.6. Records and Reports. The Corporation shall maintain accounting records, which shall be open to inspection by Members or their authorized representatives at reasonable times. The records shall include, but are not limited to:

- (a) a record of all receipts and expenditures; and
- (b) an account for each Member, designating the name and current mailing address of the Member, the amount of each assessment, the dates and amounts in which the assessments come due, the amount paid on the account and the balance due.

Within sixty (60) days after the end of each fiscal year, the Board of Directors shall mail or furnish by personal delivery to each Member a complete financial report of actual receipts and expenditures for the previous twelve (12) months.

9.7. Commingling of Funds. All sums collected by the Corporation from assessments, rent, other charges and income may be commingled in a single fund or divided into more than one fund, as determined by the Directors.

9.8. Depository. The depository of the Corporation shall be those banks or savings and loan associations, state or federal, located in Florida, as shall be designated from time to time by the Board of Directors and in which the money for the Corporation shall be deposited. 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.

9.9. Fidelity Bonding. Each officer and Director of the Corporation who controls or disburses its funds shall be bonded by a fidelity bond in the principal sum of not less than TEN THOUSAND AND 00/100 DOLLARS (\$10,000.00). The cost of bonding shall be at the expense of the Corporation.

9.10. Annual Election of Income Reporting Method. The Board of Directors shall make a determination annually, based on competent advice, whether it shall cause the Corporation's income to be reported to the Internal Revenue Service by the "regular" method (Federal Tax Form 1120) or the "alternative" method (Federal Tax Form 1120H), according to which method of reporting shall best serve the interests of the Corporation for the reporting period under consideration.

9.11. Audit. An audit of the accounts of the Corporation may be made from time to time as directed by the Board of Directors. A copy of any audit report received as a result of an audit or written summaries thereof shall be furnished each Member of the Corporation not less than thirty (30) days after its receipt by the Board of Directors and at least annually to each Member.

9.12. Tax Deduction Statement. The Corporation shall, on or before March 15 following the close of the fiscal year, send to each member listed on the books of the Corporation for the prior fiscal year a statement setting forth the amount per Membership Certificate of that portion of the rent paid by such Member under his proprietary lease during such year which has been used by the Corporation for payment of real estate taxes and interest on a mortgage or other indebtedness paid by the Corporation with respect to property owned by it.

9.13. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE X

ASSESSMENTS AND COLLECTION

10.1. Assessments, Generally. Assessments made against the Members shall be made in an amount not less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The assessments shall be collected against Members in the proportions or percentages provided in their respective governing declarations of condominium which equates to their unit owner percentages. Any assessment in amount greater than \$100.00 annually shall require Member approval by majority vote, except for (i) assessments under any recreation lease to which the Corporation may succeed as lessor in interest to which shall be assessed and collected pursuant to its terms; and (ii) a one time \$200.00 legal fund assessment.

10.2. Emergency Assessments. Special Assessments for common expenses of emergencies that cannot be paid from the annual assessment for common expenses shall be made by the Board of Directors after thirty (30) days' notice given to the Members. These assessments shall be paid at the times and in the manner that the Board of Directors may require in the notice of assessment.

10.3. Liability for Assessments. Each Member shall be liable for all assessments coming due while he is a Member. The Member and his grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the voluntary conveyance. A first mortgagee who acquires title by foreclosure or deed in lieu of foreclosure, however, shall not be liable for unpaid assessments of previous owners unless those assessments are evidenced by a lien recorded before the foreclosed mortgage. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common element or by the abandonment of the unit for which the assessments are made.

10.4. Amended Budget. If the annual assessment proves to be insufficient, the budget may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the year for which an amended assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

10.5. Collection: Interest: Application of Payments. Assessments and installments of them, if not paid within ten (10) days after the date they become due, shall bear interest at eighteen percent (18%) per annum, but not to exceed the maximum rate allowed by law. All assessment payments shall be applied first to interest and then to the assessment payment due.

10.6. Lien for Assessments. The Corporation has a lien on each Unit and Membership Certificate for any unpaid assessments with interest and for reasonable attorneys' fees incurred by the Corporation incident to the collection of the assessment or reinforcement of the lien. The lien is effective from and after recording a claim of lien in the public records of the county in which the Community is located. The claim of lien includes not only those assessments that are due at the time the lien is recorded but shall include all assessments which accrue through the pendency of any legal action through the date of judgment. The lien shall be deemed to be prior and superior to the creation of any homestead status, and every Member hereby consents to the imposition of such lien prior to any homestead status. This lien shall be inferior and subordinate to the lien of any first mortgagee of the property located within the Community in privity with the Corporation.

10.7. Acceleration of Assessment Installment Upon Default. If a Member shall be in default in the payment of an installment of an assessment, the Directors may accelerate the remaining installments of the assessment to a maximum of that due quarterly upon notice to the Member, and the unpaid balance shall then be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Member, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

10.8. Collection: Suit, Notice. The Corporation may bring an action to foreclose any lien for assessments. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Corporation shall give notice to the Member of its intention to foreclose its lien at least thirty (30) days before the foreclosure action is filed. The notice shall be given by delivery of a copy of it to the Member or by certified mail, return receipt requested, addressed to the Member.

ARTICLE XI

ASSOCIATION CONTRACTS, GENERALLY

All contracts for the operation, maintenance or management of the Corporation or property serving the Community, made by the Corporation, must not be in conflict with the powers and duties of the Corporation or the rights of the Members.

ARTICLE XII

COMPLIANCE AND DEFAULT

12.1. Violations, Notice, Actions. In the case of a violation (other than the nonpayment of an assessment) by a Member of any of the provisions of the Articles, these Bylaws, or any lawfully adopted rules and regulations, the Corporation, by direction of its Board of Directors, may transmit to the Member by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of ten (10) days from the date of the notice, the Corporation shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions:

(a) File an action to recover for its damages on behalf of the Corporation or on behalf of other Members.

(b) File an action for injunctive relief requiring the offending Member to take or desist from taking certain actions.

(c) File an action for both damages and injunctive relief.

12.2. Attorneys' Fees. In any action brought pursuant to the provisions of Section 12.1, the prevailing party is entitled to recover reasonable attorneys' fees.

ARTICLE XIII

LIABILITY SURVIVES MEMBERSHIP

Termination of membership in the Corporation shall not relieve or release a former Member from any liability or obligation incurred with respect to the Corporation during the period of membership, nor impair any rights or remedies that the Corporation may have against the former Member arising out of his membership and his covenants and obligations incident to that membership.

ARTICLE XIV

PARLIAMENTARY RULES

Roberts' Rules of order (latest edition) shall govern the conduct of the Corporation's meetings when not in conflict with the Articles or these Bylaws.

ARTICLE XV

RULES AND REGULATIONS

15.1. Board May Adopt. Subject to the rights of the existing condominium associations and the rights of the Unit Owners contained in the Declarations of Condominium for each Building in the Community, the Board of Directors may adopt and amend, from time to time, reasonable rules and regulations governing the details of the use and operation of the Community, including, but not limited to, the Common Areas and recreational facilities.

15.2. Posting and Furnishing Copies. A copy of the rules and regulations adopted from time to time by the Board of Directors, and any amendments to existing rules and regulations, shall be posted in a conspicuous place in the Community and a copy furnished to each Member. No rule, regulation or amendment shall become effective until thirty (30) days after posting, except in the case of an emergency, in which case the rule, regulation or amendment shall become effective immediately on posting.

15.3. Limitations on Authority. The Board of Directors may not unreasonably restrict any Member's right to peaceably assemble or right to invite public officers or candidates for public office to appear and speak in the common areas and recreational facilities. The Board may not deny any resident of the Community, whether tenant or owner, access to any available franchised or licensed

cable television service or exact a charge or anything of value in excess of charges normally paid for like services by residents of single-family homes within the same franchise or license area.

15.4. Reasonableness Test. Any rule or regulation created and imposed by the Board of Directors must be reasonably related to the promotion of the health, happiness and peace of mind of the Community and uniformly applied and enforced.

ARTICLE XVI

BYLAWS DEEMED AMENDED

These Bylaws shall be deemed amended in those particulars as may be required to make them consistent with the provisions of Chapters 617, Florida Statutes, as it may be amended from time to time.

ARTICLE XVII

PRIORITIES IN CASE OF CONFLICT

In the event of conflict between or among the provisions of any of the following, the order of priorities shall be, from highest priority to lowest:

- (a) The Articles of Incorporation;
- (b) These Bylaws; and
- (c) The Rules and Regulations.

ARTICLE XVIII

INDEMNIFICATION

Every officer and Director of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including reasonable attorneys' fees incurred and imposed in connection with any proceedings to which he may be a party, or in which he may become involved by reason of his being or having been an officer or Director of the Corporation, whether or not he is an officer or Director at the time the expenses are incurred. The officer or Director shall not be indemnified if he is adjudged guilty of gross negligence or willful misconduct or shall have breached his fiduciary duty to the members of the Corporation. The Corporation shall not be liable, however, for payment of a voluntary settlement unless it is first approved by the Board of Directors. The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director or officer may be entitled.

ARTICLE XIX

OFFICERS AND THEIR DUTIES

19.1. Enumeration of Officers. The officers of this Corporation shall be a President and one or more Vice Presidents, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create. Officers shall be Members of the Corporation entitled to vote and must be a Member of the Board of Directors.

19.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

19.3. Term. The officers of this Corporation shall be elected annually by the Board of Directors and each shall hold office for one (1) year and until his successor is duly elected and qualified, unless he shall sooner resign, be removed, or be otherwise disqualified to serve.

19.4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

19.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

19.6. Vacancies. A vacancy in any office may be filled by election by the Board of Directors from the Building from which the vacancy arose. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

19.7. Multiple Offices. No person shall simultaneously hold the offices of President and Secretary; however, a person may otherwise hold more than one office. No Building shall have more than one officer elected from that Building.

19.8. Duties. The duties of the officers are as follows:

(a) President. The President shall be the chief executive officer of the Corporation, and shall have all of the powers and duties that are usually vested in the office of a president of a corporation. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall exercise such powers and discharge such other duties as may be required of him by the Board of Directors.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise such powers and discharge such other duties as may be required of him by the Board of Directors.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of

the Corporation and affix it on all papers requiring such seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Corporation together with their addresses, perform all other duties incident to the office of a secretary of a corporation, and exercise such powers and discharge such other duties as required by the Board of Directors.

(d) Treasurer. The Treasurer shall receive and cause to be deposited in appropriate bank accounts all monies of the Corporation as directed by resolution of the Board of Directors; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members, perform all other duties incident to the office of a treasurer of a corporation, and shall exercise such powers and perform such other duties as required by the Board of Directors.

19.9. Duties Fulfilled by Manager. The Secretary and Treasurer may either or both be assisted in their duties by a manager employed by the Corporation to the extent authorized by the Board of Directors. If such a manager is employed, the manager shall have custody of such books of the Corporation as the Corporation determines necessary or appropriate.

ARTICLE XX

COMMITTEES

The Board of Directors shall appoint a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as it deems appropriate in carrying out the purposes of the Corporation.

ARTICLE XXI

BOOKS AND RECORDS

The books and records and papers of the Corporation shall at all times, during reasonable business hours, be subject to inspection by any Member. The Articles of Incorporation and the Bylaws of the Corporation shall be available for inspection by any Member during regular business hours at the principal office of the Corporation, where copies may be purchased at reasonable cost.

ARTICLE XXII

CORPORATE SEAL

The Corporation shall have a seal in circular form having within its circumference the words: "SEVILLE RO ASSOCIATION, INC.", "Florida", "not for profit" and "1991". An impression of the corporate seal appears in the margin below. The Corporation may use such seal, a common seal, or any facsimile thereof.

(SEAL)

ARTICLE XXIII

AMENDMENTS

Except as otherwise provided elsewhere, these Bylaws may be amended in the following manner:

23.1. Proposal of Amendment. A resolution for the adoption of an amendment to these Bylaws may be proposed either by a majority of the Directors or by not less than twenty percent (20%) of the Members entitled to vote.

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

23.3. Adoption. Amendments may be adopted by a majority vote of the Members entitled to vote at a meeting set forth in notice given pursuant to Section 23.2.

23.4. Errors and Omissions. In the event it shall appear that there is an error or omission in these Bylaws or exhibits thereto, then and in that event the Corporation may correct such error or omission by an amendment to these Bylaws in the manner hereinafter described to effectuate an amendment for the purpose of curing defects, errors or omissions. Such an amendment shall not require a vote of approval as provided in Paragraph 23.3, above, but shall require a vote in the following manner:

(a) Notice of the subject matter of a proposed amendment to cure a defect, error or omission shall be included in the notice of any meeting at which such proposed amendment is to be considered.

(b) A resolution for the adoption of such a proposed amendment may be proposed by either the Directors or by the members of the Corporation. Except as elsewhere provided, such approvals must be either by:

(i) Not less than thirty-three and one-third percent (33 1/3%) of the entire membership of the Board of Directors and by not less than ten percent (10%) of the Members entitled to vote; or

(ii) Not less than twenty-five percent (25%) of the Members entitled to vote; or

(iii) In the alternative, an amendment may be made by an agreement signed and acknowledged by all Members entitled to vote in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of the county in which the Community is located.

(c) The foregoing provisions relating to amendments for defects, errors or omissions are intended to be in accordance with and pursuant to Section 719.304(1), Florida Statutes.

(d) The amendment made pursuant to this paragraph need only be executed and acknowledged by the Corporation and by no other parties whatsoever.

23.5. Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to mortgagees of Units or the first mortgagee of the property located within the Community in privity with the Corporation without the consent of the mortgagees in each instance. No amendment shall be made that is in conflict with the Articles.

ARTICLE XXIV

CONSTRUCTION

Whenever the context permits or requires, the singular shall include the plural, the plural shall include the singular and the use of any gender shall be deemed to include all genders.

DATED effective as of the 8TH day of JULY, 1992.