

EXHIBIT "R"
AMENDED AND RESTATED
BY-LAWS

OCEAN TOWERS OF VERO BEACH, INC.
a corporation not for profit under the laws of the State of Florida

1. Identity. These are the By-Laws of OCEAN TOWERS OF VERO BEACH, INC., called "Corporation" in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State of the State of Florida on the 17th day of March, 1971. The corporation has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these By-Laws, which condominium is identified by the name OCEAN TOWERS, and is located on the following lands in Indian River County, Florida, to-wit:

Lots 5 through 15, inclusive, Block 3, Walter Kitching's Subdivision, according to the plat of same filed in the office of the Clerk of the Circuit Court of St. Lucie County, Florida in Plat Book 4 at page 5, said land now lying and being in Indian River County, Florida; EXCEPT, however, the West 133 feet thereof; and

ALSO, that part of the South 25 feet of the unnamed and unnumbered street lying immediately North of Lots 8 and 9, Block 3, Walter Kitching's Subdivision, Indian River County, Florida; and

ALSO, that part of the North 25 feet of the unnamed and unnumbered street lying immediately South of Lots 10 and 11, Block 3, Walter Kitching's Subdivision, Indian River County, Florida.

1.1 The office of the Corporation shall be at 2701-2743 Ocean Drive, Apartment 37E, Vero Beach, Indian River County, Florida 32960.

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

1.3 The seal of the Corporation shall bear the name of the Corporation, the word "Florida" and the words "Corporation Not For Profit" and the year of incorporation, an impression of which is as follows:

2. Members' Meetings

2.1 The annual members' meeting shall be held during the first week of February each year at such time and place as may be designated by the Board of Directors.

2.2 Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership.

2.3 Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the corporation and shall be mailed not less than ten (10) days, nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

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

2.5 Voting

A. In any meeting of members the owners of apartments shall be entitled to cast one (1) vote for each apartment so owned regardless of the number of owners of any such apartment.

B. If an apartment is owned by one person, his right to vote shall be established by the record title to his apartment. If an apartment is owned by more than one person, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by all of the record owners of the apartment and filed with the secretary of the Corporation. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Corporation. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the apartment concerned. A certificate designating the person entitled to cast the vote of an apartment may be revoked by any owner of an apartment. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

2.7 Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

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

A. The incumbant President shall act as Chairman of the meeting

- B. Calling of the roll and certifying of proxies
- C. Proof of notice of meeting or waiver of notice
- D. Reading and disposal of any unapproved minutes
- E. Reports of officers
- F. Reports of committees
- G. Election of inspectors of election
- H. Election of Directors
- I. Unfinished business
- J. New business
- K. Adjournment

3. Directors

3.1 Membership. The affairs of the Corporation shall be managed by a Board of not less than five, nor more than eleven directors, the exact number of members to serve in any year to be determined by the members of the Corporation at the time of the of election.

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

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

B. Not less than 60 days before a scheduled election, the Association shall mail or deliver 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 40 days before the scheduled election. Not less than 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.

C. 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 prequalified candidates shall automatically become members of the Board after the annual meeting.

D. The election shall be by ballot and by a plurality of the votes cast, each person voting being entitled to cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

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

F. Any director may be removed by concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Corporation at the same meeting.

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

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

3.5 Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings, along with written material to be addressed at the meeting, shall be given to each director, personally or by mail, telephone, e-mail or telegraph, at least three days prior to the day named for such meeting.

3.6 Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Not less than three days' notice of the meeting shall be given to each Director personally or by mail, telephone, e-mail or telegraph, which notice shall state the time, place and purpose of the meeting.

3.7 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.8 Notice to Owners of Board Meetings. Notice of meetings, which notice shall specifically include an agenda, shall be posted conspicuously at least 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 will be voted upon, or at which amendments to the Rules regarding Unit use will be voted upon, or at which the Board will establish the deductible feature of the Association's insurance policies, shall be mailed or delivered to the Unit Owners and posted conspicuously not less than 14 continuous days prior to the meeting.

3.9 A quorum at directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation, or these By-Laws.

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

3.11 The presiding officer of directors' meetings shall be the chairman of the board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officers, the directors present shall designate one of their number to preside.

3.12 The order of business at directors' meetings shall be:

- A. Calling of roll
- B. Proof of due notice of meeting
- C. Reading and disposal of any unapproved minutes
- D. Reports of officers and committees
- E. Election of officers
- F. Unfinished business
- G. New business
- H. Adjournment

3.13 Directors' fees, if any, shall be determined by a majority of the members.

4. Powers and duties of the Board of Directors. All of the powers and duties of the Corporation existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to the approval by the apartment owners when such is specifically required. The powers and duties of the Directors shall include, but shall not be limited to, the following:

A. 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 Declarations of Condominium.

B. To Approve Transfers of Units. The Directors may approve or disapprove proposed transactions or transfers in the manner provided by the Declarations 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.

C. 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.

D. To Levy Fines. The Directors may 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. A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law. 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 twenty (20) days.

E. 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.

F. To Approve the Installation of Windows or Hurricane Shutters. The Directors shall adopt specifications for the Condominium 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 windows or hurricane shutters are in compliance with the applicable building code. Unit Owners wishing to install windows or hurricane shutters must obtain prior approval of the Board of Directors.

G. To Exercise Emergency Powers. In the event of any "emergency" the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by the Florida Statutes. 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. 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. 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: a state of emergency declared by local civil or law enforcement authorities; a hurricane warning; a partial or complete evacuation order; federal or state "disaster area" status; or a catastrophic occurrence, whether natural or manmade, that seriously damages or threatens to seriously damage the physical existence of the Condominium.

5. Officers

5.1 The executive officers of the Corporation shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not be also the Secretary. The Board of Directors, from time to time, shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the corporation.

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

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

5.4 The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the corporation and affix it to the instruments requiring a seal

when duly signed. He shall keep the records of the corporation, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directions of the President.

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

5.6 The compensation of all officers and employees of the Corporation shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the Board of Directors from employing a director as an employee of the corporation nor preclude the contracting with a director for the management of the condominium.

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

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

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

B. Reserve for Deferred Maintenance, which shall include funds for maintenance items that occur less frequently than annually.

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

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

E. Operations, which shall include the gross revenues from the use of the common elements. Only the additional direct expense required by the revenue-producing operation will be charged to this account, and any surplus from such operation shall be used to reduce the assessments for current expense in the year following the year in which the surplus is realized. Losses from operations shall be met by special assessments against apartment owners, which assessments may be made in advance in order to provide a working fund.

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

Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

6.3 Assessments. Assessments against the apartment owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. Such assessments shall be due in four (4) equal installments on the first days of January, April, July and October of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and quarterly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due upon the date of the assessment if made on or after July 1; and if made prior to July 1, one-half of the increase shall be due upon the date of the assessment and the balance of the assessment upon the next July 1. The first assessment shall be determined by the Board of Directors of the Corporation.

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

6.5 Special Assessments. Assessments for common expenses that cannot be paid from the annual assessments for common expenses shall be made only after approval by a majority of the Board of Directors, and after notice of the need for such is given to the apartment owners concerned. After such notice the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors of the corporation may require in the notice of assessment.

6.6 The depository of the Corporation shall be such bank or banks, or established money market funds as shall be designated from time to time by the directors and in which the monies of the Corporation shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the directors.

6.7 The Association shall maintain accounting records according to good accounting principles, which shall be open to inspection by unit owners or their authorized representatives at reasonable times, and written summaries of which shall be supplied at least annually to unit owners or their authorized owners.

6.8 Fidelity bonds shall be required by the Board of Directors from all persons handling or responsible for corporation funds. The amount of such bonds shall be determined by the directors, but shall be not less than one-half of the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Corporation.

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

8. **Amendments.** These By-Laws may be amended in the following manner:

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

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

A. Not less than a majority of the Board of Directors and by not less than 60% of the votes of the membership of the corporation cast at a member's meeting; or

B. By not less than 80% of the votes of the entire membership of the corporation.

8.3 **Proviso.** Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments unless all apartments owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or Declaration of Condominium.

8.4 **Execution and Recording.** A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the officers of the Corporation with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Indian River County, Florida.