

BYLAWS

OF

SPINNAKER POINT ASSOCIATION, INC.

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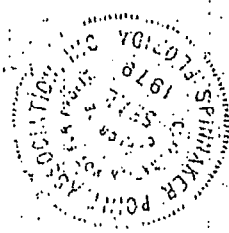
IDENTITY

These are the Bylaws of SPINNAKER POINT ASSOCIATION, INC., hereinafter, in these Bylaws, called Association, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on the 26th day of June, 1979. The Association has been organized for the purpose of operating a condominium to be established upon the lands described in such Articles of Incorporation.

1.1. The office of the Association will be at: 3355 South Ocean Drive, Vero Beach, Florida 32960, until such time as the turnover, under the provisions of Florida Statute 718.301, whereupon it shall be transferred to such location agreed upon by the Board of Directors.

1.2. The Fiscal year of the Association will be the calendar year.

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



II

MEMBER'S MEETINGS

The members of the Association will be the owners of the apartments of said condominium apartment building.

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

2.2. The annual member's meeting will be held at 9:30 A.M. Eastern Standard Time on the 2nd Tuesday in September of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting will be held at the same hour on the next day that is not a holiday.

2.3. Special members' meetings will be held whenever called by the 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 ten percent (10%) of the votes of the entire membership. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

EXHIBIT F

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2.4. Notice of all members' meetings stating the time and place and the objects for which the meeting is called will be given by the President or Secretary or Assistant Secretary unless waived in writing. Such notice will be in writing and shall be sent by certified mail to each member at his address as it appears on the books of the Association and will be mailed not less than fourteen (14) days nor more than thirty (30) days prior to the date of the meeting. Written notice of the members' meeting shall also be posted at a conspicuous location at the condominium at least fourteen (14) days prior to any said meeting. Proof of such mailing and posting shall be given by affidavit of the person giving the notice. Notice of the meeting may be waived before or after the meeting.

2.5. A quorum at members' meetings will 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 will 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 Bylaws.

2.6. Voting

a. The owner of each apartment will be entitled to one indivisible vote, and if one owner owns more than one apartment, he will be entitled to one vote for each apartment owned.

b. If an apartment is owned by one person, his right to vote will be established by the record title to his apartment. If an apartment is owned by more than one person, or is under lease, the person entitled to cast the vote for the apartment will be designated by a certificate signed by all of the record owners of the apartment and filed with the Secretary or Assistant Secretary of the Association. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment will be designated by a certificate signed by the President and attested by the Secretary of the corporation and filed with the Secretary or Assistant Secretary of the Association. All such certificates shall be valid until revoked or until superseded by a subsequent certificate or until there is a change in the ownership of the apartment concerned. If such a certificate is not on file, the vote of such owners will not be considered in determining the requirement for a quorum nor for any other purpose.

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2.7. Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing, signed and dated by the person entitled to vote and will be valid only for the particular meeting designated in the proxy, which must be filed with the Secretary or Assistant Secretary before or at the appointed time of the meeting or any adjournment of the meeting.

2.8. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of adjourned meeting is given in the manner required for notice of a meeting.

2.9. The order of business at the annual members' meetings and as far as practical at other members' meetings, will be:

- a. Call to order by President.
- b. Election of chairman of the meeting.
- c. Calling of the roll and certifying of proxies.
- d. Proof of notice of meeting or waiver of notice.
- e. Reading and disposal of any unapproved minutes.
- f. Reports of officers.
- g. Reports of committees.
- h. Election of directors.
- i. Unfinished business.
- j. New business.
- k. Adjournment.

2.10. Proviso. Provided, however, that until such time as the Developer shall relinquish control of the Association to the condominium unit owners,

other than the Developer, the proceedings of all meetings of the members of the Association shall have no effect unless approved by the Board of Directors. Prior to, or not more than sixty (60) days after unit owners, other than the Developer, elect a majority of the directors of the Association, the Developer shall relinquish control of the Association to the unit owners.

III

DIRECTORS

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3.1 Membership. The affairs of the Association will be managed by a board of not less than three (3) nor more than five (5) directors, the exact number to be determined at the time of election.

3.2. Election of directors will be conducted in the following manner:

a. Election of directors will be held at the annual members' meetings.

b. A nominating committee of three (3) members will be appointed by the Board of Directors not less than forty-five (45) days prior to the annual members meeting. The committee will nominate one person for each director then serving. Nominations for additional directorships created at the meeting will be made from the floor, and other nominations may be made from the floor.

c. The election will be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There will be no cumulative voting.

d. Except as to vacancies arising by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members will be filled by the remaining directors.

e. Any director may be removed with or without cause by vote of a majority of all unit owners at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created will be filled by the members of the Association at the same meeting.

f. Provided, however, that until a majority of the directors are elected by the members other than the Developer of the condominium, neither the first directors of the Association nor any directors replacing them, nor any directors named by the Developer shall be subject to removal by members other than the Developer. The first directors and directors replacing them may be removed by the Developer.

g. The first election of directors by condominium unit owners, other than the Developer, shall not be held until after the Developer has closed the sales of fifteen percent (15%) of the condominium units that will be operated ultimately by the Association. At such time as the condominium unit owners, other than the Developer, own fifteen percent (15%) of the condominium units that will be operated ultimately by the condominium association, the said unit owners shall be entitled to elect one-third (1/3) of the directors of the Association. The condominium unit owners, other than the Developer, shall have the right to elect the majority of the directors of the Association three (3) years after the Developer has closed the sales of fifty percent (50%) of the condominium units that will be operated ultimately by the Association, or three (3) months after the Developer has closed the sales of ninety percent (90%) of the condominium units that will be operated ultimately by the Association, or at such time as all of the condominium units that will be operated ultimately by the Association have been completed and some of them have been conveyed to purchasers, should the Developer discontinue offering unsold condominium units in the ordinary course of business, whichever shall first occur. The Developer shall be entitled to elect at least one (1) director as long as the Developer holds for sale in the ordinary course of business five percent (5%) or more of the condominium units in the condominium which are to be operated by the Association. The Developer may, at Developer's sole discretion elect to allow

3.14. Directors' fees will not be paid.

IV

POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

All of the powers and duties of the Association will be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by apartment owners when such is specifically required.

V

OFFICERS.

5.1. The executive officers of the Association will be a President, who will be a director, a Vice President, a Secretary, an Assistant Secretary and a Treasurer, all of whom will be elected annually by the Board of Directors and who may be preemptorily removed by vote of the directors at any meeting, with or without cause. Any person may hold two or more offices except that the President shall not also be the Secretary or Assistant Secretary. The Board of Directors from time to time will elect such other officers and designate their powers and duties as the Board of Directors shall determine is necessary or required to manage the affairs of the Association.

5.2. The President will be the chief executive officer of the Association. He will have all of the powers and duties usually vested in the office of the President of an association, including, but not limited to, the powers 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 Association.

5.3. The Vice President in the absence or disability of the President will exercise the powers and perform the duties of the President. He will also 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 will keep the minutes of all meetings of the directors and the members. He will attend to the giving and serving of all notices to the members and directors and other notices required by law. He will have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He will keep the records of the Association, except those of the Treasurer, and will 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. The Assistant Secretary in the absence or disability of the Secretary will perform the duties of the Secretary. He will also assist the Secretary generally and perform such other duties as shall be prescribed by the directors.

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

5.7. No compensation will be paid to officers of the Association.

VI

FISCAL MANAGEMENT:

The provisions for fiscal management of the Association will be as set forth in the Declaration of Condominium, supplemented by the following:

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

a. Current expense, which will 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 or to additional improvements. The balance in this fund at the end of each year will be applied to reduce the assessments for current expense for the succeeding year.

b. Capital surplus for:

1. Reserve for deferred maintenance, which will include funds for maintenance items that occur less frequently than annually:

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

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

6.2. Budget. The Board of Directors will adopt a combined budget for each calendar year that will 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, as follows:

a. Current expense.

b. Reserve for deferred maintenance, the amount for which will not exceed one hundred fifteen percent (115%) of the budget for this account for the prior year, once an initial reserve is established.

c. Reserve for replacement, the amount for which will not exceed one hundred fifteen percent (115%) of the budget for this account for the prior year, once an initial reserve is established.

d. Proviso. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by apartment owners entitled to cast not less than a majority of the votes of the entire membership of the Association; and further provided, however, that the Developer shall not be assessed as a unit owner for any capital improvements as long as the Developer holds a condominium unit for sale in the ordinary course of business.

e. Copies of Budget. A copy of the proposed annual budget and assessments shall be mailed to each member not less than thirty (30) days prior to the Board of Directors meetings at which the budget will be considered, together with a notice setting forth the time and place of that meeting. Such a meeting shall be open to all members of the Association.

f. Submission of Budget. The Board of Directors may submit the proposed budget to the members for their approval at a meeting of the members called for that purpose.

g. Limitations. As long as the Developer is in control of the Association, the Board of Directors shall not impose an assessment for Current Expense for any year greater than one hundred fifteen percent (115%) of the prior year's assessment unless approved by a majority of the members.

6.3. Assessments. Assessments against the apartment owners for their shares of the items of the budget will 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 will be due in four equal installments on the first day of January, the first day of April, the first day of July and the first day of October of the year for which the assessments are made. If an annual assessment is not made as required, an assessment will be presumed to have been made in the amount of the last prior assessment and quarterly installments on such assessment will 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. All the accounts of the amended budget do not exceed the limitations for that year. Any account that exceeds such limitation will be subject to the approval of the membership of the Association as previously required by these Bylaws. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made will be due in equal installments on the first day of each month remaining in the year for which an assessment is due.

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

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

6.6. The depository of the Association will be such bank or banks as shall be designated from time to time by the directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by such persons as are authorized by the directors.

6.7. An audit of the accounts of the Association will be made annually after such time as the condominium has been in existence for the period of one year, and a copy of the audit report will be furnished to each member not later than April 1 of the year following the year for which the audit is made.

6.8. Fidelity bonds may be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors. The premiums on such bonds shall be paid by the Association.

## VII

### PARLIAMENTARY RULES.

Roberts' Rules of Order (latest edition) will govern the conduct of Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.

## VIII

### AMENDMENTS.

These Bylaws may be amended in the following manner:

8.1. Notice of the subject matter of a proposed amendment will 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 Association or by the members of the Association. Except as elsewhere provided, such approvals must be either by:

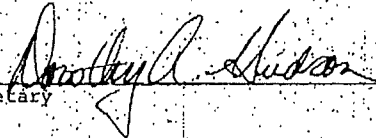
a. not less than a majority of the entire members of the Board of Directors; and

b. not less than seventy-five percent (75%) of the entire membership of the Association; or

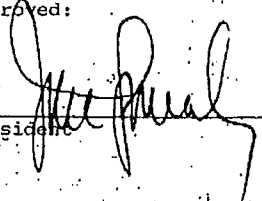
c. until a majority of the Board of Directors are elected by the condominium unit owners, other than the Developer, by a majority of the entire Board of Directors, provided the amendment does not increase the number of apartments or alter the boundaries of the common elements.

8.3. Proviso. Provided, however, that no amendment will discriminate against any member, unless the member so affected shall consent; and no amendment will affect or impair the validity or priority of any mortgage covering any apartment, or affect or impair the rights of a lessor under any leases made by the Association.

The foregoing were adopted as the Bylaws of SPINNAKER POINT ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors.

  
Secretary

Approved:

  
President