

## By-Laws of Association

**J.K. BARTON, CLERK**



BY

**DEPUTY CLERK**

DATE \_\_\_\_\_

7-50 fee

IN THE RECORDS OF  
JEFFREY K. BARTON  
CLERK CIRCUIT COURT  
INDIAN RIVER CO., FLA.

1341109

02 MAR 27 AM 11:05

**BY-LAWS**  
**OF**  
**PALM ISLAND PLANTATION COMMUNITY ASSOCIATION, INC.**  
**(A Florida corporation Not-For-Profit)**

**This instrument prepared by:**  
**Christopher H. Marine, Esquire**  
**Gould, Cooksey, Fennell, O'Neill,**  
**Marine, Carter & Hafner, P.A.**  
**979 Beachland Boulevard**  
**Vero Beach, Florida 32963**

A TRUE COPY  
CERTIFICATION ON LAST PAGE  
J.K. BARTON, CLERK

## TABLE OF CONTENTS

<b>Article I</b> .....	4
Name, Principal Office, and Definitions .....	4
Name .....	4
Principal Office .....	4
Definitions .....	4
<b>Article II</b> .....	4
Association: Membership, Meetings, Quorum, Voting, Proxies .....	4
Membership .....	4
Place of Meetings .....	4
Annual Meetings .....	4
Special Meetings .....	4
Notice of Meetings .....	5
Waiver of Notice .....	5
Adjournment of Meetings .....	5
Voting .....	5
Proxies .....	5
Majority .....	6
Quorum .....	6
Conduct of Meetings .....	6
Action Without A Meeting .....	6
Recording .....	6
Official Records ... ..	6
<b>Article III</b> .....	6
Board of Directors: Number, Powers, Meetings .....	6
Governing Body; Composition .....	6
Directors During Class "B" Control Period .....	7
Delivery of Documents .....	7
Number of Directors .....	7
Nomination of Directors .....	7
Election and Term of Office .....	7
Removal of Directors and Vacancies .....	8
Meetings .....	8
Regular Meetings .....	8
Special Meetings .....	9
Waiver of Notice .....	9
Quorum of Board of Directors .....	9
Compensation .....	10
Conduct of Meetings and Telephonic Participation/Proxies .....	10
Open Meetings .....	10
Assessments/Notification .....	10
Powers .....	10

Management .....	12
Accounts and Reports .....	12
Borrowing .....	13
Rights of the Association .....	13
Enforcement .....	14
Fines .....	14
Notice .....	14
Hearing .....	14
Additional Enforcement Rights .....	14
Ingress/Egress .....	15
Exception .....	15
<b>Article IV .....</b>	<b>15</b>
Officers .....	15
Officers .....	15
Election, Term of Office, and Vacancies .....	15
Removal .....	15
Powers and Duties .....	15
Resignation .....	15
Agreements, Contracts, Deeds, Leases, Checks, Etc. ....	15
<b>Article V .....</b>	<b>16</b>
Committees .....	16
Creation .....	16
Enforcement .....	16
<b>Article VI .....</b>	<b>16</b>
Miscellaneous .....	16
Fiscal Year .....	16
Parliamentary Rules .....	16
Conflicts .....	16
Books and Records .....	16
Inspection by Members and Mortgagees .....	16
Rules for Inspection .....	17
Inspection by Directors .....	17
Notices .....	17
Amendment .....	17

**BY-LAWS  
OF  
PALM ISLAND PLANTATION COMMUNITY ASSOCIATION, INC.  
(A Florida corporation Not-For-Profit)**

**Article I**

**Name, Principal Office, and Definitions**

**Section 1. Name.** The name of the Association shall be PALM ISLAND PLANTATION COMMUNITY ASSOCIATION, INC. (hereinafter sometimes referred to as the "Association").

**Section 2. Principal Office.** The principal office of the Association in the State of Florida shall be located in the County of Indian River. The Association may have such other offices, either within or outside Indian River County, Florida, as the Board of Directors may determine or as the affairs of the Association may require.

**Section 3. Definitions.** The words used in these By-Laws shall have the same meaning as set forth in that Master Declaration of Covenants, Conditions, Reservations and Restrictions for Palm Island Plantation (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

**Article II**

**Association: Membership, Meetings, Quorum, Voting, Proxies**

**Section 1. Membership.** The Association shall have two (2) classes of membership, Class "A", Class "B", as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

**Section 2. Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

**Section 3. Annual Meetings.** The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Meetings shall be of the Members. Subsequent regular annual meetings shall be set by the Board so as to occur at least forty-five (45) but not more than ninety (90) days after the commencement of the Association's fiscal year on a date and at a time set by the Board of Directors.

**Section 4. Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by at least ten (10%)

percent of the Members. The notice of any special meeting shall state the date, time, and place of such meeting, and a description of the purpose or purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 5. Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

**Section 6. Waiver of Notice.** Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

**Section 7. Adjournment of Meetings.** If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than five (5), nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members representing at least one-third (1/3) of the total Class "A" votes of the Association remain in attendance, and provided further that any action taken is approved by Members representing at least a majority of the votes required to constitute a quorum.

**Section 8. Voting.** The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

**Section 9. Proxies.** Members may not vote by proxy but only in person.

14110000

**Section 10. Majority.** As used in these By-Laws, the term "majority" shall mean more than fifty (50%) percent of the total number of votes or owners, as the context may indicate.

**Section 11. Quorum.** Except as otherwise provided in these By-Laws or in the Declaration, the presence in person of the Members representing at least thirty (30%) percent of the total vote of the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

**Section 12. Conduct of Meetings.** The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. A vote or abstention from voting on each matter voted upon for each Director present at a Board meeting must be recorded in the Minutes.

**Section 13. Action Without A Meeting.** Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

**Section 14. Recording.** Any Member may tape record or videotape meetings of the Board of Directors and meetings of the Members. The Board of Directors may adopt reasonable rules governing the taping of meetings of the Board and the Membership.

**Section 15. Official Records.** The Association shall maintain all of the corporate organizational documents, governing covenants, corporate minutes, Members roster, insurance policies, contractual agreements and financial and accounting records as provided in Section 720.303(4) of the Florida Statutes. The official records shall be open to inspection, and available for photocopying by Members or their authorized agents as further provided in Section 720.303(5) of the Florida Statutes.

### **Article III**

#### **Board of Directors: Number, Powers, Meetings**

**Section 1. Governing Body; Composition.** The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a director.

**Section 2. Directors During Class "B" Control Period.** Subject to the provisions of Section 6 below, the directors shall be selected by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

(a) Three (3) months after ninety (90%) percent of the Residential Units permitted by the Town of Indian River Shores applicable to the property described on Exhibit "A" of the Declaration have been conveyed to Persons other than the Declarant or builders holding title solely for purposes of development and sale;

(b) December 31, 2015; or

(c) when, in its discretion, the Class "B" Member so determines.

At such time as the first of the three events referred to above transpires, the Class "B" Control Period shall be deemed terminated.

**Section 3. Delivery of Documents.** At such time as the Class "B" Control Period terminates, Declarant shall deliver to the Board all deeds, Association corporate materials, financial records, funds, contracts, and other documentation required under Section 720.307(3) of the Florida Statutes.

**Section 4. Number of Directors.** The number of directors in the Association shall be not less than three (3) nor more than five (5), as provided in Section 6 below. The initial Board shall consist of three (3) members as identified in the Articles of Incorporation.

**Section 5. Nomination of Directors.** Except with respect to directors selected by the Class "B" Member, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such 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 in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

**Section 6. Election and Term of Office.** Notwithstanding any other provision contained herein:

(a) Within thirty (30) days after the time Class "A" Members, other than the Declarant or a builder holding title solely for purposes of development and sale, own two-thirds (2/3) of the Residential Units permitted by the Town of Indian River Shores, or whenever the Class "B" Member earlier determines, the Association shall call a special meeting at which Members representing the Class "A" Members shall elect one (1) of the three (3) directors, who shall be an at-large director. The remaining two (2) directors shall be appointees of the Class "B" Member. The director elected

by the Members shall not be subject to removal by the Class "B" Member acting alone and shall be elected for a term of one (1) year or until the happening of the event described in subsection (b) below, whichever is shorter. If such director's term expires prior to the happening of the event described in subsection (b) below, a successor shall be elected for a like term.

(b) Within thirty (30) days after termination of the Class "B" Control Period, or whenever the Class "B" Member earlier determines, the Board shall be increased to five (5) directors. The Association shall call a special meeting at which the Class "A" Members shall elect all five (5) directors. The directors elected by the Members shall not be subject to removal by the Class "B" Member, and shall serve until the first annual meeting following termination of the Class "B" Control Period.

(c) At the first annual meeting of the membership after the termination of the Class "B" Control Period, five (5) directors shall be elected for terms of one (1) year. Directors may be elected to serve any number of consecutive terms.

**Section 7. Removal of Directors and Vacancies.** Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director. In the event that removal is proposed at a meeting of the Members, any director whose removal is sought shall be given notice prior to that meeting. A director who was elected at large solely by the votes of Members other than the Declarant may be removed from office prior to the expiration of his or her term only by the votes of a majority of Members other than the Declarant. Upon removal of a director, a successor shall be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor.

**Section 8. Meetings.** The first meeting of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

**Section 9. Regular Meetings.** 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, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter which meetings shall include the budget meeting required under Article X, Section 2 of the Declaration. Notice of the time and place of the meeting shall be communicated as follows:

(a) To directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting; and

(b) Notice of all Board meetings shall be posted in a conspicuous place in the community at least forty-eight (48) hours in advance of a meeting, except in an emergency. Alternatively, notice may be provided by publication, or provision of a schedule of Board meetings as permitted by Section 720.303(2) of the Florida Statutes.

**Section 10. Special Meetings.** Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any three (3) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Notice of any special meeting of the Board of Directors shall also be posted in a conspicuous place in the community at least forty-eight (48) hours in advance of a meeting, except in an emergency. Alternatively, notice may be provided by publication as permitted by Section 720.303(2) of the Florida Statutes.

**Section 11. Waiver of Notice.** The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

**Section 12. Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business

which might have been transacted at the meeting originally called may be transacted without further notice.

**Section 13. Compensation.** No director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total Class "A" vote of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

**Section 14. Conduct of Meetings and Telephonic Participation/Proxies.** The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time. Directors participating in such manner shall be counted for quorum purposes. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

Directors may not vote by proxy or by secret ballot at Board Meetings, except that secret ballots may be used in the election of Officers.

**Section 15. Open Meetings.** All meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation when the contents of the discussion would otherwise be governed by the attorney-client privilege.

**Section 16. Assessments/Notification.** No assessment shall be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered, and the nature of the assessments.

**Section 17. Powers.** The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

(a) preparation and adoption, in accordance with Article X of the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Common Expenses, the Neighborhood Expenses and to the extent known, the amount of Benefitted Expenses;

(b) making assessments to defray the Common Expenses, Neighborhood Expenses, and Benefitted Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board of Directors, the annual assessment for each Unit's proportionate share of the Common Expenses shall be payable annually;

(c) providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;



(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent. (Any assessment or installment thereof shall be considered to be delinquent on the fifteenth (15th) day following the due date unless otherwise determined by the Board of Directors); and

(g) an annual report consisting of at least the following shall be prepared within sixty (60) days after the close of the fiscal year, and distributed to all Owners within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Unit, the Association shall provide an audited financial statement

**Section 20. Borrowing.** The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Area of Common Responsibility without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the same manner provided in Article X, Section 4, of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five (5%) percent of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these By-Laws, or the Articles of Incorporation, during the Class "B" Control Period, no Mortgage lien shall be placed on any portion of the Common Area by the Board of Directors without the affirmative vote or written consent, or any combination thereof, of Members representing at least fifty-one (51%) percent of the Members other than the Declarant and the Declarant's nominees.

**Section 21. Rights of the Association.** With respect to the Area of Common Responsibility, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives,

**Section 22. Enforcement.**

(i) **Notice.** Prior to imposition of fine hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed fine to be imposed, (iii) a period of not less than fourteen (14) days within which the alleged violator may present a written request to the Board of Directors for a hearing; and (iv) a statement that the proposed fine shall be imposed as contained in the notice unless a challenge is begun within fourteen (14) days of the notice. If a timely challenge is not made, the fine stated in the notice shall be imposed.

(b) **Additional Enforcement Rights.** The Association, acting through the Board of Directors or Enforcement Committee, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by suspending an Owner's right to vote or any Person's right to use the Common Areas, or by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

(c) **Ingress/Egress.** Any suspension of Common Area use rights shall not impair the right of an Owner or occupant to have vehicular and pedestrian ingress to and egress from a Unit, including the right to park.

(d) **Exception.** The requirements of this Section shall not apply to the imposition of suspensions or fines upon any Member resulting from the failure of the Member to pay assessments or other charges required under the Declaration, these By-Laws or other governing documents.

#### **Article IV Officers**

**Section 1. Officers.** The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board; provided, however, during the Class "B" Control Period such officers are not required to be members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person.

**Section 2. Election, Term of Office, and Vacancies.** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

**Section 3. Removal.** Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

**Section 4. Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

**Section 5. Resignation.** 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 the 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.

**Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

## **Article V** **Committees**

**Section 1. Creation.** The Board of Directors may create committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

**Section 2. Enforcement.** In the event that an Enforcement Committee is established by the Board of Directors, the committee shall be composed of at least three (3) Members. The three (3) Members appointed by the Board shall not be officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. In the event that such a committee is established, no fines shall be levied absent compliance with Section 720.305(2) of the Florida Statutes.

## **Article VI** **Miscellaneous**

**Section 1. Fiscal Year.** The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be May 1 through April 31.

**Section 2. Parliamentary Rules.** Except as may be modified by Board resolution, (current edition) shall govern the conduct of Association proceedings when not in conflict with Florida law, the Articles of Incorporation, the Declaration, or these By-Laws.

**Section 3. Conflicts.** If there are conflicts between the provisions of Florida law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Florida law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

### **Section 4. Books and Records.**

(a) **Inspection by Members and Mortgagees** The Declaration, By-Laws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, Member of the Association, or by the duly appointed representative of any of the foregoing at the office of the Association or at such other place within the Properties as the Board shall prescribe.

Parties requesting access to the foregoing records shall be required to make a written request of the Association. Access shall be granted within ten (10) business after receipt of the written request.

(b) **Rules for Inspection.** The Board shall establish reasonable rules with respect to:

- (i) the frequency, time, location, and manner of inspections;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the actual cost of reproducing and furnishing copies of documents requested.

(c) **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

**Section 5. Notices.** Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

**Section 6. Amendment.** Prior to the conveyance of the first Unit, Declarant may unilaterally amend these By-Laws. After such conveyance, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Units; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Units; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Units; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent thereto in writing. During the Development Period, the Declarant may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any right of any Owner.

Thereafter and otherwise, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, seventy-five (75%) percent of the total Class "A" votes in the Association and, during the Development Period, the consent of the Declarant. In addition, the approval requirements set forth in Article XIII of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not

be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the public records of Indian River County, Florida.

If an Owner consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

H:\chm\palmisland.dev\BYLAWS.PALMISL..wpd

STATE OF FLORIDA  
INDIAN RIVER COUNTY  
THIS IS TO CERTIFY THAT THIS IS A  
TRUE AND CORRECT COPY OF THE  
ORIGINAL ON FILE IN THIS OFFICE.



BY *Cheryl A. Stanton*  
J.K. BARTON, CLERK  
DEPUTY CLERK  
DATE 4/21/2002