

BY-LAWS
OF
ISLANDER BEACH CLUB CONDOMINIUM ASSOCIATION OF
VOLUSIA COUNTY, INC.

EXHIBIT "D"
TO
DECLARATION OF CONDOMINIUM

INDEX TO BY-LAWS
OF
ISLANDER BEACH CLUB CONDOMINIUM ASSOCIATION OF
VOLUSIA COUNTY, INC.

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BY-LAWS
OF
ISLANDER BEACH CLUB CONDOMINIUM ASSOCIATION
OF VOLUSIA COUNTY, INC.
(a Florida corporation not-for-profit)

ARTICLE I. IDENTITY

The following By-Laws shall govern the operation of the Condominium created by the Declaration of Condominium to which these By-Laws are attached.

The ISLANDER BEACH CLUB CONDOMINIUM ASSOCIATION OF VOLUSIA COUNTY, INC., is a Florida corporation not-for-profit, organized and existing under the laws of the State of Florida for the purpose of administering the condominium created by the Declaration of Condominium to which these By-Laws are attached.

Section 1. The office of the Association shall be at 1601 South Atlantic Avenue, New Smyrna Beach, Florida 32069, or at such other place as may be designated by the Board of Directors.

Section 2. The seal of the corporation shall bear the name of the corporation, the word "Florida," the words "Corporation not for profit" and the year of incorporation.

Section 3. As used in these By-Laws, the word "corporation" shall be the equivalent of "association" and as defined in the Declaration of Condominium to which these By-Laws are attached. All other words and terms used herein shall have the same definitions as attributed to them in the Declaration of Condominium to which these By-Laws are attached.

ARTICLE II. MEMBERSHIP AND VOTING PROVISIONS

Section 1. Membership in the Association shall be limited to Owners of the Condominium Units in the condominium where this corporation has been designated the Association to operate and administer said condominium by virtue of the Declaration of Condominium of said condominium. Transfer of Unit ownership, either voluntarily or by operation of law, shall automatically terminate membership in the Association and the membership shall immediately become vested in the transferee. If Unit ownership is vested in more

than one person, then any of the persons so owning said Unit shall be members eligible to hold office and attend meetings, but, as hereinafter indicated, the vote of a Unit shall be cast by the "voting member." If Unit ownership is vested in a corporation, said corporation must designate an individual officer or employee of the corporation as its "voting member." Notwithstanding the foregoing, each Owner of Unit Weeks in a Condominium Unit committed to Interval Ownership shall be entitled to cast his share of the vote of the Unit in which he owns his Unit Weeks. "Unit committed to Interval Ownership" and "Interval Ownership" are defined in the Declaration of Condominium.

Section 2. Voting: The owner of each Condominium Unit shall be entitled to one vote. If a Condominium Unit Owner owns more than one Unit, he shall be entitled to one (1) vote for each Unit owned. The vote of a Condominium Unit shall not be divisible. Notwithstanding the foregoing, each Owner of Unit Weeks in a Unit committed to Interval Ownership shall be entitled to one/fifty-first (1/51) of the total vote assigned to the Unit in which he owns his Unit Weeks for each Unit Week owned. The Association shall not have a vote for any Unit Weeks conveyed to it.

A majority of the Unit Owners' total votes shall decide any question, unless otherwise provided by the Declaration of Condominium, these By-Laws or the Articles of Incorporation.

Section 3. Quorum: Unless otherwise provided, 33.3 percent of the unit owners' total votes, in person or in proxy, shall constitute a quorum for the purpose of conducting a meeting. Any vote conducted at such meeting shall be by majority entitled to vote thereat, unless otherwise required by the Declaration, these By-Laws or Florida Statutes.

Section 4. Proxies: Votes may be cast in person or by proxy. All proxies shall be in writing and shall comply with any requirements of Florida Statutes Chapters 718 and 721 or their successors.

Section 5. Designation of Voting Member: The recorded title to the Condominium Unit shall establish the right to vote. If a Condominium Unit is owned by more than one (1) person, all of the recorded owners of the Unit shall designate the person entitled to vote for the Unit in a certificate which shall be filed with the

Secretary of the Association. If a Condominium Unit is owned by a corporation, the person entitled to cast the vote of the Unit shall be designated in a certificate, duly signed by the president and filed with the Secretary of the Association. The person designated in such certificate who is entitled to cast the vote for a Unit shall be known as the "voting ember." If such certificate is not on file with the Secretary of the Association, the vote of the Unit may not be considered in determining the requirements for a quorum or for any purpose requiring the approval of a person entitled to cast a vote for the Unit. A certificate shall not be required if a Condominium Unit is owned by a husband and wife. Any certificates filed with the Secretary of the Association shall be valid until revoked or until a change in the ownership of the Unit is effected.

Section 6. Units Committed to Interval Ownership: Notwithstanding other provisions herein, each Owner of Unit Weeks in a Unit committed to Interval Ownership shall be entitled to cast the fractional vote attributable to his Unit Week(s) owned. The provisions of Section 5 regarding Designation of "Voting Member" shall apply to Unit Weeks owned by more than one (1) person.

ARTICLE III. MEETING OF MEMBERSHIP

Section 1. Place: Meetings of the Association shall be held at the condominium property or at such other place and time as shall be designated by the Board of Directors and set forth in the notice of the meeting. All meetings shall be opened to all Unit Owners.

Section 2. Notices: The Secretary shall mail by United States mail or deliver a notice of each annual or special meeting of the Association, setting forth the time and place thereof, to each Unit owner of record not less than thirty (30) days prior to such meeting. The proposed annual budget, as referenced hereafter, may accompany the notice of annual meeting. The notice of any special meeting of the Association shall set forth the purpose thereof. Notices mailed or served at the recorded address of the Unit Owner shall be deemed sufficient. Notice shall be sent to Unit Owners and the post office certificate of mailing shall be retained as proof of such mailing.

Written notice shall also be posted in a conspicuous place on the condominium property at least 14 days prior to the annual meeting.

Section 3. Annual Meeting: The annual meeting shall be held during either the month of November or December of each year for the purpose of electing Directors and transacting any other business properly called before the meeting. At each annual meeting of the Association, a majority of the members then present, by person or by proxy, provided a quorum has been established, shall elect a Board of Directors and transact such other business as may be properly brought before the meeting.

Section 4. Special Meetings: Special meetings of the members of the Association may be called by the President or by a majority of the Board of Directors in writing or twenty-five (25%) percent of the Unit Owners entitled to vote, in writing, which request shall state the purposes of the proposed meeting. Business transacted at all special meetings shall be confined to the objects set forth in the notice thereof.

Section 5. Waiver and Consent: Whenever the vote of members of the Association is required or permitted to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than a majority of the members entitled to vote upon the action shall consent in writing to such action being taken; however, notice of such action shall be given to all members, unless all members approve such action.

Section 6. Adjourned Meeting: In the event any meeting of members of the Association cannot be called because a quorum is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

Section 7. Management Firm: The Management Firm, as long as any Management Agreement remains in effect, shall be entitled to notice of all Association meetings and shall be entitled to attend the Association's meetings.

Section 8. Minutes: The minutes of all meetings of Unit Owners and the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

ARTICLE IV. DIRECTORS

Section 1. Number, Term and Qualifications: The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) nor more than nine (9) persons, as determined from time to time by the members of the Association. All Directors, except those designated by the Developer, shall be members of the Association. The term of each Director's service shall extend until the next annual meeting of the Association and thereafter until his successor is duly elected and qualified, or removed as set forth hereinafter. These By-Laws may not restrict any Unit Owner desiring to be a candidate from being nominated from the floor.

Section 2. First Board of Directors: The first Board of Directors of the Association who shall hold office and serve until their successors have been elected and qualified, shall consist of the following:

<u>NAME</u>	<u>ADDRESS</u>
L. D. Wilcox	1601 South Atlantic Avenue New Smyrna Beach, FL 32069
Joanne M. Moskal	1601 South Atlantic Avenue New Smyrna Beach, FL 32069
Ronald L. Luke	1601 South Atlantic Avenue New Smyrna Beach, FL 32069

The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days after the election, at such place and time as shall be fixed by the Directors. No further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

Section 3. Removal of Directors: Any one or more of the Directors may be removed, with or without cause, by the vote or agreement in writing of a majority of all Unit Owners. A successor may then and there be elected to fill the vacancy thus created. A special meeting of the Unit Owners to recall a Director or Directors may be called by 10% of the Unit Owners, giving notice of the meeting as generally required, and the notice shall state the purpose of the meeting. In the event the members of the Association fail to elect a

successor, the Board of Directors may fill the vacancy in the manner provided hereinafter.

Section 4. Vacancies: If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, even though less than a quorum, shall choose a successor, who shall hold office for the balance of the unexpired term in respect to which such vacancy occurred. The election for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

Section 5. Disqualification and Resignation of Directors: Any Director may resign by sending a written notice of such resignation to the Secretary of the Association. Such resignation shall take effect upon receipt by the Secretary. The transfer of title of a Unit or Unit Week by a Director shall automatically constitute a resignation. No member shall serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment of said delinquency shall automatically constitute a resignation.

Section 6. Regular Meetings: The Board of Directors may establish a schedule of regular meetings to be held at such time and place as they may designate. Notice of meetings shall be given to each Director personally or by regular United States mail, at least five (5) days prior to the date of the meeting. All meetings of the Board of Directors shall be opened to all Unit Owners. Written notice thereof shall be posted in a conspicuous place on the condominium property at least 48 hours in advance, except in an emergency. Notice of any meeting in which assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

Section 7. Special Meetings: Special meetings of the Board of Directors may be called by the President or by a majority of the members of the Board of Directors, provided notice as set forth above is given to all Directors. All notices of special meetings shall state the purposes of the meetings.

Section 8. Waiver of Notice: Any Director may waive notice of any regular or special meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance at any meeting

of the Board shall be a waiver of the notice by the Director of the time and place thereof.

Section 9. Quorum: A majority of the Directors shall constitute a quorum for the transaction of business and the acts of the majority of the Directors present at such meetings, at which a quorum is present, shall be the acts of the Board of Directors. If a quorum is not present, a majority of those present may adjourn the meeting from time to time and any business which may have been transacted at the original meeting may be transacted without further notice at the adjourned meeting.

Section 10. Compensation: The Directors shall serve without fee or compensation, but may be entitled to reimbursement of reasonable expenses, if approved by a majority of the Board of Directors.

Section 11. Developer's Selection of Directors: Subject to Chapter 718 of the Condominium Act and Chapter 721, Florida Real Estate Time-Share Act, the Developer shall have the right to designate the Directors who need not be owners of Units in the condominium and said Directors may not be removed by members of the Association, as elsewhere provided herein; and where a vacancy occurs for any reason whatsoever, the vacancy shall be filled by the person designated by the Developer.

Section 12. Management Firm: The Management Firm, as long as any Management Agreement remains in effect, shall be entitled to notice of all Directors' meetings and shall be entitled to attend the meetings as it so chooses.

Section 1. Powers and Duties: The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration of Condominium, this Association's Articles of Incorporation or these By-Laws directed to be exercised and done by Unit Owners. These powers shall specifically include, but shall not be limited to, the following:

(a) To exercise all powers specifically set forth in the Declaration of Condominium, this Association's Articles of Incorporation, in these By-Laws, and in the Condominium Act, and all powers incidental thereto.

(b) To appoint officers and grant them the duties it deems appropriate.

(c) To make assessments, collect said assessments and use and expend the assessments to carry out the purposes and powers of the Association.

(d) To employ, dismiss and control the personnel necessary for the maintenance and operation of the condominium and of the common areas and facilities including the right and power to employ attorneys, accountants, contractors and other professionals as the need arises.

(e) To make and amend regulations respecting the operation and use of the common elements and Condominium Units therein.

(f) To contract for the management of the condominium and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association; contract for the management or operation of portions of the Common Elements susceptible to the separate management or operation thereof, and to lease or concession such portions.

(g) To further improve the condominium property, both real and personal, and the right to purchase real property and items of furniture, furnishings, fixtures, and equipment for the condominium and the right to acquire and enter into agreements pursuant to Florida Statutes Chapters 718 and 721, subject to the provisions of the applicable Declaration of Condominium, this Association's Articles of Incorporation and these By-Laws.

(h) To designate one or more committees which, to the extent provided in the resolution designating said committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. Such committee shall consist of at least three (3) members of the Association. The committee or committees shall have such name or names as may be determined from time to time by the Board of Directors and said committees shall keep regular minutes of their proceedings and report the same to the Board of Directors. The foregoing powers shall be exercised by the Board

of Directors or its contractor or employees, subject only to approval by Unit Owners when such is specifically required.

(i) To enter into and terminate Agreements with organizations providing Owners of Unit Weeks to trade their time periods with Owners of time periods at other resorts.

(j) To charge and collect a nominal fee from Unit Owners who place their Unit Weeks for rental to the public, which nominal charge must be reasonably calculated only to compensate the Association for expenses incurred as a result of such rental program to the public.

(k) To advertise any rental program approved by the Board of Directors and to incur expenses therefor, provided that such advertising expenses do not exceed one-half (1/2) of one (1%) percent of the total annual budget.

ARTICLE V. OFFICERS

Section 1. Positions: The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors.

One person may not hold more than one of the aforementioned offices, except one person may be both Secretary and Treasurer. The President shall be a member of the Board of Directors. Notwithstanding the foregoing, one person may hold more than one of the aforementioned offices and the President need not be a member of the Board of Directors while the Association is under the control of the Developer, the control being the right of the Developer to select a majority of the Board of Directors in accordance with Florida Statutes Chapters 718 and 721.

Section 2. Election: The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the annual meeting of the Association.

Section 3. Appointments: The Board may appoint such other officers as it deems necessary.

Section 4. Term: the officers of the Association shall hold office until their successors are chosen. Any officer elected or

appointed by the Board of Directors may be removed at any time, with or without cause, by a majority of the entire Board of Directors. Any vacancy shall be filled by the Board of Directors.

Section 5. President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors.

Section 6. Vice-President: The Vice-President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

Section 7. Secretary: The Secretary shall issue notices of all Board of Directors' meetings and meetings of the Association. He shall attend and keep minutes of all meetings and he shall have charge of all of the Association's books, records and papers except those kept by the Treasurer.

Section 8. Treasurer: The Treasurer shall have custody of the Association's funds and securities, except the funds payable to any Management Firm, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association, in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Unit in the manner required by Section 718.111(7)(b) of the Condominium Act or its successor.

The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever required, an account of all transactions as treasurer and of the financial condition of the Association.

The Treasurer shall collect the assessments and maintenance fees and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

The Treasurer shall give status reports to potential transferees on which reports the transferees may rely.

The duties of the Treasurer may be filled by a management firm employed by the Association, and said management firm shall fulfill the duties of the Treasurer, and shall have custody of such books of the Association as it determines in its sole discretion and the foregoing shall include any books required to be kept by the Secretary of the Association.

ARTICLE VI. FINANCES, ASSESSMENTS, MAINTENANCE FEES AND BUDGET

Section 1. Depositories: The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association, provided, however, that the provisions of any Management Agreement shall supersede the provisions hereof.

Section 2. Fidelity Bond: The Treasurer and all officers who are authorized to sign checks, and all officers, directors and employees of the Association, and any contractor responsible for Association funds, shall be bonded in such amount as may be determined by the Board of Directors, provided that such bond shall be in the minimum amount of \$10,000.00 for each such officer or director. The premiums shall be paid by the Association. The Management Firm, if any, shall determine, in its sole discretion, the amount of and who is to be bonded, if any, between and among its employees with respect to any funds in its possession and/or control. The Association shall bear the cost of bonding its own officers, directors or employees.

Section 3. Fiscal Year: The fiscal year for the Association shall begin on the first day of January of each calendar year.

Section 4. Determination of Assessments:

(a) The Board of Directors of the Association shall fix and determine from time to time the sums necessary for the common

expenses of the condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the Limited Common Elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto and all other expenses designated as common expenses from time to time by the Board of Directors or under the provisions of the Declaration of Condominium. The Board of Directors is specifically empowered to make and collect assessments and to lease, maintain, repair and replace the Common Elements and Limited Common Elements of the condominium. Funds for the payment of the common expenses shall be assessed against the Unit Owners in the proportions of percentages of sharing common expenses, as provided in the Declaration. Special assessments, as may be required by the Board of Directors, shall be levied in the same manner as hereinabove provided for regular assessments and shall be payable in the manner determined by the Board of Directors. All funds due under these By-Laws or the Declaration of Condominium are common expenses of this condominium.

(b) A copy of the proposed annual budget of common expenses shall be mailed to the Unit Owners not less than thirty (30) days prior to the meeting at which the budget will be considered. The Unit Owners shall be given written notice of the time and place at which the meeting of the Board of Directors shall be held to consider the proposed annual budget of common expenses and such meeting shall be opened to all Unit Owners.

If a budget is adopted by the Board of Directors which requires assessment against the Unit Owners in any fiscal or calendar year exceeding 115% of such assessment for the preceding year, a special meeting of the Unit Owners, upon written application of 10% of the Unit Owners shall be called by the Board upon not less than ten (10) days written notice to each Unit Owner, but within thirty (30) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting the Unit Owners may consider and enact a revision of the budget or recall any and all members of the Board of Directors. In either event, the revision of the budget or recall of any or all members of the Board of Directors shall require a vote of not less than a majority of the whole number of votes of all Unit Owners.

The Board of Directors may in any event propose a budget to the Unit Owners at a meeting of members or by writing, and if such budget

is approved by the Unit Owners at the meeting or by a majority of all Unit Owners in writing, such budget shall not thereafter be re-examined by the Unit Owners in the manner hereinabove nor shall the Board of Directors be recalled.

In determining whether assessments exceed 115% of similar assessments for the prior year, there shall be excluded in the computation any provision for reasonable reserves made by the Board of Directors for repair or replacement of the condominium property or for anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis. There shall also be excluded from such computation assessment for betterments to the condominium provided, however, that so long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for a year greater than 115% of the prior fiscal or calendar year's assessment without approval of a majority of the Unit Owners. When the Board of Directors has determined the amount of any assessment, the Treasurer shall mail or present to each Unit Owner a statement of his assessment. All assessments shall be payable to the Treasurer and the Treasurer shall give a receipt for each payment made.

Section 5. Determination of Maintenance Fee For Unit Weeks:

(a) The Board of Directors shall fix and determine from time to time the sums necessary and adequate for the maintenance fee on Condominium Units committed to Interval Ownership. the maintenance fee on such Units shall include the items specified in the Declaration of Condominium and these By-Laws.

(b) When the Board of Directors has determined the amount of any maintenance fee, the Treasurer shall mail or present to each Owner of Unit Weeks within all Units committed to Interval Ownership a statement of said maintenance fee. All maintenance fees shall be payable to the Treasurer and he shall give a receipt for each payment made to him if so requested.

Section 6. Application of Payments and Co-Mingling of Funds:

Subject to the provisions of Florida Statutes Chapter 192, all sums collected by the Association from assessments and maintenance fees may be co-mingled in a single fund or divided into more than one fund as determined by the Board of Directors. All assessment payments and maintenance fees shall be applied to interest, delinquencies, costs

and attorneys' fees, other charges, expenses and advances as provided herein and in the Declaration of Condominium and general or special assessments, in such manner and amounts as the Board of Directors determines in its sole discretion.

Section 7. Acceleration of Assessment Installments Upon Default: If a Unit Owner shall be in default in the payment of any installment upon any assessment, the Board of Directors may accelerate the remaining installments for the fiscal year upon notice thereof to the Unit Owner. Thereupon, the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery or the mailing of such notice to the Unit Owner.

Section 8. Audit. Subject to the requirements of any Management Firm pursuant to Florida Statutes Section 721.13 or its successor, an audit of the accounts of the Association shall be made annually and shall be prepared by such accountant as the Board of Directors determines. A copy of the audit shall be available to members of the Association. Such audit shall be available not later than three (3) months after the end of the year for which the report is made.

Section 9. Application of Surplus: Any payments or receipts to the Association, whether from Unit Owners or otherwise, paid in excess of the operating expenses and other common expenses of the Association shall be kept by the Association and applied against the Association's expenses for the following year.

Section 10. Budget: The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classification, including, if applicable, but not limited to, those expenses set forth in Florida Statute 718.504(20), or its successor. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing, which amounts shall be computed by means of a formula which is based upon estimated life and estimated replacement costs of each reserve item.

ARTICLE VII. ADDITIONS AND ALTERATIONS

There shall be no additions or alterations to the Common Elements or Limited Common Elements of the condominium which this Association operates and maintains except as specifically provided for in the Declaration of Condominium.

ARTICLE VIII. COMPLIANCE AND DEFAULT

Section 1. Violations: In addition to the authority of the Board of Directors pursuant to Article IV, Section 13 hereof, in the event of a violation (other than the nonpayment of an assessment) by the Unit Owner in any of the provisions of the Declaration of Condominium, these By-Laws or the applicable portions of the Condominium Act or the Florida Real estate Time-Share Act, as amended, the Association through its Board of Directors may notify the Unit Owner by written notice of the violation. The notice shall be transmitted by mail or hand delivery to the Unit Owner. If such violation shall continue for a period of seven (7) days from the date of the notice, the Association shall have the right, through its Board of Directors, to treat such violation as an intentional and material breach and the Association may then, at its option, have the following elections:

(a) An action at law to recover for its damage, on behalf of the Association or on behalf of the other Unit Owners;

(b) An action in equity to enforce performance on the part of the Unit Owner; or

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the Unit Owner as a specific item, which shall be a lien against said Unit or Unit Week, as applicable, with the same force and effect as if the charge were a part of the common expenses for that Unit Owner or Unit Week Owner.

Section 2. Negligence of Unit Owner: All Unit Owners shall be liable for the expense of any maintenance, repair or replacement

rendered necessary by his act, neglect or carelessness or by that of any member of his family or his guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance, if any, carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing herein contained shall be construed so as to modify any waiver by any insurance company of its rights of subrogation. The expense for any maintenance, repair or replacement shall be charged to said Unit Owner or Unit Week Owners as a specific item which shall be a lien against said Unit or Unit Week with the same force and effect as if the charge were a part of the common expenses of said Unit Owner or Unit Week Owner.

Section 3. Costs and Attorneys' Fees: In any proceeding arising because of an alleged default by a Unit Owner or Unit Week Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the Court.

Section 4. No Waiver of Rights: The failure of the Association or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right, provision, covenant or condition in the future.

Section 5. Election of Remedies: All rights, remedies and privileges granted to the Association or Unit Owner, pursuant to any terms, provisions, covenants or conditions of the condominium documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted at law or in equity.

Section 6. Units Committed to Interval Ownership: Any liens or sanctions against an Owner of Unit Weeks in a Unit committed to Interval Ownership for an alleged default as set forth herein shall be limited to the Unit Weeks owned by such Owner and shall be of no force and effect as to any other Unit Weeks or Owner thereof.

The term "Unit Owner" as used throughout these By-Laws shall be deemed to include Owners of Unit Weeks in Units committed to Interval Ownership, where applicable.

ARTICLE IX. ACQUISITION OF UNITS ON FORECLOSURE

Section 1. Acquisition: At any foreclosure sale of a Unit, the Board of Directors may acquire in the name of the Association, a Condominium parcel being foreclosed. The term "foreclosure," as used in this Section, shall mean and include any foreclosure of any lien, judgment or other encumbrance. The power and authority of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall not be interpreted as any requirement or obligation to do purchase at any foreclosure sale, the provisions hereof being permissive in nature.

Section 2. Transfer of Units: All Owners of Units or Unit Weeks in a Unit Committed to Interval Ownership shall notify the Association of any transfer or conveyance of said Unit or Unit Week within ten (10) days of the date of same. Said notice shall include such information and be in the form that the Association may prescribe from time to time. The Association may send all notices to the person shown as Owner of said Unit or Unit Weeks in its records and said Notice shall be binding as to any other Owner of said Unit or Unit Weeks where the Association has not been notified as provided herein.

ARTICLE X. AMENDMENTS TO BY-LAWS

The By-Laws may be altered, amended, rescinded or modified at any duly called meeting of the Unit Owners, provided:

(1) Notice of the meeting shall contain a statement of the proposed Amendment.

(2) If the Amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting fifteen (15%) percent of the total votes of the members of the Association.

(3) If the Amendment has not been approved by the unanimous vote of the Board of Directors, then the Amendment shall be approved by the affirmative vote of the voting members casting not less than a majority of the total votes of the members of the Association; and,

(4) Said Amendment shall be recorded and certified as required by the Condominium Act.

(5) Notwithstanding the foregoing, these By-Laws may only be amended with the written approval when required of the parties specified in the Declaration of Condominium to which these By-Laws are attached.

(6) No By-Law may be revised or amended by reference to its title or number only. Proposals to amend these By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-Law. See By-Law _____ for present text." Any nonmaterial error or omission in the By-Law amending process shall not otherwise invalidate an otherwise properly promulgated amendment.

ARTICLE XI. NOTICES

Whatever notices are required to be sent hereunder, they shall be delivered or sent in accordance with the applicable provisions for notices as set forth in the Declaration of Condominium.

ARTICLE XII. INDEMNIFICATION

The Association shall indemnify every Director and every Officer, his heirs, executors and administrators, against all loss, cost and expense reasonably incurred by him with respect to any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or Officer of the Association, except as to matters wherein he shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XIII. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Condominium shall not relieve or release any such former Unit Owner or member from any liability or obligations incurred under or in any way connected with the condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former Unit Owner or member arising out of or in any way connected with such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIV. LIMITATION OF LIABILITY

Notwithstanding the duty of the Association to maintain and repair the condominium property, the Association shall not be liable for injury or damage caused by a latent condition in the property, or for any injury or damage caused by the elements or by other Unit Owners or persons.

ARTICLE XV. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of all meetings unless in conflict with the Condominium Act, the Florida Real Estate Time-Share Act, as amended, the Declaration of Condominium or these By-Laws.

ARTICLE XVI. LIENS

Section 1. Protection of Property: All liens against a Condominium Unit, other than from mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date of attachment of the lien. All taxes and special assessments upon a Condominium Unit shall be paid before becoming delinquent.

Section 2. Notice of Lien and/or Suit: A Unit Owner shall give notice to the Association of every lien upon his Unit, other than for mortgages, taxes and assessments, or of every suit or other

proceedings which will or may affect title to his Unit or any part of the condominium property, within five (5) days after the attaching of the lien or the date the Unit Owner receives notice of the suit. All taxes and assessments upon a Condominium Unit shall be paid before becoming delinquent.

Section 3. Failure to Comply: Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

Section 4. Units Committed to Interval Ownership: With respect to Units committed to Interval Ownership, an Owner thereof shall be required to give notices under the above Sections only as to liens, suits and proceedings affecting title to the Unit Weeks which he owns. Any lien against an Owner of Unit Weeks in a Unit committed to Interval Ownership or against the Unit Weeks owned by him shall be limited to the Unit Weeks owned by him and shall not encumber the property, real or personal, of any other Owner of Unit Weeks in said Unit.

ARTICLE XVII. RULES AND REGULATIONS

Section 1. The Board of Directors may, from time to time, adopt or amend previously adopted rules and regulations governing the operation, use, maintenance, management and control of the Common Elements and the Limited Common Elements of the condominium and any facilities or services available to Unit Owners. A copy of the Rules and Regulations adopted from time to time shall be posted in a conspicuous place and copies shall be furnished to each Unit Owner upon request.

Section 2. The Board of Directors, from time to time, may adopt or amend previously adopted Rules and Regulations with respect to the use and maintenance of the Condominium Units provided, however, that copies of such Rules and Regulations, prior to the time that same become effective, shall be posted in a conspicuous place and copies shall be furnished to each Unit Owner upon request.

Section 3. In the event of any conflict between the Rules and Regulations adopted or amended and the Condominium Documents or the Condominium Act, the Condominium Documents or the Condominium Act shall prevail. The provisions of the Declaration shall prevail in

any unreconciled conflict arising with respect to interpretation of these By-Laws and the Declaration of Condominium.

ARTICLE XVIII. ARBITRATION

All internal disputes arising from operation of the condominium between and among Unit Owners, the Association, their agents and assigns, shall be resolved by reference to voluntary, binding arbitration, pursuant to Florida Statutes and the Rules and Regulations promulgated by the Division of Land Sales and Condominiums of the State of Florida.

ARTICLE XIX. USE PERIODS

The Board of Directors of the Association may formulate and proclaimate procedures which owner shall follow in possessing and vacating the condominium units. The Association may also provide for such services as are necessary and convenient for the proper implementation of the "flexible use periods" and "bonus time periods" as set forth under Article V of the Declaration of Condominium. The Association may through proper procedure implement rules and regulations to regulate and control the use of the Condominium units and particularly the procedure and control of the use of Flexible Use Periods. The Association may also assign its control and procedure and implementation of the above, including the Flexible Use Periods, to a management entity.

The foregoing By-Laws were adopted as the By-Laws of Islander Beach Club Condominium Association of Volusia County, Inc., at the first meeting of the Board of Directors.

Approved: 6/26/84

Joanne M. Moskal (SEAL)
Secretary

Attest: Lawrence D. Wilcox
President