

BY - LAWS
OF
THE MANORS OF INVERRARY
XI ASSOCIATION, INC.

Section 1. Identity. These are the By-Laws of THE MANORS OF INVERRARY XI ASSOCIATION, INC., a corporation Not-For-Profit, organized pursuant to Chapter 617, Florida Statutes, (hereinafter referred to as the "Association"). The Association has been organized for the purpose of managing, operating, and administering a residential condominium apartment building on a parcel of real property situated in a portion of Section 23, Township 48 South, Range 41 East, Broward County, Florida and more particularly described in the Declaration of Condominium (the "Declaration") to which a true copy of these By-Laws will be attached and which will be recorded amongst the Public Records of Broward County, Florida, when Condominium XI of The Manors of Inverrary is declared.

1.1 The office of the Association shall be for the present at 3940 Inverrary Drive, Lauderdale, Florida and thereafter may be located at any place in Broward County, Florida, designated by the Board of Directors.

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

1.3 The seal of the corporation shall bear the name of the corporation; the word "Florida"; the words "Corporation Not-for-Profit."

1.4 The provisions of these By-Laws shall be interpreted in accordance with the definitions and provisions of Chapter 711, Florida Statutes, the Condominium Act (the "Act"), the Declaration to which these By-Laws are attached, and the Articles of Incorporation of the Association (the "Articles").

1.5 The term "Developer" means Arreco-Florida, Inc., a Maryland Corporation, authorized to do business in Florida its successors and assigns.

Section 2. Membership; Members' Meetings; Voting and
Proxies

2.1 The qualification of members, the manner of their admission to membership and the termination of such membership shall be as set forth in Article IV of the Articles.

2.2 The annual members meeting shall be held at the office of the Association at 2:30 o'clock P.M. Eastern Standard Time, on the second Wednesday in the month of March of each year commencing with the year 1976, for the purpose of hearing reports of the officers, electing members of the Board of Directors (subject to the provisions of Article IX of the Articles) and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, then the meeting shall be held at the same hour on the next succeeding Wednesday.

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2.3 Special Meetings of the Membership (as that term is used in the Articles) shall be held at any place within the State of Florida whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from one-third (1/3) of the Membership.

2.4 Notice of all members' meetings stating the time and place within the State of Florida and the object for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing as herein set forth. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed or delivered by hand not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Proof of such mailing and/or service shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived by any member before, during or after meetings, by the signing of a document setting forth the waiver by such member or by the person entitled to vote pursuant to the certificate described in Article VIII & of the Declaration.

2.5 A secret written ballot shall be used upon demand by any member during the course of any vote upon any question during any members meeting.

2.6 A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum. When a quorum is present at any meeting, the holders of a majority of the voting rights present in person or represented by written proxy shall be required to decide any question brought before the meeting, unless the question is one upon which by expressed provision of the statutes, the Declaration, the Articles or of these By-Laws a different vote is required, in which case such express provision shall govern and control the required vote on the decision of such question.

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

2.8 The order of business at the annual members' meetings and, as far as practicable, at all other members' meetings shall be: (a) call of the roll and certifying of proxies; (b) proof of notice of meeting or waiver of notice; (c) reading and disposal of any unapproved minutes; (d) reports of manager and officers; (e) reports of committees; (f) election of Directors in the manner provided for by these By-Laws; (g) unfinished business; (h) new business; (i) adjournment.

2.9 Voting and Proxies. Voting rights shall be as stated in the Declaration. Such votes may be cast in person or by proxy. Proxies shall be in writing and shall

be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

Section 3. Board of Directors.

3.1 Except for the First Board as provided in the Articles, the Board of Directors shall consist of not less than Five (5) persons as shall be determined from time to time by the members of the Board of Directors in accordance with the Articles.

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

(a) In accordance with the provisions of the Articles;

(b) Election of Directors shall be by a plurality of the votes cast at the annual meeting.

(c) Vacancies in the Board of Directors shall be filled until the next annual meeting by the remaining members of the Board.

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

3.4 A Director elected or appointed as provided in the Articles may be removed from office upon the affirmative vote of two-thirds (2/3) of the Membership for any reason deemed by the Membership to be detrimental to the best interests of the Association provided, however, before any Director is removed from office, he shall be notified in writing that a motion to remove him will be made prior to the meeting at which said motion is made, and such Director shall be given an opportunity to be heard at such meeting, should he be present, prior to the vote on his removal. A Director elected or appointed by the Developer may be removed by the Developer and his successor named by the Developer.

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

3.6 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 Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived.

3.7 Special meetings of the Directors may be called by the President or the Vice President and must be called by the Secretary at the written request of one-third (1/3) of the votes of the Board of Directors. Not less than

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three (3) days' notice of the meeting shall be given personally or by mail, or telegraph, which notice shall state the time, place and purpose of the meeting.

3.8 Any Director may waive notice of the meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.9 A quorum at the Directors meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the Board present at a meeting at which a quorum is present shall constitute the acts of the Board, except as specifically otherwise provided in the Declaration. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 The presiding officer at Directors' meetings shall be the President. In the absence of the presiding officer, the Directors present shall designate any one of their number to preside.

3.11 Directors' fees, if any, shall be determined by the members.

3.12 The Board of Directors shall have the power to appoint an Executive Committee of the Board consisting of not less than three (3) members of the Board of Directors. The Executive Committee shall have and exercise such powers of the Board of Directors during the period of time between regular meetings of the Board of Directors and such other powers of the Board of Directors as may be delegated to the Executive Committee of the Board.

Section 4. Powers and Duties of the Board of Directors. All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the Act, the Articles and the documents establishing the condominium. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration, and shall include but not be limited to the following:

4.1 Make and collect assessments against members to defray the costs of the condominium;

4.2 Use the proceeds of assessments in the exercise of its powers and duties;

4.3 Maintain, repair, replace and operate the Condominium Property;

4.4 Reconstruct improvements after casualty and the further improvement of the Condominium Property;

4.5 Make and amend regulations with respect to the use of the Condominium Property;

4.6 Approve or disapprove proposed purchasers, lessors, mortgagors of Apartments and those acquiring Apartments by gift, devise, or inheritance, or other transfers in accordance with the provisions set forth in the Declaration;

4.7 To enforce by legal means the provisions of the condominium documents including the Declaration, the Articles, these By-Laws, the Rules and Regulations, the Agreement regarding Sub-Lease of the Land Use and Lease Agreement and the applicable provisions of the Act;

4.8 Enter into Management Agreements and contract for the maintenance and care of the Condominium Property and to delegate to such contractor all powers and duties of the Association except as are specifically required by the condominium documents to have approval by the Board or the membership of the Association;

4.9 Pay taxes and assessments which are liens against any property of the condominiums other than the individual Apartments and the appurtenances thereto, and to assess the same against the Apartments subject to such liens;

4.10 Purchase and carry insurance for the protection of Apartment Owners and the Association against casualty and liability;

4.11 Pay the cost of all power, water, sewer and other utilities services rendered to the condominiums and not billed to owners of individual Apartments;

4.12 Retain and hire such other employees who are necessary to administer and carry out the services required for the proper administration of the purposes of this Association and to pay all salaries therefor.

Section 5. Officers.

5.1 Executive officers of the Association shall be a President, who shall be a Director, the several Vice Presidents, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

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

5.3 The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He shall also generally assist

the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors in the event there shall be more than one Vice President elected by the Board, then they shall be designated "First", "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.

5.4 The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of an association as may be required by the Directors or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.

5.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of Treasurer. The Assistant Treasurer if any shall assist the Treasurer.

5.6 The compensation, if any, of all officers and employees of the Association shall be fixed by the Board of Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association or preclude the contracting with a Director for the management of the condominium.

Section 6. Fiscal Management. The provisions for assessments and related matters set forth in the Declaration and the Articles, shall be supplemented by the following provisions:

6.1 Assessment Roll. An assessment roll shall be maintained and a set of accounting books in which there shall be an account for each Apartment. Such an account shall designate the name and address of the owner or owners of each Apartment, the amount of each assessment against the owner, the dates and the amounts on which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

6.2 Budget

(a) The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the costs of performing the functions of the Association, including but not limited to the following items:

(1) Common Expenses of the Condominium:

- (a) Wages - Operating
- (b) Wages - Administrative
- (c) Supplies
- (d) Cleaning Services
- (e) Contract Services
- (f) Contract Repaired/Maintenance
- (g) Utilities
- (h) Insurance

- (j) Office Supplies
- (k) Postage
- (l) Audit
- (m) Legal
- (n) Management Fees
- (o) Assessments due to the Inverrary Association, Inc., payable as provided in the Declaration of Protective Covenants and Restrictions referred to in Article XIVII of each Declaration of Condominium
- (p) Assessments due to The Manors Club, Inc., payable as provided in the Land Use and Lease Agreement referred to in Article XXVI of each Declaration of Condominium.
- (2) Proposed assessments against each member
- (3) Proposed Special Assessments Against Each Member, if any are Anticipated
- (4) Rent to be paid under the Sub-Lease and the Land Use and Lease Agreement by each Apartment Owner.

(b) Copies of the proposed budget and proposed assessments shall be transmitted to each member on or before January of the year for which the budget is made. If the budget subsequently is amended then a copy of the amended budget shall be furnished to each member concerned.

(c) In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Association in any calendar year (including the regular assessments and interim assessments, as that term is defined in the Declaration) may be used by the Association to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a prorata basis any expenses which are prepaid in any one calendar year for Common Expenses which cover more than a calendar year, for example, insurance, taxes, etc.; (iv) Common Expenses incurred in a calendar year shall be charged against income for the same calendar year, regardless of when the bill for such Common Expenses is received. Notwithstanding the foregoing, regular and/or interim assessments shall be of sufficient magnitude to insure an adequacy of cash availability to meet all budgeted expenses in any calendar year, as such expenses are incurred in accordance with the cash basis method of accounting. The cash basis method of accounting shall conform to generally accepted accounting standards and principles applicable thereto.

6.3 The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Directors.

6.4 An audit of the accounts of the Association shall be made annually by an auditor, accountant, or Certified Public Accountant and a copy of the report shall be furnished to each member not later than February 1st of the year following the year for which the report is made.

Section 7. Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of meetings of this Association when not in conflict with the Articles, these By-Laws, the Declaration or the Act.

Section 8. Amendments.

8.1 These By-Laws may be amended in the same manner as the Declaration may be amended and in accordance with the provisions of the Act.

8.2 A resolution adopting a proposed amendment must receive approval of a majority of the votes of the entire membership of the Board of Directors.

8.3 An amendment may be proposed by either the Board of Directors or by the membership of the Association, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth;

8.4 No modification or amendment to these By-Laws shall be adopted which would affect or impair the validity or priority of any approved mortgage; or the rights of the Developer; or the provisions of Section 6 of these By-Laws.

8.5 The Articles may be amended as provided in the Articles.

THE FOREGOING ARE THE BY-LAWS OF THE MANORS OF INVERRARY XI ASSOCIATION INC., AND SHALL BE THE BY-LAWS OF CONDOMINIUM XI OF THE MANORS OF INVERRARY. A TRUE COPY OF THESE BY-LAWS IS ATTACHED TO THE DECLARATION OF CONDOMINIUM XI OF THE MANORS OF INVERRARY AND FOR THAT PURPOSE HAVE BEEN JOINED IN BY THE DEVELOPER REFERRED TO AS SUCH IN THE DECLARATION.

THE MANORS OF INVERRARY
XI ASSOCIATION, INC.

By: Henry D. Cooper V.P.

Attest: [Signature]
Developer: ATRECO-FLORIDA, INC.

(SEAL)

By: Henry D. Cooper V.P.

Attest: [Signature]

(SEAL)

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