

PROPOSED AMENDED AND RESTATED

BYLAWS

OF

ISLANDIA I CONDOMINIUM ASSOCIATION, INC.

(A Florida Corporation Not for Profit)

Section 1. Identification of Condominium Association.

These are the Bylaws of ISLANDIA I CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Condominium Association", as duly adopted by its Board of Directors. The Condominium Association is a corporation not for profit organized pursuant to and under Chapter 617 of the Florida Statutes for the purposes of being the "Association", as said term is defined in the Florida Condominium Act, Florida Statutes, Chapter 718, as the same may be from time to time amended (the "Condominium Act"), for Islandia I Condominium (the "Condominium"), which Condominium is situate in St. Lucie County, Florida, and which Condominium shall be created by the recordation of a certain "Declaration of Condominium of Islandia I Condominium" (the "Declaration of Condominium"), and as such Association to operate the Condominium and to exercise all of the rights and duties delegated to the Condominium Association by the Condominium Act and the Declaration of Condominium.

1.1 The office of the Condominium Association shall for the present be at 10660 A1A, Hutchinson Island, Jensen Beach, Florida, 33457, and the thereafter may be located at any place in St. Lucie County, Florida, designated by the Board of Directors.

1.2 The fiscal year of the Condominium Association shall be from January 1 through December 31, unless the Board of Directors shall determine otherwise.

1.3 The seal of the Condominium Association shall bear the name of the Condominium Association, the word "Florida", and the words "Corporation Not For Profit".

Section 2. Definitions.

2.1 When used in these Bylaws, the following terms (unless the context clearly requires otherwise) shall have the same meanings respectively ascribed to them in the Declaration of Condominium:

Approved Mortgage
Assessments
Common Expenses

Condominium Documents
Condominium Property
Developer
Turnover Date

2.2 "Articles" means the Articles of Incorporation of the Condominium Association.

2.3 "Board" means the Board of Directors of the Condominium Association.

2.4 "Director" means a member of the Board.

2.5 "Members" means each and every member of the Condominium Association, and the "Membership" means all of the Members.

2.6 "Address Register" means the register of addresses to be maintained by the Secretary of the Condominium Association pursuant to Article XXIII B of the Declaration of Condominium.

Section 3. Membership, Members' Meetings, Voting and Proxies.

3.1 The qualification of Members, the manner of their admission to membership in the Condominium Association and the manner of the termination of such membership shall be as set forth in Article IV of the Articles.

3.2 The Members shall meet annually at the office of the Condominium Association or at such other place in St. Lucie County, Florida, as determined by the Board and as designated in the notice of such meeting at 7:30 o'clock P.M. Eastern Standard Time within the month of January of each year (the "Annual Members Meeting"); 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 which is not a legal holiday. The purpose of the Annual Members Meeting shall be to hear reports of the officers, elect members or the Board (subject to the provisions of Article VIII of the Articles), and to transact any other business authorized to be transacted by the Members.

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after which the Turnover Date occurs

3.3 Special meetings of the Members shall be held at any place within St. Lucie County, Florida, whenever called by the President, or in his absence, the Vice President, or a majority of the Board. A special meeting must be called by the President or Vice President of the Condominium Association upon receipt of a written request from one-third (1/3) of the Membership.

3.4 A written notice of all meetings of Members (whether the Annual Members Meeting or a special meeting of the Members) shall be mailed to each Member entitled to vote at his address as it appears in the Address Register not less than fourteen (14) days nor more than thirty (30) days prior to the date of such meeting. Notice may also

be sent by electronic transmission, if approved in writing by a Member. Proof of such mailing shall be given by the retention of the post office certificate of mailing. The notice shall state the time and place of such meeting and the object for which the meeting is called and shall be signed by an officer of the Condominium Association. Notice of any meeting where Assessments against Members are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of any such Assessments. Notice of all meetings of the Members shall be posted in a conspicuous place on the Condominium Property at least fourteen (14) days prior to any such meeting. Any provision herein to the contrary notwithstanding, notice of any meeting may be waived by any Member before, during or after such meeting, which waiver shall be in writing.

3.5 The membership may, at the discretion of the Board, act by written agreement in lieu of a meeting provided that written notice of the matter or matters to be determined by such Members is given to the Membership at the addresses and within the time periods set forth in Section 3.4 hereof or is duly waived in accordance with such Section. Any determination as to the matter or matters to be determined pursuant to such notice by the number of persons that would be able to determine the subject matter at a meeting shall be binding on the Membership. Any such notice shall set forth a time period during which time a response may be made thereto.

3.6 A quorum of the Membership shall consist of persons entitled to cast a majority of the votes of the entire Membership. A Member may join in the action of a meeting by signing and concurring in the minutes thereof, and such a signing shall constitute the presence of such parties for the purpose of determining a quorum. When a quorum is present at any meeting and a question is presented, the holders of a majority of the voting rights present in person or represented by written proxy shall be required to decide the question. However, if such question is one which by express provisions of the Condominium Act or the Condominium Documents requires a vote other than such majority vote, then such express provision shall govern and control the required vote on the decision of such question.

3.7 If any meeting of the Membership 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. In the case of the adjournment of a meeting, notice to the Members of such adjournment shall, subject to the Condominium Act, be in the manner determined by the Board.

3.8 Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by the Members, their authorized representatives, and Directors at all reasonable times. The Association shall retain these minutes for a period not less than seven (7) years.

3.9 Voting rights of Members shall be as stated in the Declaration of Condominium and the Articles. Such votes may be cast in person or by proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is

substituted by a Member to vote for him and in his place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournments thereof if so stated. A proxy must be filed with the Secretary of the Condominium Association before the appointed time of the meeting in order to be effective. Except as otherwise specifically authorized by Section 718.112(2)(b)(2) the Act, all proxies shall be limited proxies in substantially the form authorized by the Division of Florida Land Sales, Condominiums, and Mobile Homes. Any proxy may be revoked at any time at the pleasure of the Member executing the proxy. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which such proxy was given.

3.10 At any time prior to a vote upon any matter at a meeting of the Membership, any Member may raise the question of the use of a secret written ballot for the voting on any matter. ~~In the event of the use of such secret written ballot, the chairman of the meeting shall call for nominations and the election of inspectors of election to collect and tally such written ballots upon the completion of the balloting upon such matter.~~

Deleted: Any vote to amend the Declaration of Condominium relating to a change in percentage of ownership in the Common Elements or sharing of the Common Expense shall be conducted by secret ballot.

Section 4. Board of Directors; Directors' Meetings.

4.1 The form of administration of the Condominium Association shall be by a Board of Directors. The Board shall consist of three (3) to five (5) members.

4.2 The election of Directors shall be conducted in accordance with the requirements of Florida law.

4.3 Vacancies in the Board shall be filled by persons elected by the remaining Directors. Any such person shall be a Director and have all of the rights, privileges, duties and obligations of a Director elected at an Annual members meeting and shall serve for the term prescribed in Section 4.4 of these Bylaws.

4.4 The term of each Director's service shall be a period of two (2) years. It is the intent of the Association that the Directors' terms shall be staggered.

Deleted: For the purpose of accomplishing the staggered terms, at the first Annual meeting subsequent to the date of this Amendment, three (3) Directors shall be elected for two (2) year terms and two (2) Directors shall be elected for one (1) year. Subsequent to that Annual meeting, all Directors shall be elected for two (2) year terms as provided above.

4.5 The organizational meeting of a newly elected Board shall be held within ten (10) days of its election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

* - Pursuant to Florida Statute 718.

4.6 Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of Directors. Special meetings of the Board may be called at the discretion of the President, or in his absence, the Vice President. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.7 Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, 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. ~~Except in an emergency, notice of a Board meeting shall specifically include an agenda and shall be posted conspicuously on the Condominium Property forty-eight (48) hours in advance for the attention of Members. Meetings at which a regular, monthly or quarterly assessment is to be considered shall contain a statement that assessments will be considered and the nature of the assessment, except for emergency special assessments. Any meeting at which assessments or changes to rules pertaining to unit use or the budget will be considered, requires notice be mailed or delivered to unit owners and posted conspicuously on the Condominium Property at least fourteen (14) days prior to the date of the meeting.~~ Any Director may waive notice of a meeting before, during or after such meeting, and such waiver shall be deemed equivalent to the receipt of notice by such Director.

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4.8 A quorum of the Board of Directors shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically otherwise provided in the Declaration of Condominium, Articles or elsewhere herein. If at any meetings of the Board 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. In the case of the adjournment of a meeting, notice to the Directors of such adjournment shall, subject to the Condominium Act, be as determined by the Board.

4.9 The presiding officer at Board meetings shall be the President.

4.10 Directors shall not receive any compensation by virtue of their service as Directors.

4.11 Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times.

4.12 The Board shall have the power to appoint Executive Committees of the Board consisting of not less than three (3) Directors. An Executive Committee shall have and exercise such powers of the Board as may be delegated to such Executive Committee by the Board.

Deleted: Meetings of the Board shall be open to all Members. Unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting, the Members shall not be entitled to participate in any meeting of the Board, but shall only be entitled to act as an observer. In the event that a Member not serving as a Director or not otherwise invited by the Directors to participate in a meeting attempts to become more than a mere observer at such meeting or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any Director shall have the right to exclude from any meeting of the Board, any person who is not able to provide sufficient proof that he is a Member, unless said person was specifically invited by the Directors to participate in such meeting.

* - Pursuant to Florida Statute 718.

4.13 ~~Owner Participation in Board Meetings. Meetings of the Board of Directors at which a majority of the members of the Board are present shall be open to all Unit Owners. The right to attend meetings includes the right to speak with reference to all designated agenda items. The Board may, however, adopt reasonable rules governing the frequency, duration and manner of Unit Owner statements. Unless otherwise provided by the Board, each Unit Owner is entitled to speak for three (3)~~

minutes with reference to designated agenda items. Board meetings subject to the attorney-client privilege shall not be subject to Unit Owner observation.

Section 5. Powers and Duties of the Board of Directors.

5.1 All of the powers and duties of the Condominium Association, including those existing under the Condominium Act and the Condominium Documents, shall be exercised by the Board of Directors unless otherwise specifically delegated therein to the Members. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Condominium Act and the Condominium Documents.

5.2 The Board of Directors shall have the power to fix and determine, from time to time, the sum or sums necessary and adequate to provide for the Common Expenses. Assessments sufficient to provide for the Common Expenses shall be mailed or delivered to each Member at his address as it appears in the Address Register in such frequency as determined by the Board of Directors, but in no event shall Assessments be sent less frequently than on a quarterly basis. The Board of Directors shall collect overdue Assessments in the manner provided in the Declaration of Condominium.

Section 6. Officers of the Condominium Association.

6.1 The officers of the Condominium Association shall be a President, who shall be a Director, a Vice President, a Treasurer, a Secretary, and such other officers as may be authorized by the Board, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by a vote of the Directors at any meeting of the Board.

* - Pursuant to Florida Statute 718

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

6.3 In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

6.4 The Secretary shall keep the minutes of all meetings of the Board and the Membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the Condominium Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board to do so. He shall keep the records of the Condominium Association, except those of the

Treasurer, and shall perform all of the duties incident to the office of Secretary of the Condominium Association as may be required by the Board or the President.

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

6.6 Officers of the Condominium Association shall not receive any compensation by virtue of their service as officers.

6.7 All officers and directors of the Condominium Association who control or disburse funds of the Condominium Association shall be bonded. The cost of bonding shall be borne by the Condominium Association.

Section 7. Accounting Records; Fiscal Management.

7.1 The Condominium Association shall maintain accounting records in accordance with good accounting practices which shall be open to inspection by Members or their authorized representatives at reasonable times. Financial reports shall be prepared in accordance with Section 718.111(13) of the Act and in accordance with generally accepted accounting principles. Such authorization as a representative of a Member must be in writing and be signed by the Member giving such authorization and dated within sixty (60) days of the date of any such inspection. Written summaries of the accounting records shall include (i) a record of all receipts and expenditures; and (ii) an account for each Member which shall designate the name of the Member, the amount of each Assessment charged to the Member, the amounts and due dates for ~~each Assessment and amounts~~ paid upon such account and the balance due.

7.2 Except as otherwise permitted by Section 718.112(2)(f)(2) of the Act, the budget shall include reserve accounts for capital expenditures and deferred maintenance, which shall include, but need not be limited to, accounts for (i) any item for which deferred maintenance expense or replacement cost exceeds \$10,000.00, and (ii) roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost. The amount to be reserved shall be computed by means of a formula based upon the estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Board may adjust the amount to be contributed to reserves annually to take into account any changes in estimates or extension of the useful life of a reserve item as a result of replacement or deferred maintenance. So long as the Board exercises business judgment in determining the amount or necessity of the reserve fund, the amount shall be considered adequate.

(a) The Board of Directors shall adopt a budget of the Common Expenses of the Condominium Association for each forthcoming fiscal year (the

“Budget”) at a special meeting of the Board of Directors (“Budget Meeting”) called for that purpose to be held any time in December of each year commencing the year after which the Turnover Date occurs. Prior to the Budget Meeting a proposed Budget shall be prepared by or on behalf of the Board, which Budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, the following items of expense:

- (i) Salary and other Administration expenses of the Condominium Association;
- (ii) Fees payable to the Division of Florida Land Sales and Condominiums, and for management and other professional services;
- (iii) Expenses for refuse collection, lawn care, utilities, building maintenance and repair, and other expenses for maintenance;
- (iv) Rent and other use costs of recreational and other commonly used facilities;
- (v) Taxes upon the Common Elements, leased areas, property owned by the Condominium Association, and other commonly used property;
- (vi) Insurance costs;
- (vii) ~~Costs of security;~~
- (viii) Operating Capital, materials and supplies;
- (ix) Reserves for capital expenditures, deferred maintenance, and general reserves;
- (x) Other expenses.

* - Pursuant to Florida Statute 718.118, security;

Reserve accounts shall include but not be limited to roof replacement, building painting, pavement resurfacing, and such other reserves for the maintenance, repair and replacement of those portions of the Common Elements that must be replaced on a periodic basis. The amounts so reserved shall be computed by means of a formula based upon estimated life and estimated replacement cost of each reserve item. Such a reserve account in a particular Budget may, upon a majority vote of the Members present at a duly called meeting of the Condominium Association, be an amount less than as otherwise herein provided.

Copies of the proposed Budget and notice of the exact time and place of the Budget Meeting shall be mailed to each Member at the Member's address as it appears in the Address Register not less than ~~fourteen (14)~~ days prior to said Budget Meeting and the Budget Meeting shall be open to the Membership.

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(b) Subject to the requirements of Article XV B of the Declaration of Condominium, the Board may also include in any such proposed Budget a sum of money as an Assessment for the making of improvements, additions or alterations to the Condominium Property either annually or from time to time as the Board of Directors shall determine the same to be necessary.

(c) The depository of the Condominium Association shall be such bank or banks as shall be designated from time to time by the Board. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

(d) An audit (or review, if otherwise acceptable under Florida law) of the accounts of the Condominium Association shall be made annually by an auditor, accountant, or Certified Public Accountant designated by the Board and a copy of a report of such audit shall ~~available~~ to each member not later than one hundred (100) days following the year for which the report is made.

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Deleted: The report shall be deemed to be furnished to the Member upon its delivery or mailing to the member at his last known address shown on the Address Register.

7.3 Within sixty (60) days following the end of the first calendar year after the Turnover Date occurs and each calendar year thereafter, the Board of Directors shall supply to all Members a complete financial report for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications including, if applicable, those accounts and expense classifications set forth in Section 7.2(a) hereof.

* Pursuant to Florida Statute 718

7.4 Until the provisions of Section 718.112(2)(f) of the Condominium Act are declared invalid by the Courts, or until amended by the Legislature, the following shall be applicable:

(a) Should the Budget adopted by the Board at the Budget Meeting require Assessments against the Membership of an amount less than one hundred fifteen percent (115%) of such Assessments for the prior year, the Budget shall be deemed approved by all Members. If, however, the Assessments required to meet the Budget exceed one hundred fifteen percent (115%) of such Assessments for the preceding year (an "Excess Assessment"), then the provisions of subsections 7.4(b), (c) and (d) hereof shall be applicable. There shall be excluded in the computation of the Excess Assessment the following expenses (the "Excluded Expenses"):

(i) Reasonable reserves in respect of repair or replacement of the Condominium Property;

(ii) Anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular or annual basis; and

(iii) Assessments for betterments to the Condominium Property.

(b) Should a Budget requiring an Excess Assessment be adopted by the Board after such time as the Members are entitled to elect a majority of the Board, then upon written application requesting a special meeting signed by ten percent (10%) or more of the Members and delivered to the Board within twenty (20) days after the Budget Meeting, the Board shall call a special meeting to be held upon not less than ten (10) days written notice to each Member, but within thirty (30) days of the delivery of such application to the Board. At said special meeting, the Members may consider and enact a revision of the Budget. The enactment of a revision of the Budget shall require approval of not less than two-thirds (2/3) of the Membership. If such a revised Budget is enacted at said special meeting, then the revised Budget shall be the final Budget, or if a revised Budget is not enacted at such special meeting, then the Budget originally adopted by the Board shall be the final Budget. If no written application is delivered, as provided herein, then the Budget originally adopted by the Board shall be the final Budget.

Deleted: (b) . When Developer is in control: Should a Budget requiring an Excess Assessment be adopted by the Board before such time as the Purchaser Members, as defined in the Articles, are entitled to elect a majority of the Board as provided in the Articles, then a special meeting of the Members shall be called by the Board which shall be held within twenty (20) days after the Budget Meeting. At said special meeting, the Excess Assessment shall be presented to the members. If, at said special meeting of the Members a majority of the Members shall approve the Excess Assessment, then the Budget adopted by the Board shall be the final Budget. If at said special meeting of the Members, a majority of the Members shall not approve the Excess Assessment, then the Board shall reduce such items of anticipated expenses in the Budget other than the Excluded Expenses in an amount necessary so that the Budget adopted by the Board of Directors will not require an Excess Assessment.

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(c) No Board of Directors shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses not included in the Budget or which shall exceed budgeted items, and no Board of Directors shall be required to engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than income from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a special Assessment to be levied by the Board as otherwise provided in the Declaration of Condominium.

Section 8. Minutes and Inspection of Records. Minutes of all meetings of Unit Owners and of the Board of Directors shall be kept in a business-like manner. These, plus records of all receipts and expenditures and all other official records, as defined in F.S. 718.111(12), as amended from time to time, shall be available for inspection by Unit Owners and Board members at all reasonable times. However, the Directors may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspections and any copying.

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Section 9. Rules and Regulations.

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The Board may adopt rules and regulations or amend or rescind existing rules and regulations for the operations of the Condominium Association and the use of Condominium Property at any meeting of the Board; provided, however, that such rules and regulations are not inconsistent with the Condominium Documents. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed to all

Members at their last known address as shown on the Address Register and shall not take effect until forty eight (48) hours after such mailing.

Section 10. Parliamentary Rules.

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The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of the Condominium Association; provided, however, if such Rules are in conflict with the Articles, these Bylaws, the Declaration of Condominium or the Condominium Act, then the Articles, these Bylaws, the Declaration of Condominium or Condominium Act, as the case may be, shall apply and govern.

Section 11. Amendment of the Bylaws.

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11.1 Subject to the provisions of Section 10.2 hereof, these Bylaws may be amended by the affirmative vote of not less than a majority of the Members present at a regular or special meeting of the Membership and the affirmative approval of a majority of the Board of Directors at a regular or special meeting of the Board of Directors. An amendment may be approved at the same meeting of the Board of Directors and/or Membership at which such amendment is proposed and may be proposed by either the Board of Directors or by the Membership.

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* - Pursuant to Florida Statute 718

11.2 Anything contained in Section 10.1 of these Bylaws to the contrary notwithstanding, these Bylaws may be amended by the affirmative approval of a majority of the Board of Directors at any time prior to the Turnover Date, as such term is defined in the Articles.

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11.3 No modification or amendment to the Bylaws shall be made by reference to its title or number only. Proposals to amend these Bylaws shall contain the full text of the Bylaw to be amended. Nonmaterial errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment to these Bylaws.

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11.4 No modification or amendment to these Bylaws shall be adopted which would affect or impair the priority or validity of any Approved Mortgage or which would, in the judgment of Developer, abridge, amend or alter the rights of Developer in any manner without the prior written consent of Developer.

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Section 12. Leases, Approvals and Fees.

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12.1 All leases (commonly known as Transfers) must have the approval of the Association. Prior to such approval, the prospective tenant must furnish all requisite information on an application form to be prescribed by the Association; but may also, in appropriate cases, be required to appear in person before a screening committee.

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12.2 All leases will be on a form approved by the Association.

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12.3 All Transfer Applications, as required in Section 11.1, shall be accompanied by a payment of a Transfer Fee. The amount of said Fee will be specified by the Association, but in no case will it exceed the amount permitted by Florida law. (Florida Statutes effective October 1, 1984 permit a maximum fee of \$50.00).

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12.4 Repeated violations of the Rules and Regulations of the Condominium Association may, at the determination of the Board, constitute grounds for the cancellation of the lease.

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Section 13. Compliance and Default.

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13.1 In any instance where any owner or resident at Islandia Condominium I should fail to comply with the restrictions of the Declaration of Condominium, the Articles of Incorporation, these Bylaws and all reasonable rules and regulations adopted by the Association, the Association shall be entitled to the following relief.

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13.2 The Association may bring an action in a court of equity to require performance and/or compliance, may impose fines under procedures that comply with Florida Statute 718 or may sue in a court of law for damages.

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13.3 Costs and Attorneys Fees. In any proceeding arising because of an alleged failure of a Unit Owner, his tenant or guest to comply with the requirements of Florida law, the Declaration, the Articles, these Bylaws or rules and regulations, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys fees (including appellate fees), incurred in such enforcement proceeding.

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13.4 Dispute Resolution. If unresolved, disputes between the Board and Unit Owners as defined in F.S. 718.1255(1), as amended from time to time, must be arbitrated in mandatory nonbinding arbitration proceedings as provided in the Condominium Act prior to commencing litigation, as long as the Condominium Act requires arbitration.

* - Pursuant to Florida Statute 718.