

EXHIBIT •B• TO DECLARATION
AMENDED AND RESTATED BY-LAWS
SUNSET, INC.

1. IDENTITY - These are the Amended and Restated By-Laws of Sunset, Inc., a nonprofit Florida Corporation formed for the purpose of administering Sunset, a Condominium which is located at Fort Myers Beach, Lee County, Florida. (The corporation shall hereafter be referred to as the "Association").

1.1 OFFICE - The office of the Association shall be at the Condominium at 6400 Estero Boulevard, Fort Myers Beach, Florida 33931-4440 or such other location within the County as may from time to time be determined by the Board of Directors.

1.2 FISCAL YEAR - The fiscal year of the Association shall be the calendar year, unless otherwise determined by the Board of Directors.

1.3 SEAL - The seal of the Association shall be circular in shape, bear the abbreviated name of the Association, the word "Florida," and the year of establishment, 1977.

2 MEMBERS' MEETINGS

2.1 ANNUAL MEETINGS - Annual members' meetings shall be held at the Condominium or at such other convenient location as may be determined by the Board of Directors, on the third Wednesday in February each year, (unless that day is a federal legal holiday, in which case it shall be held on the next day which is not a federal legal holiday).

2.2 SPECIAL MEETINGS - Special member's meetings shall be held whenever called by the President, Vice President or by a majority of the Board of Directors and when requested by written petition signed and dated from at least 25% of the

Association voting interests. Such petition shall state the purpose(s) of the meeting. The business at any special meeting shall be limited to the items specified in the petition, and contained in the notice of the meeting. In the event that the Board of Directors adopts a budget requiring assessments exceeding 115% of the assessments for the preceding year, the Board upon written application of 10% of the voting interests shall call a special meeting of the unit owners to consider and enact an alternate budget. Members meetings to recall a member or members of the Board of Directors may be called by 10% of the Association voting interests.

2.3 NOTICE OF MEMBERS' MEETINGS - Notice of members meetings including a recall meeting and the annual meeting, which must include an identification of agenda items, shall be delivered or mailed to each unit owner by United States mail, unless waived in writing, at least 14 days prior to the meeting, provided however, that any election at which one or more Directors are to be elected must be noticed as provided for in Section 2.4 next following. An officer of the Association shall execute an affidavit of mailing or delivery per F. S. 718.112(2)(d)(2) or provide a United States Postal Certificate of Mailing which shall be retained in the official records of the Association as proof of such mailing or delivery. Written notice of the meeting shall also be posted in a conspicuous place on the condominium property at least 14 continuous days prior to the annual meeting. The Board, upon notice to unit owners shall by duly adopted rule designate a specific location on the condominium property upon which all notices of unit owner meetings shall be posted.

2.4 BOARD ELECTION MEETINGS - NOTICE AND PROCEDURE - The regular or general election shall occur at the time and place at which the annual meeting is scheduled to occur, regardless of whether a quorum is present.

2.4.1 Not less than 60 days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing or included in

another Association mailing or delivery including regularly published news letters, to each unit owner entitled to vote, the first notice of the date of the election. It must contain the name and correct mailing address of the Association. Any unit owner or other eligible person desiring to be a candidate for the board of administration must give written notice to the Association not less than 40 days before a scheduled election. Not less than 30 days before the scheduled election the Association shall then mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a written ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet which must be furnished by the candidate not less than 35 days before the election, on one side of a sheet, no larger than 8 1/2 inches by 11 inches, with the costs of copying and mailing to be borne by the Association. The Association shall not edit, alter, or otherwise modify the content of the information sheet and shall have no liability for its contents. The Board shall hold a meeting within 5 days after the deadline for the candidates to provide their notices to the Association of intent to run. At this meeting, the Board shall accept additional nominations. Any unit owner or other eligible person may nominate himself or may nominate another unit owner or eligible person, if he has permission in writing to nominate the other person.

2.4.2 A voting machine may also be used by those attending the meeting in person, and a unit owner who needs assistance in voting due to blindness, disability or inability to read or write may obtain assistance from a member of the Board of Administration or other unit owner but

no owner shall permit another person to cast his ballot and any such ballots improperly cast shall be deemed invalid.

2.4.3 There is no quorum requirement; however at least 20 percent of the eligible voters must cast a valid ballot to have a valid election and elections shall be decided by a plurality of those votes cast.

2.4.4 An election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

2.5 NOTICE - OWNERS BUDGET MEETING - Notice of a special meeting called by the Board at the written request of 10% of the owners because of a budget exceeding 115% of that of the preceding year requires not less than 10 days' written notice to each unit owner.

2.6 NOTICES SPECIFIC - All notices of meetings shall state clearly and particularly the time, place, and purpose or purposes of the meeting and shall incorporate an identification of agenda items.

2.7 QUORUM - A quorum at members' meetings shall consist of persons entitled to cast a majority of the voting interests of the entire membership. Decisions made by a majority of the voting interests represented at a meeting at which a quorum is present in person or by proxy shall be binding and sufficient for all purposes except such decisions as may by F.S. 718 or the documents require a larger percentage in which case the percentage required in F.S. 718 or the Documents shall govern.

2.8 OWNER PARTICIPATION - Unit owners shall have the right to participate in meetings of unit owners with reference to all designated agenda items. However, the Association may adopt reasonable rules governing the frequency, duration

and manner of unit owner participation. Such rules must be adopted in advance and in written form. Any unit owner may tape record or videotape a meeting of the unit owners subject and pursuant to Rules adopted from time to time by the Division of Florida Land Sales, Condominiums and Mobile Homes.

2.9 INDIVISIBLE VOTE - Each unit shall have one indivisible vote. If multiple owners of a unit cannot agree on a vote, the vote shall not be counted. Voting certificates are not authorized.

2.10 PROXIES - Votes may be cast in person or by proxy. Proxies shall be in writing, signed and dated and shall be valid only for the particular meeting designated therein or an adjournment thereof, but in no event for more than 90 days, and must be filed with the Secretary before or at the voter registration immediately preceding the meeting. A photographic, photo static or equivalent reproduction of a proxy is a sufficient proxy pursuant to F.S. 607.0722. Except as specifically otherwise provided in this paragraph, or by the Condominium Act from time to time, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes. Both limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves; for votes taken to waive financial statement requirements; for votes taken to amend the Declaration; for votes taken to amend the Articles of Incorporation or By-laws; and for any other matter which F.S. 718 requires or permits a vote of the unit owners. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given.

2.11 NO QUORUM - If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.12 ORDER OF BUSINESS - The order of business at annual members' meetings and, as far as applicable at all other members' meetings, maybe:

- (a) Election of a Chairman of the meeting, unless the President or Vice President of the Association is present in which event he (or she) shall preside.
- (b) Collection of ballots.
- (c) Checking of signatures and unit identifications on ballot outer envelopes against the eligible voter lists.
- (d) Registering proxies and counting votes.
- (e) Proof of Notice of meeting or waiver of notice.
- (f) Calling of the roll.
- (g) Reading and disposal of any unapproved minutes.
- (h) Reports of Directors.
- (i) Reports of Committees.
- (j) Announcement of the results of the election of Directors.
- (k) Unfinished business.
- (l) New business.
- (m) Adjournment.

3 BOARD OF DIRECTORS

3.1 NUMBER, TERM, AND QUALIFICATIONS. The affairs of the Corporation shall be governed by a Board composed of five (5) persons. All Directors shall be members or spouses of members. All officers of a corporation, trust, partnership or other such owner shall be deemed to be members so as to be eligible for Board membership. Directors shall be elected by the Voting Interests as to regular or general elections at the time and place at which the annual meeting is scheduled to occur regardless of whether a quorum is present. Each year two (2) members of the Board shall be elected for two (2) years and one (1) member elected for one (1) year to continue staggered terms providing continuity. Those persons receiving the highest number of votes for a position shall be elected. In the event of a tie, for a designated position on the Board the tie shall be resolved by agreement of the candidates, if possible;

otherwise a runoff election must be held in accordance with Rule 70-23.0021 of the Florida Administrative Code.

- 3.2 TERM OF SERVICE** - The term of each Director's service shall extend until their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled in the manner provided in the Condominium Act by a majority of the voting interests. A Board member appointed by the Board to replace a recalled Board member shall fill the vacancy until the next regularly scheduled election for any position, and the seat held by a Director who ceases to be an owner shall thereby automatically become vacant.
- 3.3 FILLING BOARD VACANCIES** - Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by appointment by a majority vote of the remaining Directors; provided, however, that if a majority or more of the Board members are removed by recall the vacancies shall be filled in accordance with Rule 70-23.0027 (if at a meeting) or with Rule 70-23.0028 (if by written agreement), Florida Administrative Code; provided further that a Director who has been recalled by the membership may not be appointed to fill the vacancy created by his removal. A Director elected or appointed to fill a vacancy (except a vacancy caused by recall) shall be elected or appointed for the unexpired term of his predecessor in office.
- 3.4 ORGANIZATIONAL MEETING** - The organizational meeting of each newly elected Board of Directors to elect officers shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present. Unless otherwise noticed, it shall be held immediately following the annual meeting. Election of officers may be by secret ballot.
- 3.5 REGULAR MEETINGS** - Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings, unless noticed previously, shall be given to each Director personally or by mail, telephone, or, telecopier at least three days prior to the day named for such

meeting.

- 3.6 SPECIAL MEETINGS** - Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than three day's notice of the meeting (except in an emergency) shall be given personally or by mail, telephone or telecopier, which notice shall state the time, place and purpose of the meeting.
- 3.7 WAIVER OF NOTICE** - Any Director may waive notice of a meeting before, at or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.
- 3.8 NOTICE TO OWNERS** - Notices of Directors meetings, and meetings of committees to make recommendations regarding the Association budget or which have the authority to take action on behalf of the Board shall be posted conspicuously on the condominium property at least 48 continuous hours in advance for the attention of unit owners, except in an emergency. Notices shall specifically incorporate an identification of agenda items. Meetings at which a regular assessment is to be considered shall contain a statement that assessments will be considered and the nature of such assessments. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use will be proposed, discussed, or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the condominium property not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice shall be by an affidavit executed by the Secretary and filing among the official records of the Association. Upon prior notice to the unit owners, the Board shall by duly adopted rule designate a specific location on the condominium property upon which all notices of Board meetings shall be posted.
- 3.9 OWNER PARTICIPATION** - Meetings of the Board of Directors and

any committee thereof required to give notice pursuant to 3.8 above, at which a quorum of the members of that committee are present shall be open to all unit owners. The right to attend such meetings includes the right to speak with reference to all identified agenda items provided however, the Association may adopt reasonable rules governing the frequency, duration and manner of unit owner participation. Such rules must be adopted in advance and in written form. Unit owners shall have the right to tape record or videotape the meetings of the Board of Administration or committee subject and pursuant to Rules adopted from time to time by the Division of Florida Land Sales, Condominiums and Mobile Homes.

- 3.10 BOARD MEETINGS, QUORUM AND VOTING** - A quorum at Directors' Meetings shall consist of a majority of the Directors. The acts approved by a majority of Directors present at a meeting at which a quorum is present shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings, except as may be provided by the Condominium Act from time to time, and a vote or abstention for each member present shall be recorded in the minutes. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, which must be properly noticed, any business which might have been transacted at the meeting as originally called may be transacted. Absent Directors may later sign written joinders in Board actions, but such joinders may not be used for purposes of creating a quorum.
- 3.11 PRESIDING OFFICER** - The presiding officer at Directors' meetings shall be the President if such an officer has been elected; and if none, then the Vice President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.
- 3.12 DIRECTOR COMPENSATION** - Directors shall serve without pay unless the voting interests annually authorize Director's fees,

but shall be entitled to reimbursement for expenses reasonably incurred.

4 POWERS AND DUTIES OF THE BOARD OF DIRECTORS - All of the powers and duties of the Association existing under the Florida Corporation Statutes, the Condominium Act, the Declaration of Condominium, the Corporate Charter and these By-laws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees subject only to the approval by unit owners when such is specifically required. Such powers and duties of the Directors shall include, but shall not be limited to, the following:

- 4.1 TO ADOPT BUDGETS, BORROW MONEY AND MAKE AND COLLECT ASSESSMENTS AGAINST** owners to defray the costs of the Association.
- 4.2 TO USE THE PROCEEDS OF ASSESSMENTS** in the exercise of its powers and duties.
- 4.3 THE MAINTENANCE, REPAIR, REPLACEMENT AND OPERATION** of the Condominium property.
- 4.4 TO ENACT RULES AND REGULATIONS** concerning the use of the common elements and the units, subject to any limitations contained in the Condominium Act and the Declaration of Condominium.
- 4.5 THE RECONSTRUCTION OF COMMON ELEMENTS IMPROVEMENTS AFTER CASUALTY** and the further improvement of the property.
- 4.6 TO APPROVE OR DISAPPROVE PROPOSED ACTIONS** in the manner provided by the Condominium Declaration.
- 4.7 TO ENFORCE** by legal means the provisions of applicable laws and the condominium documents.
- 4.8 TO CONTRACT FOR MANAGEMENT** of the Condominium.
- 4.9 TO CARRY INSURANCE** for the protection of the unit owners and the Association.
- 4.10 TO PAY THE COST OF ALL UTILITY SERVICES** rendered to the Condominium and not billed to owners of individual units.

- 4.11 TO EMPLOY PERSONNEL** and designate other officers for reasonable compensation and grant them such duties as seem appropriate for proper administration of the purposes of the Association.
- 4.12 TO BRING AND DEFEND SUITS, MAKE AND EXECUTE CONTRACTS, DEEDS, MORTGAGES, LEASES** and other instruments by its officers and to purchase, own, lease, convey and encumber real and personal property To grant easements and licenses over the condominium property necessary or desirable for proper operation of the Condominium.
- 4.13 REQUIREMENTS - CONTRACTS FOR PRODUCTS AND SERVICES** - All contracts for the purchase, lease or renting of materials or equipment or for services, or which are not to be fully performed within one year, shall be in writing. As to any such contract which requires payment exceeding 5 percent of the total annual budget of the Association including reserves except for contracts with employees of the Association, and for attorneys, accountants, architects, engineering and landscape architects, the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency or unless the desired supplier is the only source of supply within the County serving the Association. The Association need not accept the lowest bid. This Paragraph shall be deemed to incorporate the provisions of the Condominium Act as it exists from time to time including the right of the Association to opt out of the requirements of this Paragraph.
- 4.14 TO LEVY FINES** - The Directors may, pursuant to F.S. 718.303, impose fines not to exceed \$100.00 per violation, for failure to comply with the provisions of the condominium documents, including the rules and regulations, by owners, occupants, licensees, tenants and invitees. A fine may be imposed for each day of continuing violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed \$1,000.00.

4.14.1 HEARING NOTICE - The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

1. A statement of the date, time and place of the hearing;
2. A statement of the provisions of the declaration, association charter, By-Laws, or rules and regulations which have allegedly been violated; and
3. A short and plain statement of the matters asserted by the Association.

4.14.2 RESPONDENT'S RIGHTS - The party against whom the fine or sanction may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the association.

4.14.3 HEARING COMMITTEE - The hearing must be held before a committee of other unit owners, none of whom are members of the Board of Directors. If the committee does not agree with the fine, the fine may not be levied.

4.15 COMMITTEES - The Directors may appoint committees except that committees for the purpose of nominating candidates for election to the Board of Directors are prohibited. The Board may, however, appoint a search committee to encourage qualified persons to become candidates for the Board. All committees and committee members shall serve at the pleasure of the Board.

4.16 FIRE SAFETY COMPLIANCE - The Directors may accept a Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the condominium units with the applicable Fire and Life Safety

Code.

4.17 HURRICANE SHUTTERS - The Board of Directors shall adopt hurricane shutter specifications for each building within each condominium operated by the Association which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board.

4.18 EMERGENCY POWERS - The following shall apply to the extent not viewed to be in conflict with the Condominium Act :

4.18.1 In anticipation of or during any emergency defined in Section 4.18.5.below, the Board of Directors of the Association may

- (a) Modify lines of succession to accommodate the incapacity of any director, officer, employee or agent of the Association; and
- (b) Relocate the principal office or designate alternative principal offices or authorize the officers to do so.

4.18.2 During any emergency defined in Section 4.18.5.below:

- (a) Notice of a meeting of the Board of Directors need be given only to those Directors whom it is practicable to reach and may be given in any practicable manner including by publication and radio;
- (b) One or more officers of the Association present at a meeting of the Board of Directors may be deemed to be Directors for the meeting, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum; and

(c) The Director or Directors in attendance at a meeting shall constitute a quorum.

4.18.3 Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association:

- (a) Binds of Association; and
- (b) May not be used to impose liability on a director, officer, employee, or agent of the Association.

4.18.4 An officer, director, or employee of the Association acting in accordance with any emergency By-laws is only liable for willful misconduct.

4.18.5 An emergency exists for purposes of this Section if a quorum of the Association 's Directors cannot readily be assembled because of some catastrophic event.

5 OFFICERS

5.1 EXECUTIVE OFFICERS - The executive officers of the Association shall be the President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistant officers as may be desired, all of whom shall be elected annually by and from the Board of Directors and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary.

5.2 PRESIDENT - POWERS AND DUTIES - The President shall be the chief executive officer of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

5.3 VICE PRESIDENT - POWERS AND DUTIES - The Vice President shall, in the absence or disability of the President, 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 Directors .

- 5.4 SECRETARY - POWERS AND DUTIES** - The Secretary shall keep the minutes of all proceedings of the Directors and the members; shall attend to the giving and serving of all notices to the members and Directors and other notices required by law; shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed; shall keep and have custody of the records of the Association, except those of the Treasurer; and shall perform all other duties incident to the office Secretary of the Association and as may be required by the Directors or the President.
- 5.5 TREASURER - POWERS AND DUTIES** - The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; shall keep the assessment rolls and accounts of the members; shall keep the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office of the Treasurer of a corporation.
- 5.6 EMPLOYEE COMPENSATION** - The compensation of all employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.
- 5.7 INDEMNIFICATION** - Every Director and every officer and committee member of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees through all trial and appellate levels, reasonably incurred by or imposed in connection with any proceeding, arbitration, or settlement to which such person may be a party, or in which they may become involved, by reason of being or having been a Director, officer, or committee member of the Association. Notwithstanding the foregoing, in the event of a voluntary settlement, the

indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement. Notwithstanding anything contained herein to the contrary, in instances where the Director, officer, or committee member admits or is adjudged guilty of willful malfeasance, misfeasance or nonfeasance in the performance of their duties, the indemnification provisions contained herein shall not apply. Otherwise, the foregoing right of indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which such Director, officer or committee member may be entitled by common law or statute.

5.8 DELEGATION - To the extent permitted by law, the powers and duties of the directors and officers may be delegated for the purpose of management.

6 MINUTES AND INSPECTION OF RECORDS - Minutes of all meetings of unit owners and of the Board of Directors shall be kept in a businesslike manner and shall be reduced to written form within thirty (30) days and these, plus records of all receipts and expenditures and all other official records, as defined in F.S. 718.111, except those which may be exempted by the Condominium Act and/or the Rules of the Division of Florida Land Sales, Condominiums and Mobile Homes from time to time, shall be available for inspection by unit owners and Board members within 5 working days after receipt of a written request by the Board or its designee. This provision shall be deemed to have been complied with by having a copy of the official records available for inspection or copying on the condominium or Association property. Provided, however, that the Directors may adopt, in advance and in written form, reasonable rules regarding the frequency, time, location, notice and manner of record inspections and copying.

7 FISCAL MANAGEMENT - Shall be in accordance with the following provisions

7.1 BUDGET - A proposed annual budget of common expenses shall be prepared by the Board of Directors which shall include all anticipated expenses for operation, maintenance and administration of the Condominium including insurance and

management fees, if any, and for all of the unpaid operating expenses previously incurred. It shall accrue reserves per F.S.718.112(2)(F)(2) which may later be waived by the owners. Reserve funds and any accrued interest on the funds shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests present at a duly called meeting of the Association. It will contain a reasonable allowance for contingencies and provide funds for all unpaid operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year.

- 7.2 MAILING** - A copy of the proposed annual budget shall be mailed or delivered to the unit owners not less than 14 days prior to the meeting of the directors at which the budget will be adopted together with a notice of the meeting.
- 7.3 ASSESSMENTS** - The shares of the unit owners of the common expenses may be made payable in installments of from one to three months in advance and shall become due on the first day of each such period and which shall become delinquent 10 days thereafter. The Association shall have the right to accelerate assessments of an owner delinquent in the payment of common expenses. Accelerated assessments shall be due and payable on the date a claim of lien is filed in the Public Records of Lee County, Florida and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.
- 7.4 SPECIAL ASSESSMENTS AND CHARGES** - Assessments and charges for expenses which are not provided for and funded in the Budget shall be made by the Board of Directors, and the time of payment shall likewise be determined by them.
- 7.5 ASSESSMENT ROLL** - The assessments for common expenses and charges shall be set forth upon a roll of the units which shall be available for inspection at all reasonable times by unit owners.

Such roll shall indicate for each unit the name and address of the owner, and the assessments and charges paid and unpaid. A certificate made by a duly authorized representative of or by the Board of Directors as to the status of a unit's account may be relied upon for all purpose by any person for whom made.

- 7.6 LIABILITY FOR ASSESSMENTS AND CHARGES** - A unit owner shall be liable for all assessments and charges coming due while the owner of a unit, and such owner and owner's grantees after a voluntary conveyance shall be jointly and severally liable for all unpaid assessments and charges due and payable up to the time of such voluntary conveyance. Liability may not be avoided by waiver of the use or enjoyment of any common elements or Association property or by abandonment of the unit for which the assessments are made. A first mortgagee who acquires title to a unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than 6 months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or 1 percent of the original mortgage debt, whichever amount is less. Such mortgagee may obtain title, own, occupy, lease, sell or otherwise dispose of such unit without the approval of the Association. This Section shall be deemed amended as necessary to remain in accordance with F. S. 718.116 as it exists from time to time.
- 7.7 LIENS FOR ASSESSMENTS** - The unpaid portion of an assessment including an accelerated assessment which is due, together with costs, interest and reasonable attorneys' fees for collection, shall be secured by a lien upon the unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association in accordance with the requirements of Florida Statute 718.116.
- 7.8 UNPAID CHARGES** - Unpaid charges which are due together with costs, interest and reasonable attorney's fees including appeals for collection shall be the basis for an action at law by the Association against the unit owner.

7.9 COLLECTION - INTEREST; ADMINISTRATIVE LATE FEE; APPLICATION OF PAYMENTS - Assessments paid on or before ten days after the date due shall not bear interest, but all sums not paid on or before ten days shall bear interest at the highest lawful rate from time to time (now 18% per annum) from the date due until paid. In addition to such interest the Association may charge an administrative late fee in an amount not to exceed the greater of \$25.00 or 5% of each installment of the assessment for which payment is late. All payments upon account shall be first applied to interest, then the late fee, then to any costs and reasonable attorney's fees and then to the assessment payment first due. All interest collected shall be credited to the common expense account

7.10 COLLECTION - SUIT - The Association, at its option, may enforce collection of delinquent assessments by suit at law, by foreclosure of the lien securing the assessments, or by any other remedy available under the laws of the State of Florida, and in any event the Association shall be entitled to recover the payments which are delinquent at the time of collection, judgment or decree, together with those which have become due by acceleration plus interest thereon and all costs incident to the collection and the proceedings, including reasonable attorneys' fees, including appeals. The Association must deliver or mail by certified mail to the unit owner a written notice of its intention to foreclose the assessment lien 30 days before commencing foreclosure, unless Notice of Contest of Lien has been filed. The lien created by F.S. 718.116(5) (a) shall secure only assessments, interest, costs and attorneys fees and not fines, charges or other fees.

7.11 ACCOUNTS - All sums collected from assessments or charges shall be credited to accounts from which shall be paid the expenses for which the respective assessments or charges are made.

7.12 ASSOCIATION DEPOSITORY - The depository of the Association shall be a bank or banks or state or federal savings and loan

associations or a member firm of the New York Stock Exchange with offices in Florida and as shall be designated from time to time by the Directors and in which the monies for the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

7.13 COMMINGLING OF FUNDS PROHIBITED - All funds shall be maintained separately in the Association's name provided that reserve and operating funds may be commingled for purposes of investment, but separate ledgers must be maintained for each account. No manager or business entity required to be licensed or registered under F.S.468.432, and no agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in F.S. 468.431.

7.14 FINANCIAL REPORTS - A complete financial report of actual receipts and expenditures of the Association shall be made annually which shall comply with F.S. 718.111 (13) or in lieu thereof (if required by Rule 70-23.004 Florida Administrative Code) a complete set of financial statements. A copy of the report or the financial statements shall be furnished to each member within 30 days after its completion and delivery to the Directors or at the annual meeting.

7.15 FIDELITY BONDING - The Association shall obtain and maintain blanket fidelity bonding for each person who is authorized to sign checks and the President, Secretary and Treasurer of the Association in an amount not less than \$10,000.00 for each person, but in no event less than the minimum required by the Condominium Act from time to time. The Association shall bear the cost of bonding.

8 PARLIAMENTARY RULES - A parliamentary procedure such as Robert's Rules of Order uniformly applied shall govern the conduct of corporate

proceedings when not in conflict with the Declaration, the Articles of Incorporation or By-Laws of the Association or with the laws of the State of Florida.

9 BY-LAW AMENDMENTS - Amendments to the By-Laws shall be adopted in the following manner:

- 9.1 **NOTICE** of the subject matter of a proposed amendment shall be included in the notice of any meeting or the text of any written agreement at which or by which a proposed amendment is considered.
- 9.2 **PROPOSAL OF AMENDMENTS** - An amendment may be proposed by either a majority of the Directors or by Twenty-five Percent (25%) of the voting interests.
- 9.3 **ADOPTION OF AMENDMENTS** - A resolution or written agreement adopting a proposed amendment must receive approval of a majority of the voting Interest of the Association.
- 9.4 **EFFECTIVE DATE** - An amendment when adopted shall become effective only after being recorded according to law.
- 9.5 **AUTOMATIC AMENDMENT** - These By-Laws shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium, the Association Articles of Incorporation, or the Condominium Act as amended from time to time.
- 9.6 **PROPOSED AMENDMENT FORMAT** - Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BY-LAW. SEE BY-LAW NUMBER ___ ___
___ FOR PRESENT TEXT."

10 MANDATORY ARBITRATION OF DISPUTES - If unresolved, disputes between the Board and unit owners as defined in F.S. 718.1255(1) must be arbitrated in mandatory non-binding arbitration proceedings as provided in the Condominium Act prior to commencing litigation.

The foregoing were adopted as the Amended and Restated By-Laws of **SUNSET**,

Inc. on this 20th day of January, 1993.