

BY-LAWS

OF

SEA RANCH CLUB CONDOMINIUM ASSOCIATION, INC.

Section 1. Identification of Association

These are the By-Laws of SEA RANCH CLUB CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association", as duly adopted by its Board of Directors. The Association is a corporation not for profit organized pursuant to and under Chapter 617 of the Florida Statutes for the purpose of managing, operating, and administering the Sea Ranch Club Condominiums, as hereinafter defined, and the condominium property thereof, which condominiums will be located on land described as Parcel A of Sea Ranch Beach and Racquet Club according to the Plat thereof recorded in Plat Book 82, Page 4 of the Public Records of Broward County, Florida.

1.1 The office of the Association shall be for the present at 900 N.E. 26th Avenue, Fort Lauderdale, Florida, and thereafter may be located at any place in Broward County, Florida, designated by the Board of Directors of the Association.

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

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

Section 2. Explanation of Terminology

Any terms contained in these By-Laws which are contained in the Act, as hereinafter defined, shall have the meaning thereof set forth in the Act, and the following terms shall have the following meanings:

2.1. "Sea Ranch Club" shall mean all of the Sea Ranch Club Condominiums, as hereinafter defined, created pursuant to the "Plan" set forth in the Articles of Incorporation of the Association.

2.2. "Sea Ranch Club Condominium" without a designated letter "A", "B" or "C" shall mean each condominium created by the submission to condominium ownership of portions of the land described as Parcel A of Sea Ranch Beach and Racquet Club according to the Plat thereof recorded in Plat Book 82, Page 4 of the Public Records of Broward County, Florida, (the "Total Land") and all of such condominiums shall be collectively referred to herein as the "Sea Ranch Club Condominiums".

2.3. "Developer" means Sea Ranch Properties, Inc., a Delaware corporation authorized to transact business in the State of Florida, its successors, and assigns.

2.4. "Condominium Documents" means each and every Declaration of Condominium (the "Declaration(s)") for each and every Sea Ranch Club Condominium; these By-Laws; the Articles; and, any instruments referred to therein.

2.5. "Act" means Chapter 711 of the Florida Statutes, known as the Condominium Act.

2.6. "Apartment" means "unit", as defined in the Act, and is the part of Condominium Property which is subject to private ownership.

2.7. "Apartment Owner" means the owner or owners of an Apartment.

2.8. "Members" means each and every member of this Association, and the "Membership" means all of the Members.

2.9. "Common Expenses" means the expenses for which the Apartment Owners are liable to the "Association", as hereinafter defined, including the "Association Area Expenses", as hereinafter defined, any of the expenses described as "Common Expenses" in the Condominium Documents, and "Common Expenses", as defined and described in the Act.

2.10. "Condominium Property" means the land and all improvements thereon and all easements and rights appurtenant thereto submitted to condominium ownership in connection with any Sea Ranch Club Condominium.

2.11. "Common Elements" means the portions of the Condominium Property, including all of the land thereof, not included in the Apartments.

2.12. "Limited Common Elements" means those Common Elements which are reserved for the use of a certain Apartment to the exclusion of other Apartments.

2.13. "Association Areas" means those portions of the Common Elements that are available for the use of all of the members of the Association, and the expenses of which are "Association Area Expenses".

2.14. "Building Areas" means the portions of the Common Elements not included in the Association Areas and the expenses of which are "Building Expenses".

2.15. "Association" means Sea Ranch Club Condominium Association, Inc., a Florida corporation not for profit, responsible for the operation of the Condominium.

2.16. "Articles" means the Articles of Incorporation of the Association.

2.17. "By-Laws" means these By-Laws of the Association.

2.18. "Board" means the Board of Directors of the Association.

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

3.1 The qualification of Members, the manner of their admission to membership in the 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 Association or such other place in Broward 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 on the second Wednesday in the month of March of each year (the "Annual Members Meeting") commencing with the year 1977; 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 of the Board (subject to the provisions of Article IX of the Articles), and to transact any other business authorized to be transacted by the Members.

3.3 Special meetings of the Members or of a Class of Members (as described in Article IV of the Articles), shall be held at any place within the County of Broward, State of Florida whenever called by the President, Vice President or a majority of the Board. A special meeting must be called by the President or Vice President of the Association upon receipt of a written request from one-third (1/3) of the entire Membership or, as to any Class of Members, upon receipt of a written request from one-third (1/3) of the members of such Class.

3.4 A written notice of all meetings of Members (whether the Annual Members Meeting or a special meeting of the Members or of a Class of Members) shall be mailed to each Member entitled to vote thereat at his last known address as it appears on the books of the Association not less than fourteen (14) days nor more than thirty (30) days prior to the date of such meeting. Proof of such mailing shall be given by the affidavit of the person who mailed such notice. 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 Association. Notice of all meetings of Members shall be posted at 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 and shall set forth a waiver of written notice of such meeting.

3.5 The Membership or the Members of a Class 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 or Class of Members, as the case may be, at the addresses and within the time periods set forth in Section 3.4 herein 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 or Class of Members, as the case may be, provided a quorum of the Membership or Class of Members responds in writing to such notice in the manner set forth in the notice. 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 quorum of a Class of Members shall consist of persons entitled to cast a majority of the votes of such Class of Members. 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 upon which by express provisions of the 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 or a Class 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. In the case of the adjournment of a meeting notice to the Members of such adjournment shall, subject to the Act, be in the manner determined by the Board.

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

3.9 Voting rights of Members shall be as stated in the Declaration and 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 before the appointed time of the meeting in order to be effective. Any proxy may be revoked prior to the time a vote is cast pursuant to such proxy. No

one person shall be permitted to hold more than five (5) proxies.

3.10 At any time prior to a vote upon any matter at a meeting of the Membership or of a Class of Members, 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.

Section 4. Board of Directors; Directors' Meetings

4.1 The form of administration of the Association shall be by a board of directors. The "First Board", as defined in Article IX of the Articles shall consist of three (3) Directors and at no time shall there be less than three (3) Directors on the Board.

4.2 The election and, if applicable, designation of Directors, shall be conducted in accordance with the Articles.

4.3 Subject to the Developer's rights set forth in Section 4.5(b) below, 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 as a Director elected at an Annual Members Meeting and shall serve for the term prescribed in Section 4.4 of these By-Laws.

4.4 The term of each Director's service shall extend until the next Annual Members Meeting and/or until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided herein.

4.5 (a) A Director elected by the "Purchaser Members", as provided in the Articles, may be removed from office upon the affirmative vote of two-thirds (2/3) of the Purchaser Members at a special meeting of the Purchaser Members for any reason deemed by the Purchaser Members to be in the best interests of the Association. 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 to be 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.

(b) A Director designated by the Developer, as provided in the Articles, may be removed only by the Developer in its sole and absolute discretion and without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy on the Board as to a Director designated by it, and the Developer shall notify the Board as to any such removal or vacancy and the name of the respective successor Director

and of the commencement date for the term of such successor Director.

4.6 The organizational meeting of a newly elected Board 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. No further notice of the organizational meeting shall be necessary.

4.7 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 the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.8 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 be posted conspicuously on the Condominium Property forty-eight (48) hours in advance for the attention of Members. 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.

4.9 A quorum of the Board 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, 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 Act, be as determined by the Board.

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

4.11 Directors' fees, if any, shall be determined by the majority of the Membership.

4.12 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.

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

4.14 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 Member 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, than any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such an 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.

Section 5. Powers and Duties of the Board of Directors

All of the powers and duties of the Association, including those existing under the Act and the Condominium Documents, shall be exercised by the Board 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 Act and the Condominium Documents and shall include but not be limited to the following:

5.1 Making and collecting assessments against Members to pay the costs of Common Expenses. These assessments shall be collected by the Association through payments made directly to it by the Members as set forth in the Declaration.

5.2 Using the proceeds of assessments in the exercise of the powers and duties of the Association and the Board.

5.3 Maintaining, repairing and operating the Condominium Property.

5.4 Reconstructing improvements after casualties and losses and making further authorized improvements of the Condominium Property.

5.5 Making and amending rules and regulations with respect to the use of the Condominium Property.

5.6 Approving or disapproving of proposed purchasers, lessees, or mortgagees of Apartments and those acquiring Apartments by gift, devise, or inheritance, and other transferees, in accordance with the provisions set forth in the Declaration.

5.7 Enforcing by legal means the provisions of the Condominium Documents and the applicable provisions of the Act.

5.8 Entering into and terminating management agreements and contracts for the maintenance and care of the Condominium Property, including the power to delegate to third parties pursuant to such contracts all powers and duties of the Association with respect to the care and

maintenance of such Property, except where approval of the Membership and/or a Class of Members is specifically required by the Condominium Documents.

5.9 Paying taxes and assessments which are or may become liens against any Condominium Property other than the individual Apartments and the appurtenances thereto and assessing the same against Apartments which are or may become subject to such liens.

5.10 Purchasing and carrying insurance for the protection of Apartment Owners and the Association against casualty and liability for Condominium Property.

5.11 Paying costs of all power, water, sewer and other utilities services rendered to the Sea Ranch Club Condominiums and not billed to owners of individual Apartments.

5.12 Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration of the purposes of this Association and paying all salaries therefor.

Section 6. Officers of the Association

6.1 The officers of the Association shall be a President, who shall be a Director, a Vice President, a Treasurer, a Secretary, and, if the Board so determines an Assistant Treasurer and an Assistant Secretary, 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. 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.

6.2 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 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 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. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First", "Second", etcetera, and shall exercise the powers and perform the duties of the Presidency in such order.

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 avail-

able for inspection by members and Directors at all reasonable times. He shall have custody of the seal of the 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 Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board 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.

6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences 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 a Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall assist the Treasurer.

6.6 The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association or preclude the contracting with a Director for the management of any or all of the Sea Ranch Club Condominiums.

Section 7. Accounting Records; Fiscal Management

7.1 The 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. 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 be supplied at least annually to the Members. Such records shall include (a) a record of all receipts and expenditures; (b) an account for each Apartment which shall designate the name and address of the Apartment Owner, the amount of each assessment charged to the Apartment, the amounts and due dates for each assessment, the amounts paid upon such account and the balance due; and (c) an account for each Sea Ranch Club Condominium indicating the Common Expenses allocated to such condominium under the "Budget" defined in the Declaration and the Common Expenses actually incurred by such condominium during the course of the fiscal year.

7.2 (a) The Board shall adopt a budget of the Common Expenses of the Association for each forthcoming fiscal year at a special meeting of the Board ("Budget Meeting") called for that purpose during the first two weeks of November of each year. Prior to the Budget Meeting a proposed budget shall be prepared by or on

behalf of the Board which Budget shall include, but not be limited to, the following items of expenses:

- (i) Payroll
- (ii) Administration
- (iii) Building maintenance
- (iv) Grounds maintenance
- (v) Security
- (vi) Parking
- (vii) Payroll taxes and related benefits
- (viii) Reserves
- (ix) Services
- (x) Insurance
- (xi) Utilities
- (xii) Professional fees
- (xiii) Materials and supplies

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 last known address as reflected on the books and records of the Association not less than thirty (30) days prior to said Budget Meeting, and the Budget Meeting shall be open to the Membership.

(b) The Board may also include in any such proposed budget a sum of money as an assessment for the making of betterments to the Condominium Property or for the establishment of reserves for repair or replacement of the Condominium Property either annually or from time to time as the Board shall determine the same to be necessary. This sum of money so fixed shall then be levied upon the Members by the Board as a special assessment and shall be considered an "Excluded Expense" under Section 7.3(a) hereof.

(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 may be used by the Association to pay expenses incurred by the Association 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 such calendar year; (iv) assessments shall be made not less frequently than quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all unpaid operating expenses previously incurred; and (v) 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 and availability of cash 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.

(d) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board 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 Board.

(e) An audit of the accounts of the 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 be furnished to each Member not later than the first day of March of the year following the year for which the report is made. 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 books and records of the Association.

7.3 Until the provisions of Section 711.11(2)(f) of the Act relative to the recall of Directors 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 or against any Class of Members of an amount less than 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 115% of such assessments for said Membership or Class of Members for the preceding year (an "Excess Assessment"), then the provisions of Sub-sections 7.3(b), (c), and (d) hereof shall be applicable. There shall be excluded in the computation of the Excess Assessment certain expenses (the "Excluded Expenses"), including the following:

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

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

(iii) Assessments for betterments to the Condominium Property; and

(iv) Assessments for betterments to be imposed by the Board.

(b) When Developer is in control: Should the 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 if all Members are affected by the Excess Assessment, or of a particular Class of Members if only such class is affected by the Excess Assessment (such Members or Class of Members, as the case may be, hereinafter called "Affected Members") shall be called by the Board which shall be held within twenty (20) days after the Budget Meeting. Notwithstanding the calling of any such special meeting, the Budget shall be deemed approved by all Members other than the Affected Members. At said spe-

cial meeting, the Excess Assessment shall be presented to the Affected Members. If, at said special meeting of the Affected Members, a majority of the Affected 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 Affected Members, a majority of the Affected Members shall not approve the Excess Assessment, then the Board shall reduce such items of anticipated expenses in the Budget allocated to the Affected Members other than the Excluded Expenses in an amount necessary so that the Budget adopted by the Board will not be an Excess Assessment.

(c) After Developer control is over: Should the Excess Assessment be adopted by the Board after such time as the Purchaser Members are entitled to elect a majority of the Board, then upon written application requesting a special meeting signed by ten (10%) percent 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.

(d) No Board 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 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.

7.4 Allocation of Common Expenses and Determination of Annual Assessment

(a) The Budget constitutes an estimate of the expenses to be incurred by the Association for and on behalf of Sea Ranch Club and of each Sea Ranch Club Condominium. The Board shall allocate a portion of the budget to each Sea Ranch Club Condominium as the Common Expenses of such condominium. The portion of Common Expenses so allocated to each such Condominium shall be multiplied by the percentage share in Common Expenses of each Apartment of such Sea Ranch Club Condominium, and the resultant product shall constitute the "Annual Assessment" for such Apartment.

The procedure for the allocation of a portion of the budget to each Sea Ranch club Condominium shall be as follows:

(i) Expenses of the Association which are applicable to more than one Sea Ranch Club Condominium (such as Association Area Expenses) shall be allocated by the Board amongst the several Sea Ranch Club Condominiums to which such expenses are applicable by multiplying the amount of such expenses by a fraction with respect to each Sea Ranch Club Condominium, the numerator of which is the square footage of the Apartments within the particular Sea Ranch Club Condominium to which such expenses are being allocated and the denominator of which is the total square footage of all of the Apartments in all of the Sea Ranch Club Condominiums to which such expenses are applicable; provided, however, that if such method of allocation is inequitable due to the fact that a grossly disproportionate amount of such expenses are attributable to a particular Sea Ranch Club Condominium, then the Board may allocate such expenses in a manner deemed by it to be fair and equitable; provided further, however that Association Area Expenses shall be assessed only as set forth in the first part of this subsection (a)(i).

(ii) Expenses of the Association which are applicable solely to one Sea Ranch Club Condominium (such as utilities for the Common Elements of a particular Sea Ranch Club Condominium and Building Expenses) shall be allocated by the Board as a Common Expense solely of such Sea Ranch Club Condominium.

(b) Notwithstanding the allocation to each Apartment of its Annual Assessment, an Apartment Owner shall also be liable for any special assessments levied by the Board against his Apartment as provided in the Declaration.

Section 8. Rules and Regulations

The Board may adopt rules and regulations or amend or rescind existing rules and regulations, for the operations of Sea Ranch Club 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 Apartment Owners at their last known address as shown on the books and records of the Association and shall not take effect until forty-eight (48) hours after such mailing.

Section 9. Parliamentary Rules

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of this Association, provided, however, if such Rules and Regulations are in conflict with the Articles, these By-Laws, the Declarations or the Act, then the Articles, By-Laws, Declarations, or Act, as the case may be, shall apply and govern.

Section 10. Amendment of the By-Laws

10.1 These By-Laws 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 at a regular or special meeting of the Board. An amendment may be approved at the same meeting of the Board and/or Membership at which such amendment is proposed.

10.2 An amendment may be proposed by either the Board or by the Membership, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth in order to become enacted as an amendment.

10.3 No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any Approved Mortgagee as defined in the Declarations, the validity of the mortgage held by any such Approved Mortgagee or any of the rights of the Developer.

THE FOREGOING ARE THE BY-LAWS OF SEA RANCH CLUB CONDOMINIUM ASSOCIATION, INC. A TRUE COPY OF THESE BY-LAWS SHALL BE ATTACHED TO EACH DECLARATION OF CONDOMINIUM OF A SEA RANCH CLUB CONDOMINIUM AND FOR THAT PURPOSE THESE BY-LAWS HAVE BEEN JOINED IN BY THE DEVELOPER REFERRED TO AS SUCH IN THE DECLARATIONS.

SEA RANCH CLUB CONDOMINIUM ASSOCIATION, INC.

By: _____
Attest: _____ (SEAL)

Developer:
SEA RANCH PROPERTIES, INC.

By: _____
Attest: _____ (SEAL)