

BY-LAWS  
OF  
ISLANDIA HOMEOWNERS ASSOCIATION, INC.

A corporation not for profit under  
The Laws of the State of Florida.  
(Adopted on June 15, 1988)

ARTICLE I  
IDENTITY

These are the By-Laws of Islandia Homeowners Association, Inc. called "Association" in these By-Laws, a corporation not for profit under the laws of the State of Florida.

1.1 The office of the Association shall be at 1150 Pelican Bay Drive, Daytona Beach, Florida 32019.

1.2 The fiscal year of the Association shall be the calendar year, or such other year as the Board of Directors may designate.

1.3 The seal of the Corporation shall bear the name of the Corporation, the word "Florida", the words "Corporation Not for Profit" and the year of incorporation.

1.4 "Declaration" shall mean that certain "Supplement to Declaration of Covenants and Restrictions of Pelican Bay, Incorporated and Notice of Provisions of Islandia Homeowners Association, Inc." dated May 17<sup>th</sup>, 1985.

1.5 "Master Declaration" shall mean that certain Declaration of Covenants and Restriction of Pelican Bay Subdivision, recorded in Official Records Book 2119, Page 102 of the Public Records of Volusia County, Florida, as subsequently amended from time to time.

1.6 "Developer" shall mean Intervest Constriction, Inc.- Vader Industries, Inc. Joint venture, a Florida joint venture, or any successor to which it assigns its rights.

1.7 "Eligible Member" shall mean those members of the Association whose voting rights have not been suspended by the Board of Directors of the Association in accordance with these By-Laws.

ARTICLE 2

MEMBERSHIP, VOTING, QUORUM, PROXIES

2.1 The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be set forth in Article 5 of the Articles of Incorporation of the Association, which provisions are incorporated herein by reference.

2.2 At members' meetings, a quorum shall consist of Eligible Members, present in person or by proxy entitled to cast a majority of the votes of the Association. Actions approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Association, except when approval by a greater number of members is required by the Declaration, the Articles of Incorporation, or other provisions of these By-Laws. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

2.3 Votes may be cast in person or by proxy. Proxies may be made by any person eligible to vote and shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

2.4 So as long as Developer is classified as a "Class B Member " as such term is defined in the Declaration, the actions, policies and programs of the membership shall not be implemented or become effective unless approved by Developer in writing. Nothing herein shall prevent the Developer's terminating its rights of disapproval prior to the conversion of Class B membership. Such termination shall be accomplished by delivering written notice of its intention to terminate its right of disapproval to the Board of Directors of the Association.

2.5 The President of the Association, or, in his absence, the Vice President, or the absence of both, the Secretary, shall be the voting representative to Pelican Bay Homeowners Association, Inc. ( the "Master Association") entitled to cast the votes of the Eligible Members of the Islandia Homeowners Association, Inc. ( the "Islandia Members") on all matters coming before the Masters Association on which Islandia Members are entitled to vote. On all matters where a vote of the Islandia Membership is permitted, the voting representative shall cast the total votes of all members of the Association in accordance with the Declaration.

2.6 So long as the Developer is classified as a Class B Member, as such term is defined in the Declaration, the Association shall not enter into any lease or contract, including , but not limited to, a management contract, unless the terms and provision of such lease or contract provide a right of termination, without cause which may be exercised by the Association without penalty at any time after the Developer's Class b membership converts to class A membership in accordance with the Declaration, upon not more than ninety (90) days

notice to the other party. Notwithstanding anything herein to the contrary, this paragraph shall not apply to mortgages or other liens securing the indebtedness of the Association.

### ARTICLE 3

#### ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

3.1 The Annual Members' Meeting shall be held at such place in Volusia County as is designated by the Board of Directors, on such day in January of each calendar year as the Board of Directors shall designate, for the purpose of electing directors and transacting any other business authorized to be transacted by the members.

3.2 Special Members' Meeting shall be held whenever called by the President or Vice president or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members of the Association owning a majority of lots.

3.3 Notice of all members' meetings, stating the time and place and the purpose for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fifteen (15) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

3.4 The vote of the owners of a lot owned by more than one person or by a corporation or other entity, will be cast by the person named in a Certificate signed by all of the owners of the lot and filed with the Secretary of the Association, and such Certificate shall be valid until revoked or until superseded by a subsequent Certificate. A Certificate designating the person entitled to cast the vote for a lot may be revoked by any one of the owners of the lot. If such a certificate is not on file, the vote of such owner shall not be considered in determining the requirements for a quorum, nor for any other purpose.

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

ARTICLE 4

BOARD OF DIRECTORS

4.1 The Board of Directors of the Association shall consist of three (3) persons, who need not be members of the Association, and who may be authorized representatives, officers, or employees of a corporate member of the Association.

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

a. The initial Board of Directors of the Association shall be appointed by Developer and shall hold office until their successors are elected or selected in accordance with these By-laws at the first Annual Meeting of the membership. The names and addresses of the members of the first Board of Directors are set forth in Article 6 of the Articles of Incorporation of the Association, the provisions of which are incorporated herein by reference.

b. Developer shall , at the beginning of the election of the Board of Directors, designate the members of the Board of Directors that it shall be entitled to designate in accordance with Section 4.8 of these By-Laws, and upon such designation by Developer, the individual or individuals so designated by Developer shall be directors of the Association for all purposes, and shall thenceforth perform the office and duties of such directors until their successors have been selected or elected in accordance with the provisions of these By-Laws and the Articles of Incorporation.

c. All members of the Board of Directors whom Developer shall be not be entitled to designate and select shall be elected by a plurality of the votes cast at the special meeting called to elect the members of the Board of Directors.

d. Other than the special elections of successor directors to those appointed by Developer, the election of directors shall be held at the Annual Members' Meeting.

e. A nominating committee of not more than five (5) members of the Association shall be appointed by the Board of Directors not less than (40) days prior to the Annual Members' Meeting. The committee shall nominate one (1) or more persons for each director than serving. A director then serving may be nominated to a successive term. Additional nominations may be made from the floor at the time of the meeting.

f. The election of directors shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast. There shall be appurtenant to each lot as many votes for directors as there are directors to be elected, provided, however

that no member may cast more than one vote for each lot owned by that member for any person nominated as a director, it being the intent hereof that voting for director shall be non-cumulative. A ballot may be incorporated in the proxy form.

g. Except as otherwise provided herein, vacancies in the Board of Directors occurring between Annual Meetings of the members of the Association shall be filled by remaining directors, unless the vacancy is in a Board of Directors seat appointed by Developer, in which case Developer shall appoint the successor.

h. Any director elected by lot owners other than the Developer may be removed by a concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose. The Vacancy in the Board of Directors so created shall be filled by the membership of the Association at the same meeting.

i. None of the directors selected by the Developer shall be subject to removal by the members other than the Developer.

j. Developer shall have the absolute right at any time, in its sole discretion, to replace any person or persons appointed by it to the Board of Directors with another person or persons to serve on said Board of Directors. Replacement of any person designated by Developer not serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name of the person to be replaced, and the names of the person designate as successor to the person so removed from the Board of Directors.

k. The term of each Director's service will extend until the next Annual Meeting of the members' and subsequently until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided.

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

4.4 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 and shall be open to all lot owners.  
Notice

of regular meetings shall be given to each Director, personally or by mail, telephone, or telegram, at least three (3) days prior to the day named for such meeting.

4.5 Special Meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one third (1/3) of the votes of the Board. Not less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone, or telegram, which notice shall state the time, place, and purpose of the meeting.

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

4.7 A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Acts approved of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors. If any Directors' meeting cannot be organized because a quorum has not attended, the Directors who are present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

4.8 So long as the Developer is classified as a Class B Member of the Association, as such term is defined in the Declaration, the Developer shall be entitled to designate all of the members of the Board of Directors. After the Director's Class B membership converts to Class A membership in accordance with the Declaration, the Developer's right to designate the members of the Board of Directors shall terminate, and the election of all directors at the first Annual Meeting of the membership thereafter shall be in accordance with Section 4.2 (f) hereof.

4.9 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes of the State of Florida, the Articles of Incorporation of the Association, these By-Laws and the Declaration. Without limiting the generality of the foregoing, the Board of Directors shall have the power:

- a. To make, levy and collect assessments against members

and lots to defray the costs of the Association and to use the proceeds of said assessments in the exercise of the powers and duties granted to the Association.

b. To maintain, repair, replace, and operate property owned by the Association and to maintain the grassed areas on individual lots and to perform such maintenance on residences as may be specified in the Declaration.

c. To procure and maintain adequate comprehensive general liability and hazard insurance for the protection of the Association and its property, as well as liability for the protection of the Directors.

d. To make and amend regulations governing the use of the property owned by the Association so long as such regulations or amendments thereto do not conflict with the Restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and the Declaration,

e. to contract for the management of the Association and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by law or the Declaration to have approval of the membership of the Association,

f. To enforce by legal means the provisions of the provisions of the Articles of Incorporation and By-Laws of the Association and the Islandia Declaration.

g. To pay all taxes and assessments which are liens against the property of the Association, and to assess the same against the members and their respective lots,

h. To employ personnel and engage professionals for reasonable compensation to perform the services required for proper administration of the Association,

i. To suspend the right of any Class A member of the Association to vote in Association matters, upon such member's failure to pay when due, any assessment duly assessed upon such member's lot by the Association or upon such member's violation of any covenant or restriction of the Declaration. Voting rights of a Class A member shall only be suspended by a majority of the Board of Directors at a meeting occurring no earlier than fifteen (15) days after mailing by certified U.S. Mail a notice of such meeting to the affected member. Such notice shall state the time, place, and purpose of the meeting together with a description of the defaults and /or violations charged.

The voting rights of any member suspended in accordance herewith shall be automatically reinstated upon full payment of amounts owed to the Association and compliance with all applicable covenants and restrictions.

j. To take such other actions as may be reasonably necessary to fulfill responsibilities of the Association as set forth in the Articles of Incorporation and the Declaration.

## ARTICLE 5

### OFFICERS

5.1 The executive officers of the Association shall be a President, who shall be a director, a Vice- President and a Secretary-Treasurer, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any meeting. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary to manage the affairs of the Association.

5.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of President of an Association, including , but not limited to, the power to appoint such committees from among the members, as he in his sole discretion may determine appropriate, to assist in the conduct of the affairs of the Association, He shall also be the voting representative of the Association to the Master Association.

5.3 The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He also shall assist the President generally and exercise such other powers and preform such other duties as shall be prescribed by the Directors.

5.4 The Secretary- Treasurer, as Secretary, shall keep the minutes of all proceedings of the directors and the members, and attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association and shall perform all other duties incident to the office of secretary of an Association and as may be required by the directors or the President. Any Association Secretary shall perform the duties of the Secretary when the Secretary is absent.



5.5 The Secretary- Treasurer, as Treasurer, shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices, and he shall perform all other duties incident to the office of Treasurer.

5.6 The compensation of any employee of the Association shall be fixed by the directors. The Board of Directors is not precluded from employing a director as an employee of the Association and compensating him as an employee, nor precluded from contracting with a director for the management of the Association.

## ARTICLE 6

### FISCAL MANAGEMENT

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

6.2 The receipts and expenditures of the Association shall be credited and charged to accounts under classifications as shall be appropriate.

6.3 The Board of Directors will adopt a budget for each fiscal year, which shall include the funds required to defray all estimated expenses of the Association. A copy of the annual budget and assessments shall be mailed to each lot owner at the last address shown for such owner on the Association's records not less than thirty (30) days prior to the date on which the first installment of such assessment is due. The notice shall specify whether such assessment shall be payable in monthly installments in advance or in quarterly installments in advance. Anything hereinabove to the contrary notwithstanding, each lot owner shall be responsible for assessments on his lot and each lot shall be subject to lien therefor regardless of whether or not the owner actually receives a copy of the budget and notice of assessment prior to the due date.

6.4 In the event a previously adopted budget shall be insufficient in the judgment of the Board of Directors to provide funds for the anticipated current expenses for the ensuing year and for all of the unpaid operating expenses previously incurred, the Board of Directors shall amend the budget and shall make amended monthly assessments for the balance of the year in sufficient amount to meet such expenses for the year.

6.5 If the Developer holds lots for sale in the ordinary course of business, no action shall be taken by the Association that would, in the sole discretion of the Developer, be detrimental to the sale of lots by the Developer without the written approval of the Developer. An increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sale of lots

6.6 The depository of the Association shall be such institutions whose deposits are insured by an agency of the U.S. Government as shall be designated from time to time by the Directors. Withdrawal of monies from such accounts shall be only by checks or withdrawals signed by such persons as are authorized by the Directors.

6.7 The Association shall make available to lot owners and holders, insurers or guarantors of any first mortgage, current copies of the Declaration, By-Law, other rules concerning the administration of the Property under the jurisdiction of the Association, and the books, records and financial statements of the Association. The term "available for inspection upon request, during normal business hours or under other reasonable circumstances. At such time as the Property subject to the Declaration and under the jurisdiction of the Association is expanded to include fifty (50) lots or more, any holder of a first mortgage in entitled, upon written request, to a financial statement of the Association for the immediately preceding fiscal year.

#### ARTICLE 7

#### PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of all Association meetings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of Florida.

#### ARTICLE 8

#### AMENDMENTS

8.1 These By-Laws may be amended, modified, or rescinded in whole or in part by the Developer, as the Developer in its sole discretion deems necessary or desirable, so long as (a) the Developer is classified as a Class B member, as such term is defined in the Declaration, and (b) such amendment, modification, or rescission does not substantially change the character, nature, or general scheme of development of the Property as set forth in the Declaration and Master Declaration.

8.2 In addition to the manner of amendment set forth in Section 8.1 above, these By-Laws may be amended in the following manner:

a. Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon vote of the majority of the Director, or by members of the Association owning a majority of the lots subject to the Declaration, whether meeting as members or by instrument in writing by them.

b. Upon any amendment to these By-Laws being so proposed, such proposed amendment shall be transmitted to the President of the Association, or other officer of the Association in absence of the President, who shall thereupon call a special joint meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such officer of the proposed amendment. It shall be the duty of the Secretary to give to each member written notice of such meeting stating the time and place of the meeting and reciting and proposed amendment in reasonably detailed form. Notice shall be mailed to or presented personally to each member not less than fourteen (14) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited postage prepaid in the United States Mail, addressed to the member at his post office address as it appears on the records of the Association. Any member may, by signed waiver such notice, and such waiver when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of the notice to such member. At such meeting the amendment or amendments proposed must be approved by the affirmative vote of members owning not less than seventy-five percent (75%) of the lots described under the Declaration and any supplement thereto, in order for such amendment or amendments to become effective.

c. At any meeting held to consider any amendment or amendments of these By-Laws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

d. In the alternative, an amendment may be made by an agreement signed and acknowledged in the manner required for execution of a deed by the record owners of seventy-five percent (75%) of the lots described under the Declaration and any supplement thereto.

8.3 No amendment to these By-Laws which would abridge, amend, or alter the rights of the Developer may be adopted or become effective without the prior written consent of the Developer.

The foregoing was adopted as the By-Laws of Islandia Homeowners Association, Inc., a corporation not for profit under the Laws of the State of Florida, at the first meeting of Directors on

June 15<sup>th</sup>, 1988

ISLANDIA HOMEOWNERS ASSOCIATION INC.

A FLORIDA not for profit corporation

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SECRETARY SIGNATURE

APPROVED

PRESIDENT SIGNATURE

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