

BY-LAWS

-of-

KARANDA VILLAGE IV CONDOMINIUM ASSOCIATION, INC.

EXHIBIT
"D"

ARTICLE I

GENERAL

Section 1. Name. The name of the corporation shall be KARANDA VILLAGE IV CONDOMINIUM ASSOCIATION, INC. ("Association").

Section 2. Principal Office. The principal office of the Association shall be at Township Center, 2400 Lyons Road, Coconut Creek, Florida 33066, or at such location as may be designated by the Association's Board of Administration. All books and records of the Association shall be kept at its principal office.

Section 3. Definitions. As used herein, the term corporation shall be synonymous with "Association" as defined in the Declarations of Condominium ("Declarations") of each condominium managed by the Association ("Condominium"), and the words "Condominium Property", "Unit", "Unit Owner", "Assessment", "Condominium Parcel", "Common Elements", "Condominium" and "Developer" are defined as set forth in the Declarations. "Condominium Act" shall mean and refer to Chapter 718, Florida Statutes, as enacted upon the date of recordation of the Declaration. "Project" shall refer to all of the Condominiums.

ARTICLE II

DIRECTORS

Section 1. Number and Term. The number of directors ("Directors") which shall constitute the Association's Board of Administration shall be not less than three (3). Until succeeded by Directors elected at the first meeting of members ("Members"), Directors need not be Members of the Association, but, thereafter, all Directors, except for those Directors elected by the Developer, shall be Members of the Association. Within the limits above specified, the number of Directors shall be elected to serve for a term of one (1) year or until his successor shall be elected and shall qualify. The first Board of Directors shall have three (3) members.

Section 2. Vacancy and Replacement. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less

OFF
REC 12034 PAGE 505

than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors who shall hold office for the unexpired portion of the term of the vacated office. Notwithstanding the foregoing, the Developer is authorized to replace any Director elected by the Developer.

Section 3. Removal. Subject to the provisions of Section 718.301, Florida Statutes, as enacted upon the date of recordation of the Declaration, any member of the Board of Administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all Unit Owners. A special meeting of the Unit Owners to recall a member or members of the Board of Administration may be called by ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners and the notice shall state the purpose of the meeting. No Director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever. The above provisions shall not be applicable to Directors elected or appointed by the Developer. If any Director fails to pay any Assessment levied by the Board of Administration, whether regular or special Assessment, within thirty (30) days after its due date, he shall automatically be removed as a Director and the remaining Directors shall select a successor to serve the unexpired portion of the term of said removed Director.

Section 4. First Board of Administration. The first Board of Administration named in the Articles of Incorporation shall hold office and exercise all powers of the Board of Administration as provided therein, subject to the following:

A. When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration. Unit Owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Administration of the Association:

(1) three (3) years after sales by the Developer have been closed on fifty percent (50%) of the Units that will be operated ultimately by the Association;

(2) three (3) months after sales have been closed by the Developer on ninety percent (90%) of the Units that will be operated ultimately by the Association;

(3) when all of the Units that will be operated ultimately by the Association have been completed, some of them have been sold and none of the others are being offered for sale by the Developer in the ordinary course of business; or

(4) when some of the Units have been sold and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business;

whichever shall first occur. Notwithstanding the foregoing, the Developer shall be entitled to elect not less than one (1) member of the Board of Administration of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium.

B. Within sixty (60) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Administration, the Association shall call, and give not less than thirty (30) days' nor more than forty (40) days' notice of, a meeting of the Unit Owners for this purpose. Such meeting may be called and a notice given by any Unit Owner if the Association fails to do so.

C. Prior to or within a reasonable time after the time that Unit Owners other than the Developer elect the majority of the members of the Board of Administration, such reasonable time not to exceed sixty (60) days, the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners of the Association held or controlled by the Developer in accordance with the provisions of the applicable Florida Statutes on transfer of association control Section 718.301(4)1.

Section 5. Powers. The property and business of the Association shall be managed by the Board of Administration, which may exercise all corporate powers not specifically prohibited by statute, the Articles of Incorporation or the Declarations. The powers of the Board of Administration shall specifically include, but not be limited to, the following:

A. To levy and collect regular and special Assessments.

B. To use and expend the Assessments collected to maintain, care for and preserve the Units and Condominium Property, except those portions thereof which are required to be maintained, cared for and preserved by the Unit Owners.

C. To purchase the necessary equipment required in the maintenance, care and preservation referred to above.

D. To enter into and upon the Units when necessary, with as little inconvenience to the Unit Owners as possible, in connection with said maintenance, care and preservation.

E. To insure and keep insured said Condominium Property in the manner set forth in the Declarations against

OFF 12034 PAGE 507

loss from fire and/or other casualty and the Association and the Unit Owners against public liability, and to purchase such other insurance as the Board of Administration may deem advisable.

F. To collect delinquent Assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the Unit Owners for violations of these By-Laws, the Articles of Incorporation, the Declaration, and the rules and regulations promulgated by the Board of Administration.

G. To employ and compensate such personnel as may be required for the maintenance and preservation of the Condominium Property.

H. To make reasonable rules and regulations for the occupancy of the Units and the use of the Common Elements.

I. To acquire, rent or convey Units in the name of the Association or a designee.

J. To contract for management of the Condominium and to delegate to such other party all powers and duties of the Association except those specifically required by the Declarations to have the specific approval of the Board of Administration or membership.

K. To carry out the obligations of the Association under any easements, restrictions or covenants running with any land submitted to Condominium ownership.

Section 6. Compensation. Neither Directors nor officers shall receive compensation for their services as such.

Section 7. Meetings

A. The first meeting of each Board of Administration newly elected by the Members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Administration shall be held at the same place as the Members' meeting and immediately after the adjournment of same.

B. Special meetings shall be held whenever called by the president or a majority of the Board. The secretary shall give notice of each special meeting either personally or by mail or telegram, at least three (3) days before the date of such meeting, but the Directors may waive notice of the calling of the meeting.

C. Meetings of the Board of Administration shall be open to all Unit Owners and, except in cases of emergency,

DEF 12034 PAGE 508

notices of such meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48) hours in advance of such meetings.

D. A majority of the Board shall be necessary at all meetings to constitute a quorum for the transaction of business and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Directors then present may adjourn the meeting until a quorum shall be present.

Section 8. Order of Business. The order of business at all meetings of the Board shall be as follows:

- A. Roll call.
- B. Reading of minutes of the last meeting.
- C. Consideration of communications.
- D. Resignations and elections.
- E. Reports of officers and employees.
- F. Reports of committees.
- G. Unfinished business.
- H. Original resolutions and new business.
- I. Adjournment.

Section 9. Accounting Records. The Association shall maintain separate accounting records for each Condominium according to generally accepted principles of accounting, consistently applied, which shall be open to inspection by Unit Owners or their authorized representatives at a reasonable time and written summaries of which shall be supplied at least annually to Unit Owners or their authorized representatives. Such records shall include, but are not limited to, a record of all receipts and expenditures and an account for each Unit which shall designate the name and address of the Unit Owner, the amount of each Assessment, the dates and amounts in which the Assessments come due, the amounts paid upon the account and the balance due. Notwithstanding anything herein to the contrary, the Association's duties in this regard shall be governed by relevant provisions of the Condominium Act including §18.111(7).

OFF
REC 12034 PAGE 509

ARTICLE III

OFFICERS

Section 1. Executive Officers. The executive officers of the Association shall be a President, Vice-President, Treasurer and Secretary, all of whom shall be elected annually by the Board of Administration. Any two (2) of said offices may be united in one (1) person, except that the President shall not also be the Secretary or an Assistant Secretary of the Association. If the Board so determines, there may be more than one (1) Vice-President.

Section 2. Subordinate Officers. The Board of Administration may appoint such other officers and agents as it may deem necessary, who shall hold office at the pleasure of the Board of Administration and who shall have such authority and perform such duties as from time to time may be prescribed by said Board.

Section 3. Tenure of Officers; Removal. All officers and agents shall be subject to removal, with or without cause, at any time by action of the Board of Administration, which may delegate such powers to any officer. In the event that any officer fails to pay any Assessment levied by the Board of Administration, whether regular or special Assessment, within thirty (30) days of its due date, said officer shall automatically be removed from office and the Board of Administration shall appoint a successor.

Section 4. The President.

A. The President shall be chairman of, and shall preside at, all meetings of the Members and Directors, shall have general and active management authority over the business of the Association except that which is delegated, shall see that all orders and resolutions of the Board are carried into effect, and shall execute bonds, mortgages and other contracts requiring a seal of the Association. The seal, when affixed, shall be attested by the signature of the Secretary.

B. He shall supervise and direct all other officers of the Association and shall see that their duties are performed properly.

C. He shall submit a report of the operations of the Association for the fiscal year to the Directors (whenever called for by them) and to the Members at their annual meeting, and from time to time shall report to the Board all matters within his knowledge which the best interests of the Association may require be brought to its notice.

REC 12034 PAGE 510

D. He shall be permitted to appoint committees and to assign a member of the Board of Administration to be an ex-officio member of a committee.

E. He shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

Section 5. The Vice-President. The Vice-President shall be vested with all the powers and be required to perform all the duties of the President in his absence, together with such other duties as may be prescribed by the Board of Administration or the President.

Section 6. The Secretary.

A. The Secretary shall keep the minutes of meetings of the Members and of the Board of Administration in one (1) or more books provided for that purpose. The minute book shall be available for inspection by all Members, or their authorized representatives, and by the Board of Administration, which minutes shall be retained for a period of not less than seven (7) years.

B. He shall see that all notices are duly given in accordance with the provisions of these By-Laws or as otherwise required by law.

C. He shall be the custodian of the corporate records and of the seal of the Association and shall see that the seal of the Association is affixed to all documents, the execution of which, on behalf of the Association, under its seal, is duly authorized in accordance with the provisions of these By-Laws.

D. He shall keep a register of the post office address of each Member, which shall be furnished to the Secretary by such Member.

E. In general, he shall perform all duties incident to the office of the Secretary and other duties as from time to time may be assigned to him by the President or by the Board of Administration.

Section 7. The Treasurer.

A. The Treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Administration.

REC 1 2034 PAGE 511

B. He shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for such disbursement, and shall render to the President and Directors, at the regular meeting of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

C. He may be required to give the Association a bond in a sum and with one (1) or more sureties satisfactory to the Board for the faithful performance of the duties of his office and the restoration to the Association, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the Association. If such bond should be required, the Association shall pay the premium thereon.

Section 8. Vacancies. If the office of the President, Vice-President, Secretary, Treasurer or any other office established by the Board of Administration becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of the Board of Administration, may choose a successor or successors who shall hold office for the unexpired portion of the term of the vacated office.

Section 9. Resignations. Any Director or officer may resign his office at any time, in writing, which resignation shall take effect from time of its receipt by the Association, unless some later time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE IV

THE ASSOCIATION.

Section 1. Membership. Each Unit Owner (including a corporate owner) shall be a Member of the Association and membership in the Association shall be limited to Unit Owners.

Section 2. Transfer of Membership and Ownership. Membership in the Association may be transferred only as an incident to the transfer of the transferor's Unit and his undivided interest in the Common Elements of the Condominium. Such transfer shall be subject to the procedures set forth in the Declaration.

Section 3. Powers and Duties. The powers and duties of the Association shall include those set forth in the Articles, the Declarations, the Condominium Act, and these By-Laws and shall include the following:

A. The irrevocable right of access to each Unit at reasonable hours as may be necessary for the maintenance,

OFF 12034 PAGE 512

repair or replacement of any Common Elements or Limited Common Elements therein or accessible therefrom or another Unit to prevent damage to the Common Elements, Limited Common Elements, or to another Unit.

B. The irrevocable right of access to each Unit at any hour for the purpose of making emergency repairs necessary to prevent additional damage to the Common Elements, Limited Common Elements, or to another Unit.

C. The power to levy and collect Assessments and to lease, maintain, repair and replace the Common Elements.

D. The keeping of accounting records in accordance with good accounting practices and the Condominium Act which records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of which shall be supplied at least annually to Unit Owners or their authorized representatives.

E. The power to enter into contracts with others for the maintenance, management, operation, repair and servicing of the Condominium Property. The service and maintenance contracts referred to herein may delegate the Association's duty to maintain and preserve the landscaping, gardening, painting, repairing and replacement of the Common Elements, but shall not relieve each Unit Owner from his personal responsibility to maintain and preserve the interior surfaces of his Unit and to paint, clean, decorate, maintain and repair said Unit. Each Unit Owner, his heirs, personal representatives, successors and assigns shall be bound by any management contract, if any is executed, to the same extent and effect as if he had executed such contract for the purposes herein expressed including, but not limited to, adopting, ratifying, confirming and consenting to the execution of same by the Association, covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners as required under said contract, acknowledging that all of the terms and conditions thereof, including the manager's fee, are reasonable and agreeing that the persons acting as directors and officers of the Association entering into such a contract have not breached any of their duties or obligations to the Association by virtue of the execution of said contract. The management contract, if any, and the acts of the Board of Administration and Officers of the Association in entering into such agreement, are hereby ratified, confirmed, approved and adopted.

F. The power to adopt reasonable rules and regulations for the maintenance and conservation of the Condominium Property, and for the health, comfort, safety and welfare of the Unit Owners, all of whom shall be subject to such rules and regulations.

OFF
REC 12034 PAGE 513

G. The power to purchase units in the Condominiums and to acquire, hold, lease, mortgage and convey the same.

ARTICLE V

MEETINGS OF MEMBERSHIP

Section 1. Place. All meetings of the Association membership shall be held at such place as may be stated in the notice of the meeting.

Section 2. Annual Meeting.

A. The first annual meeting of Members shall be held during the last two weeks of the month which is not less than eleven (11) months nor more than twelve (12) months after recordation of the Declaration.

B. Regular annual meetings subsequent to the first meeting shall be held during the month of every September, October, November or December.

C. At the annual meetings, subject to the provisions of Article II, Section 4, of these By-Laws, the Members, by a majority vote (cumulative voting prohibited) shall elect a Board of Administration and transact such other business as may properly come before the meeting.

D. Written notice of the annual meeting shall be personally served upon or mailed to each Member entitled to vote at such address as appears on the books of the Association, at least fourteen (14) days prior to the meeting. The post office certificate of mailing shall be proof of such mailing. A notice of such meeting shall be posted at a conspicuous place on the Condominium Property at least fourteen (14) days prior to the meeting.

Section 3. Membership List. At least fourteen (14) days before every election of Directors, a complete list of Members entitled to vote at said election, arranged numerically by Units, with the residence of each Member, shall be prepared by the Secretary. Such list shall be produced and kept for said fourteen (14) days and throughout the election at the office of the Association and shall be open to examination by any Member throughout such time.

OFF
REC 12034 PAGE 514

Section 4. Special Meetings.

A. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, and shall be called by the President or Secretary at the request, in writing, of ten percent (10%) of the Members. Should the President fail to call such a special meeting, such Members may, in lieu thereof, call such meeting. Such request shall state the purpose or purposes of the proposed meeting.

B. Written notice of a special meeting of Members stating the time, place and object thereof shall be served upon or mailed to each Member entitled to vote thereon at such address as appears on the books of the Association at least five (5) days before such meeting. A notice of such meeting shall be posted at a conspicuous place on the Condominium Property at least five (5) days prior to the meeting.

C. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

D. Notwithstanding the above, in the event emergency repairs are required to the Common Elements, as determined by the Board of Administration, the Board may assess up to a maximum of One Hundred and No/100 Dollars (\$100.00) per unit per year without the necessity of a meeting to approve said expenditures.

Section 5. Quorum. Members owning a majority of the total Units, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the Members for the transaction of business, except as otherwise provided by statute, the Articles of Incorporation or these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat shall adjourn the meeting and notify the Members in accordance with these By-Laws of the adjourned meeting. At any such subsequent and duly noticed meeting, a quorum shall consist of Members owning one-third (1/3) of the total Units present in person or by proxy.

Section 6. Vote Required to Transact Business. When a quorum is present at any meeting, a majority of the votes cast, in person or represented by written proxy, shall decide any question properly brought before the meeting, unless the question is one which, by express provision of the Florida Statutes, the Declaration, the Articles of Incorporation or these By-Laws, requires a different vote, in which case such express provision shall govern and control the decision of such question.

OFF 12034 PAGE 515

Section 7. Right to Vote.

A. The Owner or Owners of a Unit shall be entitled to one (1) vote for each Unit owned.

B. If a Unit is owned by more than one (1) individual or by a corporation or other entity, said Owners, corporation or other entity shall file a certificate with the Secretary naming the person authorized to cast said Unit vote. If the same is not on file prior to any meeting of the Members, annual or special, a vote of such Unit shall not be considered, nor shall the presence of said Owners at a meeting be considered in determining whether the quorum requirement has been met.

C. All proxies must be in writing, signed by the voting Member granting the proxy and filed with the Secretary prior to the meeting, annual or special, for which said proxy is granted. The proxy shall be valid only for such meeting or meetings subsequently held pursuant to an adjournment of that meeting.

Section 8. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted by any provision of the Florida Statutes, the Declaration, the Articles of Incorporation or these By-Laws in connection with any action of the Association, the meeting and vote of Members may be dispensed with if all Members who would have been entitled to vote upon the action of such meeting if such meeting were held shall consent in writing to such action being taken.

Section 9. Order of Business. The order of business at annual Members' meetings and, as far as practical, at other Members' meetings will be:

- A. Election of Chairman.
- B. Roll call.
- C. Proof of notice of meeting or waiver of notice.
- D. Reading of minutes of prior meeting.
- E. Officers' reports.
- F. Committee reports.
- G. Elections.
- H. Unfinished business.
- I. New business.
- J. Adjournment.

OFF
REC 12034
PAGE 516

ARTICLE VI

NOTICES

Section 1. Definition. Whenever, under the provisions of the Florida Statutes, the Declaration, the Articles of Incorporation or these By-Laws, notice is required to be given to any Director, officer or Member, it shall not be construed to mean only personal notice, but such notice may be given in writing by mail by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed as appears on the books of the Association. Any such notice and any notice of any meeting of the Members, annual or special, need not be sent by certified mail, except as otherwise provided by statute, the Articles of Incorporation, these By-Laws or the Declaration.

Section 2. Service of Notice - Waiver. Whenever any notice is required to be given under the provisions of the Florida Statutes, the Declaration, the Articles of Incorporation or these By-Laws, a waiver thereof, in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Address. The address for notice to the Association is Township Center, 2400 Lyons Road, Coconut Creek, Florida 33066 or such other address as may be designated by the Board of Directors.

ARTICLE VII

FINANCES

Section 1. Fiscal Year. The fiscal year shall commence on January 1 and end on December 31.

Section 2. Checks. All checks or demands for money and notes of the Association shall be signed by any one (1) of the following officers: President, Vice-President, Secretary or Treasurer, or by such officer or officers or such other person or persons as the Board of Administration may from time to time designate. The Board of Administration, by resolution, may require more than one (1) signature.

Section 3. Determination of Assessments.

A. (1) The Board of Administration shall fix Assessments adequate to meet the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements and the limited Common Elements, costs of carrying

DEF 12034 PAGE 517

out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance, and any other expenses designated as common expenses by the Declaration or from time to time by the Board of Administration.

(2) Funds for the payment of common expenses shall be assessed against Unit Owners in the proportions or percentages and in the manner provided in the Declaration and said Assessments shall be payable as provided in the Declaration.

(3) The Board of Administration is specifically empowered, on behalf of the Association, to make and collect Assessments and to maintain, repair and replace the Common Elements of the Condominium.

(4) Special Assessments, which may be required by the Board of Administration, shall be levied and paid in the same manner as provided for regular Assessments.

B. When the Board of Administration has determined the amount of any Assessment, excluding the monthly assessment, the Secretary or Treasurer shall mail or present a statement of the Assessment to each of the Unit Owners. All Assessments shall be payable to the Association and, upon request, the Secretary or Treasurer shall give a receipt for each payment made.

Section 4. Annual Budget.

A. A copy of the Association's proposed annual budget of common expenses shall be mailed to each Unit Owner not less than thirty (30) days prior to the meeting of the Board of Administration at which the budget will be considered together with a notice of that meeting. Such meeting of the Board of Administration shall be open to all Unit Owners.

B. The Board of Administration may approve annual budgets so long as the amount does not exceed one hundred fifteen percent (115%) of the Assessment for the preceding year.

C. If the Board of Administration adopts a budget which requires Assessments against Unit Owners for the proposed fiscal year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding year, all as determined in accordance with Section 718.112(2)(f), Florida Statutes, as enacted upon the date of recordation of the Declaration, the Board of Administration, upon written application of ten percent (10%) of the Unit Owners to the Board of Administration, shall call a special meeting of the Unit Owners within thirty (30) days, upon not less than ten (10) days' written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget.

DEF 12034 PAGE 518

Unless these By-Laws require a larger vote, the adoption of the budget shall require a vote of not less than a majority vote of all Unit Owners. The Board of Administration may propose a budget to the Unit Owners at a meeting of Members or in writing, and if the budget or proposed budget is approved by the Unit Owners at the meeting or by a majority of all Unit Owners in writing, the budget shall be adopted. In determining whether Assessments exceed one hundred fifteen percent (115%) of similar Assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Administration, the Board of Administration shall not impose an Assessment for any year greater than one hundred fifteen percent (115%) of the prior fiscal or calendar year's Assessment without approval of a majority of all Unit Owners.

Section 5. Reserve Fund. The Board of Administration shall have the right to assess Unit Owners to establish a reserve fund for the future replacement of or additions to the Common Elements and such reserve fund shall be held in trust by the Board or its designated nominee to be used solely for the purpose for which it was established.

Section 6. Payment of Assessments. All Assessments shall be paid timely to the Association. Assessments shall be made against Unit Owners not less frequently than quarterly in advance, not less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all the unpaid operating expenses previously incurred.

Section 7. Limitation on Expenditures. Notwithstanding anything else in these By-Laws, the Articles of Incorporation or the Declaration which authorizes expenditures, after the first election of Directors, the majority of which are comprised of Unit Owners other than Developer, no expenditure for the improvement of the Common Elements exceeding Five Thousand and No/100 Dollars (\$5,000.00) per annum shall be made without the approval of Members owning a majority of the Units except for the repair of the Condominium Property due to casualty loss.

Section 8. Application of Payments and Commingling of Funds. All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one (1) fund as determined by the Board of Administration. All Assessments shall be applied as provided herein and in the Declaration.

Section 9. Fidelity Bonds for Officers. The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association, and any contractor handling or responsible for Association funds shall be bonded in an amount equal to one hundred fifty percent (150%) of the the monies an individual handles or in which he has control via a signatory or a bank account or other depository account, but in no event shall the amount of such bond be less than Ten Thousand and No/100 Dollars (\$10,000.00).

ARTICLE VIII

DEFAULT

Section 1. Delinquent Payment. In the event a Unit Owner does not pay any sum, charge or Assessment required to be paid to the Association within ten (10) days from the due date, the Association, acting through its Board of Administration, may enforce its lien for Assessments or take such other action to recover the sum, charge or Assessment to which it is entitled in accordance with the Declaration and the laws of the State of Florida.

Section 2. Foreclosure. If the Association becomes the owner of a Unit by reason of foreclosure, it shall offer said Unit for sale and, at such time as a sale is consummated, it shall deduct from the proceeds of said sale all sums of money due it for Assessments and charges, all costs incurred in the bringing of the foreclosure suit, including reasonable attorneys' fees, and any and all expenses incurred in the resale of the Unit which shall include, but not be limited to, advertising expenses, real estate brokerage fees and expenses necessary for the repairing and refurbishing of the Unit. All monies remaining after deducting the foregoing items of expenses shall be returned to the former Owner of the Unit.

Section 3. Violation. In the event of a violation of the provisions of the Declaration, the Articles of Incorporation or By-Laws, which violation is not corrected within ten (10) days after notice from the Association to the Unit Owner to correct said violation, the Association may take such action as it may deem appropriate, including the institution of legal action, to correct the violation. Nothing contained in this Article shall be construed to require that the Association furnish notice to any Unit Owner of his failure to pay any Assessment, sum or other charge due to the Association. In the event such legal action is brought against a Unit Owner and results in a judgment for the plaintiff, the defendant shall pay the plaintiff's reasonable attorneys' fees and court costs.

Section 4. Consent. Each Unit Owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions regardless of the harshness of the remedy available to the

OFF 12034 PAGE 52U

Association and regardless of the availability of any other equally adequate procedures. It is the intent of all Unit Owners to give to the Association such powers and authority which will enable it to operate on a business-like basis, to collect those monies due and owing to it from Unit Owners, and to preserve each Unit Owner's right to enjoy his Unit free from unreasonable restraint and nuisance.

ARTICLE IX

JOINT OWNERSHIP

Membership may be held in the name of more than one (1) person, corporation or other entity. In the event ownership is in more than one (1) person, corporation or other entity, all of the joint owners shall be entitled collectively to only one (1) vote in the management of the affairs of the Association and said vote may not be divided between multiple owners. (See Article V, Section 7B, of these By-Laws.)

ARTICLE X

AMENDMENT

These By-Laws may be amended by affirmative vote of a majority of the Members and of the Board of Administration.

Section 1. Rights of Mortgagee. No amendment to these By-Laws shall be passed which would operate to impair or prejudice the rights or liabilities of any mortgagee.

Section 2. Procedure. By-Laws shall neither be revised nor amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-Law _____ for present text". Nonmaterial errors or omissions in the By-Law process shall not invalidate an otherwise properly promulgated amendment.

Section 3. Rights of Developer. No amendment shall, in any manner, change the rights and privileges of the Developer referred to in the Declaration and the Exhibits attached thereto without the Developer's written approval. Notwithstanding anything herein to the contrary, these By-Laws may be amended by the Developer during such time as the Developer shall be in control

REF 12034 PAGE 521

of the Association; provided, further, that the Developer may amend these By-Laws consistent with the provisions of the Declaration allowing certain amendments to be effected by the Developer alone.

ARTICLE XI

CONSTRUCTION

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to include the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the provisions of these By-Laws be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

The foregoing were adopted as the By-Laws of KARANDA VILLAGE IV CONDOMINIUM ASSOCIATION, INC. at the first meeting of its Board of Administration.

SECRETARY

APPROVED:

PRESIDENT

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
F. T. JOHNSON
COUNTY ADMINISTRATOR

REC 12034 PAGE 522

870700000by0124:75
01/24/84