

BY-LAWS  
OF  
WELLINGTON DOWNS HOMEOWNERS ASSOCIATION, INC.

a Corporation not for profit organized  
under the laws of the State of Florida

1. IDENTITY. These are the By-Laws of WELLINGTON DOWNS HOMEOWNERS ASSOCIATION, INC., (the "Association"), a Corporation not for profit incorporated under the laws of the State of Florida, organized for the purposes of administering that certain subdivision located in Palm Beach County, Florida, and known as WELLINGTON DOWNS, A PART OF WELLINGTON P.U.D., recorded in the Office of the Clerk of the Circuit Court of Palm Beach County, Florida, in Plat Book 63, Page 175.

1.1 Principal Office. The principal office of the Association shall be at 11984 Forest Hill Boulevard, Wellington, Florida, 33414, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

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

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

2. DEFINITIONS. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles". The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration of Restrictions ("Declaration"), unless herein provided to the contrary, or unless the context otherwise requires.

3. MEMBERS.

3.1 Annual Meeting. The Annual Members' Meeting shall be held on the date, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual

meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business authorized to be transacted by the Members, or as stated in the notice of the meeting sent to unit owners in advance thereof. Unless changed by the Board of Directors, the first annual meeting shall be held on the first Wednesday in the month of February, following the year in which the Declaration is filed.

3.2 Special Meetings. Special Members' Meetings shall be held at such places as provided herein for annual meetings, and may be called by the President or by a Fifty Percent (50%) of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from Ten Percent (10%) of the Members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

3.3 Notice of Meeting; Waiver of Notice. Notice of a meeting of Members, stating the time, place, and the purpose(s) for which the meeting is called, shall be given by the President or Secretary. A copy of the notice shall be posted at a conspicuous place. The notice of the annual meeting shall be sent by mail to each unit owner. The delivery or mailing shall be to the address of the Member as it appears on the roster of Members. The mailing of the notice shall be effected not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting. Proof of mailing shall be given by Affidavit and the Post Office certificate of mailing shall be retained as proof of such mailing.

3.4 Quorum. A quorum at Members' Meetings shall be attained by the presence, either in person or by proxy, or person entitled to cast a majority of the votes of Members of the Association.

3.5 Voting.

(a) Number of Votes. In any meeting of Members, the owners of residential units shall be entitled to cast one (1) vote for each lot or unit. The vote of a unit owner shall not be divisible.

(b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all owners for all purposes, except where otherwise provided by law, the Declaration, the Articles, or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the unit owners" and "majority of the Members" shall mean a majority of the votes of the Members and not a majority of the Members themselves and shall further mean more than fifty percent (50%) of the then total authorized votes present in person or by proxy and voting at any meeting of the unit owners at which a quorum shall have been attained. Similarly, if some greater percentage of Members is required herein or in the Declaration of Articles, it shall mean such greater percentage of the votes of Members and not of the Members themselves.

(c) Voting Member. If a lot or unit is owned by one person, his right to vote shall be established by the roster of Members. If a unit is owned by more than one person, the person entitled to cast the vote for the lot or unit shall be designated by a certificate signed by all of the record owners of the lot or unit according to the roster of owners and filed with the Secretary of the Association. Such person need not be an owner, nor one of the joint owners. If a Lot or Unit is owned by a corporation, the person entitled to cast the vote for the lot or unit shall be designated by a certificate signed by an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be an owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote for a lot or unit for which such certificate is required is not on file or has been revoked, the vote attributable to such lot or unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such

certificate is filed, except of the lot or unit is owned jointly by a husband wife. If a unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee need not be an owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

(i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

(ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the unit vote just as though he or she owned the unit individually, and without establishing the concurrence of the absent person.

(iii) If both are present at a meeting and concur, either one may cast the unit vote.

3.6 Proxies. Votes may be cast in person or by written proxy. A proxy may be made by any person entitled to vote, but shall be valid only for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the unit (as above-described) and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned.

3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the

meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.8 Order of Business. If a quorum has been attained, the order of business at annual Members' Meetings, and, if applicable, at other Members' Meetings shall be:

- (a) Called to order by President;
- (b) Appointment by the President of a Chairman of the meeting (who need not be a Member or a Director);
- (c) Proof of notice of the meeting or waiver of notice;
- (d) Reading of minutes;
- (e) Reports of Officers;
- (f) Reports of Committees;
- (g) Appointment of inspectors of election;
- (h) Determination of number of Directors to be elected;
- (i) Election of Directors;
- (j) Unfinished business;
- (k) New business;
- (l) Adjournment.

Such order may be waived in whole or in part by direction of the Chairman.

3.9 Minutes of Meeting. The minutes of all meetings of owners shall be kept in a book available for inspection by the owners or their authorized representatives and Board Members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4. DIRECTORS.

4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3) nor more than

nine (9) Directors, the exact number to be determined in the first instance in the Articles, and thereafter, except as provided herein, from time to time upon majority vote of the Membership. Directors need not be owners until seventy-five percent (75%) of the lots or units are conveyed to owners by the Developer.

#### 4.2 Election of Directors.

(a) Ballots. The election of Directors shall be by written ballot as hereinafter provided. At each Annual Meeting or at any Special Meeting called for the purpose of electing Directors, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to cast under the Articles of Incorporation of the Association. The nominees receiving the largest number of votes shall be elected. There shall be no cumulative voting.

(b) Nominations; Nominating Committee. Nominations for election to the Board of Directors shall be made by the Nominating Committee, which shall consist of a Director, who shall be the Chairman, and one or more Members of the Association, or an Officer or a Corporate Member. The Nominating Committee shall be appointed by the Board of Directors prior to each Annual Meeting of the Members to serve during such Annual Meeting and until the next Annual Meeting or until its successor shall have been duly designated and qualified. The Members of the Nominating Committee shall be announced at each Annual Meeting of the Members.

(c) Nominees. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies to be filled. Such nominations may be made from among Members or nonmembers, as the Committee, in its discretion, shall determine. Nominations shall be placed on a written ballot as provided in Section 4 and shall be made in advance of the time fixed in Section 4 for the mailing of such ballots to the Members.

(d) Procedure. All elections of the Board of Directors shall be made on written ballots which shall:

- (i) describe the vacancies to be filled;

(ii) set forth the names of those nominated by the Nominating Committee for such vacancies; and

(iii) contain a space for a write-in vote by the Members for each vacancy.

Such ballot shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the Annual Meeting or any Special Meeting called for the purpose of electing Directors).

(e) Voting. Each Member shall be mailed a ballot on which he may cast the number of votes to which he is entitled. The completed ballot shall be returned in the manner hereinafter outlined. The ballot shall bear on its face the name and signature of the Member, the number of votes being cast, and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes stated therein. The ballot shall be returned to the Secretary at such an address as may be clearly designated by the Secretary.

(f) Processing. Upon the receipt of each return, the Secretary shall immediately place it in a safe place. Not more than twenty-one (21) days prior to the day set for the meeting at which the elections are to be held, the envelopes shall be turned over, unopened, to an Election Committee which shall consist of three (3) persons appointed by the Board of Directors. All returns thereafter received by the Secretary on or before the date set for a return shall accordingly be turned over to the Election Committee. The Election Committee shall adopt a procedure which shall:

- (i) establish that the Member is entitled to cast either personally or by proxy, the number of votes indicated on the ballot; and
- (ii) that the signature of the Member on the ballot is genuine; and

(iii) if the vote is by proxy, that the proxy has been filed with the Secretary and that each proxy is valid.

After the procedure has been completed relative to a ballot, the count of the vote shall be taken. All ballots and proxies as well as any continuing tally of the votes shall be kept by the Election Committee, when not being processed, in a safe place. The ballots shall be retained for ninety (90) days after the meeting and then destroyed.

#### 4.3 Vacancies and Removal.

(a) Except as to vacancies resulting from removal of Directors by Members, vacancies in the Board of Directors occurring between the Annual Members' Meetings shall be filled by the remaining Directors, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of Paragraph 4.15 hereof shall be filled by the Developer without the necessity of any meeting.

(b) Any Director elected by the Members (other than the Developer) may be removed with or without cause by concurrence of a majority of the votes of the Members at a special meeting of the Members called for that purpose or by agreement in writing by a majority of the Lot or Unit Owners. The vacancy in the Board of Directors so created shall be filled by the Members at the same meeting. A special meeting of Lot or Unit Owners to remove a Director may be called by ten percent (10%) of the Lot or Unit Owners giving notice of the meeting as required by Paragraph 3.3 hereof which notice will state the purpose of the meeting.

(c) Anything to the contrary herein notwithstanding, until a majority of Directors are elected by the Members other than the Developer of the Subdivision, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by Members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.



4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next Annual Meeting of the Members and, subsequently, until his successor is duly elected and has taken office, or until he is removed in the manner elsewhere provided.

4.5 Organizational Meeting. The organizational meeting of newly elected or appointed Directors shall be held within ten (10) days of their election or appointment at such place and time as shall be fixed by the Directors at the meeting at which they were elected and appointed, and no further notice to the Board of the organizational meeting shall be necessary.

4.6 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the meeting. Regular meetings of the Board of Directors shall be open to all Lot or Unit Owners and notice of such meetings shall be posted at the Association Office at least forty-eight (48) hours in advance for the attention of the Members of the Association, except in the event of an emergency, provided that Lot or Unit Owners shall not be permitted to participate, and need not be recognized, at any such meeting. If assessments against Lot or Unit Owners will be considered at such meeting, the notice to Lot or Unit Owners will specifically state that assessments will be considered and the nature of such assessments.

4.7 Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Lot or Unit Owners and notice of a special meeting shall be posted conspicuously on the

Association Property at least forty-eight (48) hours in advance for the attention of the Members of the Association, except in the event of an emergency, provided that Lot or Unit Owners shall not be permitted to participate, and need not be recognized, at any such meeting. If assessments against Lot or Unit Owners will be considered at such meeting, the notice to Lot or Unit Owners will specifically state that assessments will be considered and the nature of such assessments.

4.8 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.9 Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles, or these By-Laws.

4.10 Adjourned Meetings. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.11 Presiding Officer. The presiding officer at the Directors' Meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

4.12 Order of Business. If a quorum has been attained, the order of business at Directors' Meetings shall be:

- (a) Proof of due notice of meeting;
- (b) Reading and disposal of any unapproved minutes;
- (c) Reports of Officers and Committees;
- (d) Election of Officers;
- (e) Unfinished business;
- (f) New business;
- (g) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Lot or Unit Owners, or their authorized representatives, and Board Members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

4.14 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted may appoint an Executive Committee to consist of three (3) or more Members of the Board of Directors. Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Association during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have the power:

- (a) to determine the Common Expenses required for the affairs of the Association;
- (b) to determine the Assessments payable by the Lot or Unit Owners to meet the Common Expenses of the Association;
- (c) to adopt or amend any Rules and Regulations covering the details of the operation and use of the Association Property; or
- (d) to exercise any of the powers set forth in Paragraph 5 (g) and 5(p) hereinafter set forth.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) Directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the Members of the Board of Directors until Lot or Unit Owners other than the Developer own seventy-five percent (75%) or more of the Units that will be operated ultimately by the Association.

The Developer can turn over control of the Association to Lot or Unit Owners other than the Developer prior to such dates in its sole discretion by causing all of its appointed Directors to resign, where upon it shall be the affirmative obligation of Lot or Unit Owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days' notice of Developer's decision to cause its appointees to resign is given to Lot or Unit Owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations even if the Lot or Unit Owners other than the Developer refuse or fail to assume control.

Within sixty (60) days after the Lot or Unit Owners other than the Developer are entitled to elect a Member or Members of the Board of Directors, or sooner if the Developer has elected to accelerate such event as aforesaid; the Association shall call, and give not less than thirty (30) days' notice nor more than forty (40) days' notice of a meeting of the Lot or Unit Owners to elect such Member or Members of the Board of Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Within a reasonable time after Lot or Unit Owners other than the Developer elect a majority of the Members of the Board of Directors of the Association (but not more than sixty (60) days

after such event), the Developer shall relinquish control of the Association and shall deliver to the Association all property of the Lot or Unit Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable:

(a) The original or a photocopy of the recorded Declaration of Restrictions, and all Amendments thereto. If a photocopy is provided, the Developer must certify by Affidavit that it is a complete copy of the actual recorded Declaration.

(b) A certified copy of the Articles of Incorporation of the Association.

(c) A copy of the By-Laws of the Association.

(d) The minute books, including all minutes, and other books and records of the Association.

(e) Any Rules and Regulations which have been adopted.

(f) Resignations of resigning Officers and Board Members who were appointed by the Developer.

(g) The financial records, including financial statements of the Association and source documents since the incorporation of the Association through the date of turnover.

(h) Association funds or the control thereof.

(i) All tangible personal property that it is the property of the Association or is or was represented by the Developer to be part of the Common Facilities, and an inventory of such property.

(j) A copy of the Plans and Specifications utilized in the construction or remodeling of improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the improvements and the Common Facilities, with a Certificate, in Affidavit form, of an Officer or the Developer or an architect or engineer authorized to practice in Florida, that such Plans and Specifications represent, to the best of their knowledge and belief, the actual Plans and Specifications utilized in the construction and improvement of the

Common Facilities and the construction and installation of the mechanical components serving the improvements and the Common Facilities.

(k) Insurance policies.

(l) Copies of any Certificates of Occupancy which may have been issued for the Common Facilities.

(m) Any other permits issued by governmental bodies applicable to the Common Facilities in force or issued within one (1) year prior to the date the Lot or Unit Owners take control of the Association.

(n) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective.

(o) A roster of Lot or Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.

(p) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Lot or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service.

(q) All other contracts to which the Association is a party.

5. POWERS AND DUTIES. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and make take all acts, through the proper Officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles, or these By-Laws, may not be delegated to the Board of Directors. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

(a) Operating and maintaining the Common Facilities.

(b) Determining the expenses required for the operation of the Association.

(c) Collecting the Assessments for Common Expenses from Lot or Unit Owners.

(d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Facilities.

(e) Adopting and amending Rules and Regulations concerning the details of the operation and use of the Association Property, subject to a right of the Lot or Unit Owners to overrule the Board as provided in Section 13 hereof.

(f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Obtaining and reviewing insurance for the Association Property.

(h) Making repairs, additions and improvements to, or alterations of, the Association Property, and repairs to and restoration of the Association Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

(i) Enforcing obligations of the Lot or Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Association.

(j) Levying fines against appropriate Lot or Unit Owners for violations of the Rules and Regulations established by the Association to govern the conduct of such Lot or Unit Owners.

(k) Contracting for the management and maintenance of the Association Property and authorizing a Management Agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Facilities with such funds as shall be made available by the Association for such purposes. The

Association and its Officers shall, however, retain at all times the powers and duties granted by the Association documents, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(1) Exercising (i) all powers specifically set forth in the Declaration, the Articles and these By-Laws, (ii) all powers incidental thereto, and (iii) all other powers of a Florida Corporation not for profit.

6. OFFICERS.

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, (none of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. 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 or appropriate to manage the affairs of the Association. Officers need not be Lot or Unit Owners.

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He shall also assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as may be required by the Directors or the President.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving 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 the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, 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.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a Treasurer's Report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer and as may be required by the Directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

7. COMPENSATION. Neither Directors nor Officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or Officer as an employee of the Association, nor preclude contracting with a Director or Officer for the management of the Association or for any other service to be supplied by such Director or Officer. Directors and Officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

8. RESIGNATIONS. Any Director or Officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or Officer (other than appointees of the Developer or Officers who

were not Lot or Unit Owners) shall constitute a written resignation of such Director or Officer.

9. ASSESSMENTS. In the event the annual assessments prove to be insufficient, the assessments may be amended at any time by the Board of Directors.

10. ROSTER OF LOT OR UNIT OWNERS. Each Lot or Unit Owner shall file with the Association a copy of the Deed or other document showing his ownership. The Association shall maintain such information. The Association may rely upon the accuracy of such information for all purposes until notified in writing of changes therein as provided above. Only Lot or Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. PARLIAMENTARY RULES. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles, or these By-Laws.

12. AMENDMENTS. Except as in the Declaration or Articles provided otherwise, these By-Laws may be amended in the following manner:

12.1 Notice. Notice of the subject matter of the proposed Amendment shall be included in the notice of a meeting at which a proposed Amendment is to be considered.

12.2 Resolution. A resolution for the adoption of a proposed Amendment may be proposed either by a majority of the Board of Directors or by not less than ten percent (10%) of the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the Amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Proposed Amendments may be passed at the meeting at which they are considered by approval of not less than two-thirds (2/3) of the Lot

or Unit Owners who may vote in person or by proxy or approve in writing.

12.3 Proviso. No Amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Lots or Units without the consent of said Developer and mortgagees in each instance. No Amendment shall be made that is in conflict with the Articles or Declaration. No Amendment to this Section shall be valid.

12.4 Notwithstanding any provision contained in these By-Laws to the contrary, any Amendment to these By-Laws shall require the prior written approval of the U.S. Department of Housing and Urban Development/Veterans' Administration until seventy-five percent (75%) of the Lots or Units are conveyed to Owners other than the Developer.

13. RULES AND REGULATIONS. The Board of Directors may, from time to time promulgate rules and regulations concerning the use of the properties. Copies of the rules and regulations shall be furnished by the Board to each property owner not less than thirty (30) days before the effective date thereof. The rules or regulations shall not prejudice the right of the Developer.

14. CAPTIONS. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

15. COMMITTEES.

15.1 Standing Committees. Standing Committees of the Association shall be the Nominating Committee, the Recreation Committee, the Maintenance Committee, the Publicity Committee, and the Audit Committee. Unless otherwise provided herein, each Committee shall consist of a Chairman and two (2) or more Members as determined by the Board, at least one (1) of whom shall be a Director. Each Committee shall be appointed by the Board of Directors at its Annual Meeting to serve until the next Annual Meeting of the Board and until its successor shall have been duly

elected and qualified, except that the Nominating Committee shall be appointed in accordance with Section 4. The Board of Directors may appoint such other committee as it deems desirable.

15.2 Nominating Committee. The Nominating Committee shall have the duties and functions described in Section 4.2.

15.3 Recreation Committee. The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational program of the Association and shall perform such other functions as the Board, in its discretion, determines.

15.4 Maintenance Committee. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair, or improvement of any of the WELLINGTON DOWNS Property and Community Facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

15.5 Publicity Committee. The Publicity Committee shall inform the Members of all activities and functions of the Association, and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association.

15.6 Audit Committee. The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the Members at their Annual Meetings. The Treasurer shall be an ex-officio Member of the Committee.

15.7 Subcommittees. With the exception of the Nominating Committee, each Committee shall have the power to appoint a subcommittee from among its Membership and may delegate to any subcommittee any of its powers, duties, and functions.

15.8 General Duties. It shall be the duty of each Committee to receive complaints from the Members on any matter involving Association functions, duties, and activities within the field of its responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other Committee,

Director, or Officer of the Association as is further concerned with the matter presented.

The foregoing were adopted as the By-Laws of WELLINGTON DOWNS HOMEOWNERS ASSOCIATION, INC., a Corporation not for profit under the laws of the State of Florida on the 12th day of July, 1990.

APPROVED BY:

WELLINGTON DOWNS HOMEOWNERS ASSOCIATION, INC.

BY: Victoria Lumborg  
President

ATTEST:

BY: [Signature]  
Secretary

ALN/23873/BYLAWS