

RESATED BY-LAWS
OF
COURT OF DELRAY CONDOMINIUM ASSOCIATION, INC.
A corporation not for profit under
the laws of the State of Florida

1. IDENTITY

These are the By-Laws of COURT OF DELRAY CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on November 5, 1970. COURT OF DELRAY CONDOMINIUM ASSOCIATION, INC., hereinafter called "ASSOCIATION," has been organized for the purpose of administering the operation and management of COURT OF DELRAY (a condominium), hereinafter referred to as "COURT OF DELRAY", established or to be established in accordance with the Condominium Act of the State of Florida upon the following described property situate, lying and being in Palm Beach County, Florida, to wit:

A tract of land 200 feet in width between parallel lines extending from the Intracoastal Waterway to the center line of State Road 140 (now A1A), the South line of said tract being a line parallel to and 100 feet Northerly from the quarter section line, running East and West through Section 28, Township 46 South, Range 43 East, in Palm Beach County, Florida, and the North line of said tract being a line parallel to and 300 feet northerly from said quarter section line, EXCEPTING the right of way of State Road No. 140 (now A1A). The aforesaid quarter section line running East and West through said Section 28 is as established by agreement between Bessemer Properties Incorporated and Basset W. Mitchell and Mary Starr Mitchell, his wife, dated November 20, 1941, recorded in Deed Book 642, Page 474, Palm Beach County Records.

a) The provisions of these By-Laws are applicable to COURT OF DELRAY, and the terms and provisions hereof are expressly subject to the effect of the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the formal Declaration of Condominium which will be recorded in the Public Records of Palm Beach County, Florida, at the time said property and the improvements now or hereafter situate thereon are submitted to the plan of condominium ownership, the terms and provisions of said Articles of Incorporation and Declaration of Condominium to be controlling wherever the same may be in conflict herewith.

b) All present or future owners, tenants, future tenants, or their employees, or any other person that might use COURT OF DELRAY or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Declaration of Condominium.

c) The office of the ASSOCIATION shall be at 2220 South Ocean Boulevard, Delray Beach, Florida.

d) The fiscal year of the ASSOCIATION shall be the calendar year.

e) The seal of the ASSOCIATION shall bear the name of the ASSOCIATION, the word "Florida," the words "Corporation Not for Profit," and the year of incorporation, an impression of which seal is as follows:

(SEAL)

2. MEMBERSHIP, VOTING, QUORUM, PROXIES

a) The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be as set forth in Article IV of the Articles of Incorporation of the ASSOCIATION, the provisions of which said Article IV of the Articles of Incorporation are incorporated herein by reference.

b) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. 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.

c) The vote of the owners of an APARTMENT owned by more than one person or by a corporation or other entity, shall be cast by the person named in a Certificate signed by all of the owners of the APARTMENT and filed with the Secretary of the ASSOCIATION, and such Certificate shall be valid until revoked by subsequent Certificate. If such a Certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum, nor for any other purpose.

d) Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

e) Approval or disapproval of an APARTMENT owner upon any matters, whether or not the subject of an ASSOCIATION meeting, shall be by the same person who would cast the vote of such owner if in an ASSOCIATION meeting.

f) Except where otherwise required under the provisions of the Articles of Incorporation of the ASSOCIATION, these By-Laws, the Declaration of Condominium, or where the same may otherwise be required by law, the affirmative vote of the owners of a majority of the APARTMENTS represented at any duly called members' meeting at which a quorum is present shall be binding upon the members.

3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP

a) The Annual Members' Meeting shall be held at a convenient location on a date in March or April of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members.

b) Special Members' Meeting shall be held whenever call 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 the APARTMENTS.

c) Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the ASSOCIATION, or other Officer of the ASSOCIATION in absence of said Officers, to each member, unless waived in writing, such notice to be written or printed and to state the time and place and object for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each member within said time. If presented personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States mails addressed to the member at his Post Office address as it appears on the records of the ASSOCIATION, the postage thereon prepaid. Proof of such mailing shall be given by the Affidavit of the person giving the notice. Any member may, by written waiver of notice signed by such member, waive 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 such notice to such member. If any members' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be require as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

d) The order of business at Annual Members' Meetings, and, as far as practical, at any other members' meeting shall be:

- i) The President, or, in his absence, the Vice President of the ASSOCIATION shall be the chairman of the meeting.
- ii) Calling of the role and certifying of proxies.
- iii) Proof of notice of meeting or waiver of notice.
- iv) Reading and disposal of any unapproved minutes.
- v) Reports of Officers.
- vi) Reports of Committees.
- vii) Election of Inspectors of Election.
- viii) Election of Directors.
- ix) Unfinished business.
- x) New business.

xi) Adjournment.

4. BOARD OF DIRECTORS

a) The Board of Directors of the ASSOCIATION shall consist of not less than three (3) persons nor more than five (5) persons. All reasonable efforts shall be made to have five (5) persons on the Board, but it shall be acceptable to have at least three (3), based on the lack of interest by the members to be on the Board. At least a majority of the Board of Directors shall be members of the ASSOCIATION, or shall be authorized representatives, officers or employees of a corporate member of the ASSOCIATION. So long as Court of Delray Corp. a Florida corporation, is the owner of five (5) or more APARTMENTS in COURT OF DELRAY, said Court of Delray Corp. shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the ASSOCIATION; and so long as the said Court of Delray Corp. is the owner of at least one (1), but not more than four (4) APARTMENTS, said Court of Delray Corp. shall have the right to designate and select one of the persons who shall serve as a member of each Board of Directors of the ASSOCIATION.

b) Election of Directors shall be conducted in the following manner:

i) Court of Delray Corp., Sponsor of COURT OF DELRAY, shall, at the beginning of the election of the Board of Directors, designate and select that number of the members of the Board of Directors which it shall be entitled to designate and select in accordance with the provisions of these By-Laws, and upon such designation and selection by Court of Delray Corp. by written instrument presented to the meeting at which such election is held, said individuals so designated and selected by Court of Delray Corp. shall be deemed and considered for all purposes Directors of the ASSOCIATION, and shall thenceforth perform the offices and duties of such Directors until their successors shall have been selected or elected in accordance with the provisions of these By-Laws.

ii) All members of the Board of Directors who Court of Delray Corp. shall not be entitled to designate and select under the terms and provisions of these By-Laws, shall be elected by a plurality of the votes cast at the Annual Meeting of the members of the ASSOCIATION immediately following the designation and selection of the members, of the Board of Directors who Court of Delray Corp. shall be entitled to designate and select.

iii) Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person designated and selected by Court of Delray Corp., such vacancy shall be filled by Court of Delray Corp. designating and selecting, by written instrument delivered to any Officer of the ASSOCIATION, the successor Director to fill the vacated Directorship for the unexpired term thereof.

iv) At the first Annual Meeting of the members held after the property identified herein has been submitted to the plan of condominium ownership and the Declaration of Condominium has been recorded in the Public Records of Palm Beach County, Florida, the term of office of the two (2) Directors receiving the highest plurality of votes shall be established at two (2) years, and

the term of office of the other three (3) Directors shall be established at one (1) year. Thereafter, as many Directors of the ASSOCIATION shall be elected at the Annual Meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Directors so elected at the Annual Meeting of the members each year shall be for two (2) years expiring at the second Annual Meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law. If at the time of the first Annual Meeting, Court of Delray Corp. is the owner of five (5) or more APARTMENTS, then Court of Delray Corp. shall have the right to designate and select two (2) Directors whose term of office shall be established at two (2) years, and one (1) Director, whose term of office shall be established at one (1) year, and should Court of Delray Corp. at said time be the owner of at least one (1), but not more than four (4) APARTMENTS, then the said Court of Delray Corp. shall have the right to designate and select one (1) of the Directors whose term of office shall be established at two (2) years.

v) In the election of Directors, there shall be appurtenant to each APARTMENT as many votes for Directors as there are Directors to be elected, provided, however, that no member or owner of any APARTMENT may cast more than one (1) vote for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative.

vi) In the event that Court of Delray Corp., in accordance with the privilege granted unto it selects any person or persons to serve on any Board of Directors of ASSOCIATION, the said Court of Delray Corp. shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on said Board of Directors. Replacement of any person or persons designated by Court of Delray Corp. to 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 or names of the person or persons to be replaced and the name or names of the person or persons designated as successor or successors to the persons so removed from said Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Court of Delray Corp. to any officer of the ASSOCIATION.

c) 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.

d) 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 telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.

e) 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.

f) 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.

g) A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these By-Laws or the Declaration of Condominium. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than 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.

h) The Presiding Officer of Directors' meetings shall be the Chairman of the Board, if such an Officer has been elected; and if none, then the President shall preside. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.

i) Directors' fees, if any, shall be determined by the members.

j) 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, the Articles of Incorporation of the ASSOCIATION, these By-Laws and the Declaration of Condominium. Such powers and duties shall be exercised in accordance with said Articles of Incorporation, these By-Laws and the Declaration of Condominium, and shall include, without limiting the generality of the foregoing, the following:

i) To make, levy and collect assessments against members and members' APARTMENTS to defray the costs of the condominium, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the ASSOCIATION;

ii) The maintenance, repair, replacement, operation, and management of COURT OF DELRAY wherever the same is required to be done and accomplished by the ASSOCIATION for the benefit of its members;

iii) The reconstruction of improvements after casualty, and the further improvement of the property, real and personal;

iv) To make and amend regulations governing the use of the property, real and personal, in COURT OF DELRAY, 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 Declaration of Condominium;

v) To approve or disapprove proposed purchasers and lessees of APARTMENTS in the manner specified in the Declaration of Condominium;

vi) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including APARTMENTS in COURT OF DELRAY, as may be necessary or convenient in the operation and management of COURT OF DELRAY, and in accomplishing the purposes set forth in the Declaration of Condominium;

vii) To contract for the management of COURT OF DELRAY and to designate to such Manager all of the powers and duties of the ASSOCIATION, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the ASSOCIATION;

viii) To enforce by legal means the provisions of the Articles of Incorporation and By-Laws of the ASSOCIATION, the Declaration of Condominium and the regulations hereinafter promulgated governing use of the property in COURT OF DELRAY;

ix) To pay all taxes and assessments which are liens against any part of COURT OF DELRAY other than APARTMENTS and the appurtenances thereto, and to assess the same against the members and their respective APARTMENTS subject to such liens;

x) To carry insurance for the protection of the members and the ASSOCIATION against casualty and liability;

xi) To pay all costs of power, water, sewer and other utility services rendered to the condominium and not billed to the owners of the separate APARTMENTS; and

xii) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the ASSOCIATION.

k) The first Board of Directors of the ASSOCIATION shall be comprised of the five (5) persons designated to act and serve as Directors in the Articles of Incorporation, which said persons shall serve until their successors are elected at the first Annual Meeting of the members of the ASSOCIATION called after the property identified herein has been submitted to the plan of condominium ownership and the Declaration of Condominium has been recorded in the Public Records of Palm Beach County, Florida. Should any member of said first Board of Directors be unable to serve for any reason, a majority of the remaining members of the Board of Directors shall have the right to select and designate a party to act and serve as a Director for the unexpired term of said Director who is unable to serve, except as to Directors appointed by Court of Delray Corp.

l) The undertakings and contracts authorized by said first Board of Directors shall be binding upon the ASSOCIATION in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership after the property identified herein has been submitted to the plan of condominium ownership and said

Declaration of Condominium has been recorded in the Palm Beach County Public Records, so long as any undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the ASSOCIATION in accordance with all applicable condominium documents.

m) Any one or more of the members of the Board of Directors of the ASSOCIATION may be removed, either with or without cause, at any time by a vote of the members owning a majority of the APARTMENTS in COURT OF DELRAY, at any Special Meeting called for such purpose, or at the Annual Meeting; provided, however, that only Court of Delray Corp. shall have the right to remove a Director appointed by it.

5. OFFICERS

a) The executive officers of the ASSOCIATION shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary, 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. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the ASSOCIATION.

b) The President shall be the chief executive officer of the ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the ASSOCIATION.

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

d) The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors, and such other notices required by law. He shall have custody of the seal of the ASSOCIATION and affix the same to instruments requiring a 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 President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

e) The Treasurer shall have custody of all of the property of the ASSOCIATION, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the ASSOCIATION in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

f) The compensation of all officers and employees of the ASSOCIATION shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a

Director as an employee of the ASSOCIATION, nor preclude the contracting with a Director for the management of the condominium.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the ASSOCIATION set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

a) The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each APARTMENT. 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.

b) The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the ASSOCIATION, including but not limited to the following items:

i) Common expense budget, which may include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of COMMON PROPERTY and LIMITED COMMON PROPERTY, landscaping, street and walkways, office expense, swimming pool, utility services, casualty insurance, liability insurance, administration and reserves (operating and replacement); and

ii) Proposed assessments against each member.

Copies of the proposed budget and proposed assessments shall be transmitted to each member on or before January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors to at any time in their sole discretion levy any additional assessment in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

c) The depository of the ASSOCIATION shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the ASSOCIATION shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

d) A financial report of the accounts of the ASSOCIATION shall be made annually in accordance with the Condominium Act, as amended from time to time, and a copy of the report or

a notice that a copy of the most recent financial report is available at no charge, shall be furnished to each member in accordance with the Condominium Act, as amended from time to time.

e) Fidelity bonds shall be required by the Board of Directors, from all officers and employees of the ASSOCIATION and from any contractor handling or responsible for ASSOCIATION funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the ASSOCIATION.

8. AMENDMENTS TO BY-LAWS

An amendment or amendments to these By-Laws may be proposed by the Board of Directors of ASSOCIATION acting upon a vote of the majority of the Directors, or by the members of ASSOCIATION owning a majority of the APARTMENTS in the CONDOMINIUM, whether meeting as members or by an instrument in writing signed by them. The amendment or amendments proposed must be approved by an affirmative vote, either at a members' meeting or by written consent, of the members owning not less than two-thirds (2/3) of the APARTMENTS in the CONDOMINIUM in order for such amendment or amendments to become effective.