

**BY-LAWS**

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 PENTHOUSE VILLAS OF MORNINGSIDE ASSOCIATION, INC.  
 A FLORIDA NON-PROFIT CORPORATION

1. Identiv. These are the By-Laws of Penthouse Villas of Morningside Association, Inc., a Florida non-profit corporation, hereinafter called "Association", the Articles of Incorporation of which were filed in the Office of the Secretary of State on February 27, 1975. The Association was organized for the purpose of administering a Condominium pursuant to The Condominium Act, and for the purpose of administering Penthouse Villas of Morningside, a Condominium, which is located upon land in Pinellas County, Florida, said land being described more fully in the Declaration of Condominium for Penthouse Villas of Morningside, a Condominium.

1.1 Principal Office. The principal office of the Association shall be 1318 Moreland Drive, Clearwater, Florida, or at such other place as may be designated subsequently by the Board of Directors.

1.2 Definitions. The basic definitions used herein shall be the same as listed in the Declaration of Condominium of which these By-Laws are a part.

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

2. Directors.

2.1 Number and Term. The number of Directors which shall constitute the whole Board shall not be less than three nor more than five. The Directors shall be elected at the annual meeting of the owners, and each Director shall be elected and shall serve for a term of one (1) year or until his successor shall be elected and shall qualify. Members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association. There shall be no cumulative voting.

2.2 Initial Directors. The initial Directors of the Association shall be the ones designated in the Articles of Incorporation, and said Directors shall manage the Condominium until 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 Directors of the Association. Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association three (3) years after sales by the Developer have been closed of seventy-five percent (75%) of the units that will be operated ultimately by the Association, or three (3) months after sales have been closed by the Developer of ninety percent (90%) of the units that will be operated ultimately by the Association, or when all of the units that will be operated ultimately by the Association have been completed and 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, whichever shall first occur. The Developer shall be entitled to elect not less than one (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business any units in a condominium operated by the Association.

Within sixty (60) days after the unit owners other than the Developer are entitled to elect a member or members of the Board of Directors of an Association, 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 the notice given by any unit owner if the Association fails to do so.

If a Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

(1) Assessment of the Developer as a unit owner for capital improvements;

(2) Any action by the Association that would be detrimental to the sales of units by the Developer; provided, however, that an increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of units.

**2.3 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 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 term in respect to which such vacancy occurred.

**2.4 Removal.** Directors may be removed by an affirmative vote of a majority of the owners. 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.

**2.5 Powers.** The property and business of the Association shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by statute, the Certificate of Incorporation or the Declaration of Condominium to which these By-Laws are attached, or the powers set forth in The Condominium Act. The powers of the Board of Directors shall specifically include, but shall not be limited to, the following items:

a. To make and collect assessments and establish the time within which payment of the same is due;

b. To use and expend the assessments collected; to maintain, care for and preserve the apartments in Condominium Property except for those portions thereof which are required to be maintained, cared for and preserved by the apartment owners;

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

d. To enter into and upon the apartments when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation;

e. To insure and keep insured the Condominium Property in the manner set forth in the Declaration of Condominium against loss from fire and/or other casualty, and the apartment owners against public liability, and to purchase such other insurance as the Board of Directors may deem advisable.

f. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the apartment owners for violation of these By-Laws and the terms and conditions of the Declaration of Condominium;

g. To contract with, if deemed advisable, a maintenance contractor who shall provide maintenance, and other services to the Condominium Property and to the Association, and the power to delegate to such management contractor such powers as may be necessary in connection with the operation of the Condominium Property, and management of certain phases of the Association, including the details necessary for apartments to be transferred in accordance with the terms of the Declaration of Condominium;

h. To employ workmen, janitors and gardeners and to purchase supplies and equipment and to enter into contracts in connection with any of the foregoing items and for other services deemed desirable, and generally to have the powers of an apartment house manager in connection with the matters hereinabove set forth;

i. To make reasonable rules and regulations for the occupants of the apartments;

j. To do all other acts that are reasonable and necessary as may be required to properly operate the Condominium from time to time.

k. To hire attorneys and other professionals for the purpose of bringing legal action or enforcing rights in the name of and on behalf of the individual condominium unit owners where such actions and rights are common to all of the condominium unit owners; and to bring such action in the name of and on behalf of the said condominium unit owners.

## 2.6 Meetings.

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

b. No notice of a Board of Directors meeting shall be required if the Directors meet by unanimous written consent. The Directors may, by resolution, duly adopted, establish regular monthly, quarter-annual or semi-annual meetings. If such resolution is adopted, no notice of such regular meetings of the Board of Directors shall be required.

c. At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Board of Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Certificate of Incorporation, these By-Laws or the Declaration of Condominium. If a quorum shall not be present in any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

2.7 Parliamentary Rules. Robert's Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the corporation or with the statutes of the State of Florida.

3. Officers.

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

3.2 Appointive Officers. The Board of Directors may appoint such other officers and agents as they may deem necessary who shall hold office during the pleasure of the Board of Directors and have such authority and perform such duties as from time to time may be prescribed by said Board.

3.3 Election. The Board of Directors at its first meeting after each annual meeting of owners shall elect the officers.

3.4 Terni. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed, for cause, at any time by the affirmative vote of a majority of the whole Board of Directors.

3.5 President.

a. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the owners and Directors; shall be ex officio member of all standing committees; shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board of Directors are carried into effect;

b. He shall execute bonds, mortgages and other contracts requiring a seal, under the seal by the Association, except where the same are required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to other officer or agent of the Association.

3.6 Secretary.

a. The Secretary shall keep the minutes of the member meetings and of the Board of Directors' meetings in one or more books provided for that purpose;

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

c. He shall be 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 addresses of each owner, which shall be furnished to the Secretary by such owner.

**3.7 The Vice President.** The Vice President shall be vested with all the powers and required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

**3.8 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 moneys 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 Directors, the Articles of Incorporation or these By-Laws;

b. He shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President, and Directors, at the regular meetings 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 the sum and with one 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.

**3.9 Vacancies.** If the office of any Director, or of the President, Vice President, Secretary or Treasurer, or one or more, becomes vacant by reason of death, resignation, disqualification or otherwise, the Directors, by a majority vote of a quorum of the Board of Directors provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term.

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

**3.11 Compensation.** No Director or officer shall be entitled to any compensation for acting in said capacity.

**4. Membership.**

**4.1 Voting Members.** That member designated by the owner or owners (as recorded in the Public Records of Pinellas County, Florida), of a vested present interest in an apartment owning the majority interest in such apartment, shall have the right to cast one vote. The designation shall be made by a statement filed with the Secretary of the Association, in writing, and said person shall continue to cast the vote for all such owners of interest in a single apartment until such time as another person is properly designated as the voting member. There shall never be more voting members than the number of apartments in this condominium. The failure to file the aforementioned written statement with the Secretary prior to an owners' meeting will result in depriving the specific owners of an apartment of a vote.

4.2 Collective Vote. In the event ownership is in more than one person, all of the owners in such membership shall be entitled collectively to only one vote in the management of the Association and the vote may not be divided between plural owners of a single membership.

4.3 Corporate Ownership. In the event the owner of an apartment is not a natural person, the subject entity shall designate a natural person who shall be entitled to occupy the apartment and such person shall be a member of the Association subject to the procedures set forth in Declaration and these By-Laws.

5. Meetings of Membership.

5.1 Place. All meetings of the Association and Directors shall be held at the office of the Association or such other place as may be stated in the notice and shall be open to all unit owners.

5.2 Annual Meeting. The first annual meeting of the owners of the Association shall be held as may be decided by the initial Board of Directors. Thereafter, the annual meeting of the Association will be held on the first Monday of the month in which the first annual meeting of the owners was held. If the first Monday falls on a legal holiday, then the meeting will be held on the next secular day.

5.3 Notice. Written notice of an annual meeting of the owners stating the time, place and object thereof, shall be served upon or mailed to each individual entitled to vote thereat, at such addresses as appear on the books of the Association, at least fourteen (14) days before such meeting; notices of annual meeting shall also be posted conspicuously fourteen (14) days in advance for the attention of unit owners. In addition, notice of all other meetings of Board of Directors and owners shall be posted conspicuously forty-eight (48) hours in advance for the attention of unit owners except in an emergency.

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

5.5 Quorum. Fifty-one percent (51%) of the ownership of the apartments, together with the common elements appurtenant thereto, of Association present in person or by proxy, shall be requisite to and shall constitute a quorum at all meetings of the owners for the transaction of business, except as otherwise provided by statute, by the Articles of Incorporation, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the owners, the members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

5.6 Waiver and Consent. Whenever the vote of owners at a meeting is required or permitted by any provision of the statutes or the Articles of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of owners may be dispensed with if all the owners 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.

6. Notices.

6.1 Definition. Whenever under the provisions of the statutes or of the Articles of Incorporation or of these By-Laws, notice is required to be given to any Director or owner, it shall not be construed to mean 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 wrapper, addressed as appears on the books of the Association.

6.2 Service of Notice - Waiver. Whenever any notice is required to be given under the provisions of the statutes or of the Articles of Incorporation or of 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.

7. Registers.

7.1 Secretary. The Secretary of the Association shall maintain a register in the Association office showing the name and addresses of members.

7.2 Applicants. Any application for the transfer of membership or for a conveyance of interest in an apartment shall be accompanied by an application fee in the amount of Twenty-Five dollars (\$25.00) to cover the cost of contacting the references given by the applicant and such other costs of investigation that may be incurred by the Board of Directors. No charge shall be made in connection with extension or renewal of a lease. If a management contract with the Management Contractor is in existence, this fee shall be payable to the Management Contractor for its services in connection with the screening of an applicant, and the Management Contractor is not prohibited from increasing said charge in the event it becomes reasonable for it to do so.

7.3 Record of Mortgaged Apartments. The Association shall maintain a suitable register for the recording of mortgaged apartments. In the event notice of default is given any member under an applicable provision of the By-Laws, Articles of Incorporation, or the Declaration, a copy of such notice shall be mailed to the registered mortgagee.

8. Rules and Regulations. In accordance with the Declaration, the Association shall establish rules and regulations as may be necessary from time to time. The rules and regulations attached hereto shall be the rules followed by the owners of the apartment buildings until changed or modified by the Board of Directors.

9. Amendment of By-Laws. The By-Laws of the Association may be altered, amended or repealed, unless specifically prohibited herein, at any regular or special meeting of the owners by a 75% vote of all owners of the Association, and provided that notice of said membership meeting has been given in accordance with these By-Laws and that the notice as aforesaid contained a full statement of the proposed amendment. No modification or amendment to the By-Laws shall be valid unless set forth as a duly recorded Amendment to the Declaration of Condominium.

10. Annual Budget. A copy of a proposed annual budget of common expenses shall be mailed to the unit owners not less than thirty (30) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. The Budget may be adopted by the Board of Directors, but prior to adoption the unit owners shall be given written notice of the time and



place at which such meeting of the Board of Directors to consider the budget shall be held, and such meeting shall be open to the unit owners. If a budget is adopted by the Board of Directors which requires assessment against the unit owners in any fiscal or calendar year exceeding 115% of such assessments for the preceding year, upon written application of Ten percent (10%) of the unit owners, a special meeting of the unit owners shall be held upon not less than ten (10) days written notice to each unit owner, but within thirty (30) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting unit owners may consider and enact a revision of the budget, or recall any and all members of the Board of Directors and elect their successors. In either case, the revision of the budget or the recall of any and all members of the Board of Directors shall require a vote of not less than a majority of the whole number of votes of all unit owners. The Board of Directors may in any event propose a budget to the unit owners at a meeting of members or by writing, and if such budget or proposed budget be approved by the unit owners at the meeting, or by a majority of their whole number by a writing, such budget shall not thereafter be reexamined by the unit owners in the manner hereinabove set forth nor shall the Board of Directors be recalled under the terms of this section. In determining whether assessments exceed 115% of similar assessments in prior years, there shall be excluded in the computation any provision for reasonable reserves made by the Board of Directors in respect of repair or replacement of the condominium property or in respect of anticipated expenses by the condominium Association which are not anticipated to be incurred on a regular or annual basis and there shall be excluded from such computation, assessment for betterments to the condominium property.

Assessments shall be made against unit owners not less frequently than quarterly in amounts no less than are required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expense previously incurred.

END OF BY-LAWS