

BY-LAWS

OF

THE PALM CLUB HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is THE PALM CLUB HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Military Trail, West Palm Beach, Florida, but meetings of members and Directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The definitions of words as defined in the Declaration of Restrictions to which these By-Laws are attached as Exhibit "C" and recorded in the Public Records of Palm Beach County, Florida, are incorporated herein by reference and made a part hereof.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held at least once each calendar year on a date and at a time to be determined by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary, or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient) to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the Association shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary at least twenty-four (24) hours prior to said meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

EXHIBIT C

0506h/0010h

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3), nor more than seven (7), persons who need not be members of the Association. The first Board shall consist of three (3) members. Thereafter the number of Directors may be increased to a maximum of seven (7) by a majority vote of the Board of Directors.

Section 2. Term of Office. The first election of Directors shall be held when Class B membership ceases, as provided in ARTICLE VII of the Articles of Incorporation, at a meeting of the members called for that purpose. Three (3) Directors shall be elected at this first election, one (1) for a term of one (1) year, one (1) for a term of two (2) years, and one (1) for the term of three years. The number of directors elected may be increased as provided in the Articles of Incorporation. At the expiration of any term of three (3) years, any Director may be re-elected.

Section 3. Removal. At such time as the members of the Association are permitted to elect Directors, any Director may be removed from the Board with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

At such time as members of the Association are permitted to elect Directors, the nomination and election of Directors shall be conducted as follows:

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the members to serve until the close of that annual meeting. 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 that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot, unless unanimously waived by all members present. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons

receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be determined, from time to time, by a majority of the Board. Notice of time and purpose 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. Meetings shall be open to all Owners and notice shall be posted conspicuously on the Properties at least three (3) days in advance, except in an emergency when said notice shall be deemed waived.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors after not less than three (3) days' notice to each Director, except in an emergency when said notice shall be deemed waived.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, except in an emergency.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the powers reasonably necessary to operate and maintain the Association, including, but not limited to, the following:

(a) Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties and/or fines for the infraction thereof;

(b) Suspend the voting rights and right of use of the Common Area of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws; the Articles of Incorporation or the Declaration;

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary for the operation of the Association, prescribe their duties and delegate any or all of the duties and functions of the Association and/or its officers; and

(f) Undertake necessary repairs, apportion the cost of the same pursuant to the Declaration of Restrictions for The Palm Club Homeowners Association.

Section 2. Duties. It shall be the duty of the Board of Directors to cause the Association to perform the purposes for which it was formed, including, but not limited to, the following:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration, to fix the amount of the annual assessment against each Lot and send notice thereof to every Owner at least thirty (30) days in advance of each annual assessment period;

(d) To make, levy and collect assessments against members and members' Lots to defray the costs of the Properties and to use the proceeds of said assessments in the exercise of the powers and duties granted to the Association. Only Owner members shall be subject to assessments.

(e) To cause the Association to pay all taxes and assessments of any type which affect any part of the Properties other than Lots and the appurtenances thereto, and to assess the same against the members and their respective Lots.

(f) To, in its sole discretion, determine which items of cost, expense and income are attributable to a particular Lot, which are to be apportioned among more than one Lot, as well as the basis of such apportionment. In all events the Association's determination as to such attribution shall be conclusive and binding. It is understood that there may be services which are rendered to the Project as a whole and are incapable of precise allocation.

(g) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(h) Procure and maintain adequate liability, hazard, property and/or casualty insurance on property owned by the Association and as required to the Declaration.

(i) Cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration.

#### ARTICLE VIII

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

#### PRESIDENT

(a) The President shall preside at all meetings of the members and Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

#### SECRETARY

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

#### TREASURER

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks, and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

#### ARTICLE IX

#### COMMITTEES

The Board of Directors shall fill any vacancies on the Architectural Committee for a term as the Board determines, as provided in the Declaration, and appoint a Nominating Committee, as

provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

#### ARTICLE X

##### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association.

#### ARTICLE XI

##### ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, a late fee of TWENTY FIVE DOLLARS (\$25.00), beginning from the due date, may be levied by the Board of Directors for each month the assessment is late, and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees incurred, by the Association in connection with collection and/or appeal shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

#### ARTICLE XII

##### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: THE PALM CLUB HOMEOWNERS ASSOCIATION, INC., a Corporation Not For Profit, 1984.

#### ARTICLE XIII

##### AMENDMENTS

Section 1. These By-Laws may be amended, altered or rescinded at a regular or special meeting of the members, by a vote of seventy-five (75%) percent of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

#### ARTICLE XIV

##### MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

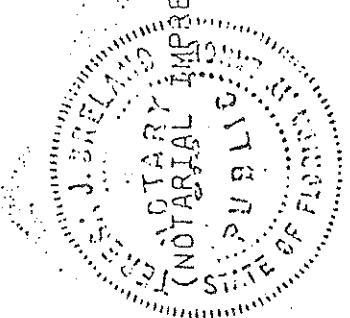
IN WITNESS WHEREOF, We, being all of the directors of THE PALM CLUB HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 11/14 day of May 1984.

[Signature]  
Frank J. Steinitz  
[Signature]  
John Glick  
[Signature]  
Mal Rice

STATE OF FLORIDA )  
COUNTY OF Palm Beach ) SS

I HEREBY CERTIFY that on this 11/14 day of May 1984, personally appeared before me, Frank J. Steinitz, John Glick and Mal Rice, to me personally known and they acknowledged before me that they executed the foregoing By-Laws for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in said County and State the day and year first above written.



[Signature]  
NOTARY PUBLIC, State of Florida  
at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
BRELAND, J. BRELAND  
BRELAND, J. BRELAND

RECORD VERIFIED  
PALM BEACH COUNTY FLA  
JOHN B. DUNKLE  
CLERK CIRCUIT COURT