

BYLAWS

FOR

**THE WORLDQUEST RESORT CONDOMINIUM ASSOCIATION, INC.,
LOCATED IN ORANGE COUNTY, FLORIDA**

1. Purpose and Application:

(a) These Bylaws are and shall be the Bylaws of the Owners Association of WORLDQUEST RESORT, A CONDOMINIUM (the "Condominium"), being WORLDQUEST RESORT CONDOMINIUM ASSOCIATION, INC. These Bylaws shall, on being recorded with the County Clerk and Recorder, County of Orange, and the Secretary of State, State of Florida, govern and control the administration of the Condominium. These Bylaws are a part of the Declaration for WORLDQUEST RESORT, A CONDOMINIUM (the "Declaration"), which are made a part hereof by reference. All "Owners", their guests and any renters or sublessees present and future shall have the rights and responsibilities described in these Bylaws and shall be subject to the provisions thereof.

(b) The acquisition of an ownership interest in a Unit in the Condominium, signifies that the Owner accepts, ratifies and agrees to comply with these Bylaws.

2. Membership:

(a) Persons owning an interest in a Unit at the Condominium shall be a member of the Association of Unit Owners (the "Association"), which shall be the same as the Association or Condominium Association established in the initial Condominium Declaration for the Condominium, and the Articles of Incorporation for the Association. Membership begins concurrently with the acquisition of an ownership interest in a Unit and terminates at the time such ownership interest is terminated. Such termination shall not relieve any Owner of liability for obligations incurred while a member of the Association; further, membership in the Association does not in any way negate or impair any Owner's legal remedies, right to bring legal action, or defenses to any and all actions involving the Association, other Owners, or the Management that may arise from or be incidents of ownership.

3. Obligations:

(a) The Association and each Owner shall be obligated to comply with the Bylaws, the initial Condominium Declaration and the laws of the local authorities having jurisdiction over the Condominium and the laws of the State of Florida. Such Owner's

obligation shall include, but not be limited to, the paying of Assessments to the Association. Failure of any Owner to abide by these Bylaws and the other instruments, and all rules made pursuant thereto, and the aforesaid laws shall be grounds for appropriate legal actions by the Association, Unit Owners or by an aggrieved Owner against such non-complying Owner.

4. **Meetings and Voting:**

(a) **Regular Meetings:** There shall be a regular meeting of the Association annually during the first ten (10) days of the month of July of each year as determined by the Board, or on such other date properly announced by the Board. All meetings of the Board of Directors, including special meetings in accordance with subparagraph (g) below, shall be open to all Unit Owners. Adequate notice of a meeting shall be posted on condominium property at least 48 continuous hours preceding the meeting.

(b) **Special Meetings:** Pursuant to these Bylaws, the Association may at any time hold a special meeting. Such special meeting may be called on the initiative of the Chairperson of the Association, or a signed request of the Manager, or a petition signed by at least fifty-one percent (51%) of the Owners entitled to vote. Notice of any special meeting must specify the reason for such meeting and the matters to be raised. Only matters set forth in the petition or request may be brought before such meeting unless fifty-one percent (51%) of the aggregate interest present agrees otherwise.

(c) **Notices:** Notices of all meetings, regular or special, shall be mailed by the Association's Secretary or the Manager to every Owner of record at their address of record at least ten (10) but not more than twenty (20) days prior to the time for holding such meeting. Such notices shall specify the date, time and place of the meeting and shall make provision to allow for the voting of each Owner's interest by proxy at the discretion of the Owner. The mailing of a notice in the manner provided in this paragraph or the personal delivery of such notice by the Secretary of the Association shall be considered as notice served. On receiving a written request, the Association's Secretary or the Manager shall give all mortgagees notice of all regular and special meetings of the Association. Even though a mortgagee received no notice, they may attend any regular or special meeting of the Association. On attending any regular or special meeting, a mortgagee may participate and vote according to any ownership interest or proxy held by said party. Mortgagees may be represented by their duly authorized agents.

(d) **Adjournment:** If any meetings cannot be convened because a majority of all ownership interests is not present either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

5. **Voting Interest:**

(a) There is assigned to each Condominium Unit one vote. Should the Unit be held in multiple ownership, the Owners of a Unit shall execute a written designation appointing a single voting representative who will vote the Unit's vote at any and all Owners meetings. The written designation may be changed from time to time by subsequent designations signed by all Owners of a Unit. The foregoing does not restrict the possible execution of proxies which appoints a third party agent to cast a Unit's vote.

(b) Whenever a quorum is present at a meeting of the Association or the Board of Directors, those present may do any and all acts by majority vote they are empowered to do unless specific provisions of these Bylaws, the Declaration or the laws of the State of Florida direct otherwise.

6. **Quorum:**

The presence in person or by proxy of at least a majority of the Owners holding a voting interest as hereinabove provided shall constitute a quorum.

7. **Proxies:**

Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote. If any ownership interest is owned by a corporation, an officer or a designated authorized representative of the corporation shall be entitled to vote the corporate interest. If the interest is owned by a husband and wife jointly, either husband or wife may sign.

8. **Board of Directors:**

(a) Number and Election: During the pendency of Developer's rights to appoint directors pursuant to Paragraph 8(k) of these ByLaws, the number of directors shall be three (3). After the expiration of Developer's rights under Paragraph 8(k) of these ByLaws, the number of directors shall be five (5). Except for those appointed or elected by the Developer, each director shall be (i) a member of the Association; or (ii) a person exercising the rights of an Owner who is not a natural person. All directors shall act without compensation unless otherwise provided by resolution of the membership. The election of directors shall be by written ballot or voting machine. Proxies shall in no event be used in electing the Board at general elections or to fill vacancies caused by resignation or otherwise; provided, however, that limited proxies may be used to fill a vacancy resulting from the recall of a director, in the manner provided by the rules of the Division. Elections shall be decided by a plurality of those ballots and votes cast. An owner (other than Developer) elected to the Board of Directors shall hold office for a term of one (1) year until

the first annual meeting subsequent to the election of such Owner and thereafter, subject to annual re-election.

(b) Organizational Meetings: The first or organizational meeting of a newly elected Board of Directors of the Association shall be held within thirty (30) days of their election, at such place and time as shall be fixed for 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.

(c) Removal of Directors: Subject to the provisions of 718.112(j), Florida Statutes, any member of the Board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all Unit Owners. A special meeting of the Unit Owners to recall a member or members of the Board may be called by fifty-one percent (51%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners. The notice shall state the purpose of the meeting. If the membership fails to elect a successor, the Board of Directors may fill the vacancy in the manner provided in (d) below.

(d) Vacancies on Board of Directors: If the office of any director or directors becomes vacant by reason of death, resignation, retirement, disqualification, removal of office or otherwise, a majority of the remaining directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term for which such vacancy occurred. The election held to fill the vacancy may be held at any regular or special meeting of the Board of Directors.

(e) Disqualification and Resignation of Directors: Any director may resign at any time by sending a written notice of such resignation to the office of the Association Corporation, delivered to the Secretary. Unless otherwise specified therein, such resignation shall take effect on receipt by the Secretary. Commencing with the directors elected at the first annual meeting of the membership, and except for the provisions of subparagraph (k) below, the transfer of title of a director's Unit by a director shall automatically constitute a resignation, effective when the resignation is accepted by the Board of Directors. No member shall continue to serve on the Board if more than thirty (30) days delinquent in the payment of an Assessment or maintenance fee. The delinquency shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Directors.

(f) Regular Meetings: The Board of Directors may establish a schedule of regular meetings to be held at the time and place as the Board of Directors designates. Notice of regular meetings shall be given to each Director personally or by mail, telephone or telegraph at least forty-eight (48) hours before the day named for the meeting. All meetings of the Board of Directors, including special meetings in accordance with subparagraph (g) below, shall be open to all Unit Owners. All meetings of the Board of

Directors, including special meetings in accordance with subparagraph (g) below, shall be open to all Unit Owners. Adequate notice of a meeting shall be posted on condominium property at least 48 continuous hours preceding the meeting.

(g) Special Meetings: Special meetings of the Board of Directors may be called by the President and, in the President's absence, by the Vice President, or by a majority of the members of the Board of Directors, by giving forty-eight (48) hours notice, in writing, to all of the members of the Board of Directors of the time and place of said meeting. All notices of special meetings shall state the purpose of the meeting.

(h) Directors' Waiver of Notice: Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. At least twenty-four (24) hour notice posted before the Board of Directors meeting is required unless the meeting is for an emergency.

(i) Quorum: At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business and the acts of the majority of the Directors present at such meetings, at which a quorum is present, shall be the acts of the Board of Directors. 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. At such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

(j) Compensation: The Directors' fees, if any, shall be determined by the voting members.

(k) Developer's Selection of Directors: Subject to provisions of Section 718.301 of the Condominium Act, the Declarant shall have the right to designate the Directors, who need not be Owners of Units in the Condominium, and said Directors may not be removed by members of the Association, as elsewhere provided herein. When a vacancy occurs for any reason, the vacancy shall be filled by the person designated by the Declarant.

(l) Management Firm: The Management Firm, as long as any Management Agreement remains in effect, shall be entitled to notice of all Directors' meetings and shall be entitled to attend the Directors' meetings and it may designate such person or persons as it desires to attend such meetings on its behalf.

9. **Powers and Duties of the Board:**

The Board shall have the following powers and duties:

- (a) To call annual meetings of the Association and give due notice thereof.
- (b) To conduct elections of the Board.
- (c) To enforce the provisions of the Declaration and Bylaws of the Condominium by appropriate action.
- (d) To promulgate and adopt rules and obligations for the use of the Common Elements and for the occupancy of the Units so as to not interfere with the peace and quiet of all residents. Such rules must be approved by a majority of the Owners at any regular or special meeting of the Association.
- (e) To provide for the management of the Resort Condominium, by hiring or contracting suitable and capable management personnel for the day-to-day operation, maintenance, upkeep and repair of the Common Elements.
- (f) To levy Assessments as allowed for in the Declaration, these Bylaws, and by the State of Florida, and to provide for the filing of liens and to initiate proceedings for the collection, expenditure and accounting of said Assessments or the foreclosure of liens.
- (g) To pay for the expenses of the maintenance, repair and upkeep of the Common Elements and to approve payment vouchers, either at regular or special meetings.
- (h) To delegate authority to the Manager for the conduct of Condominium business and to carry out the duties and powers of the Board; however, such authority shall be precisely defined with ultimate authority at all times residing in the Board.
- (i) To provide a means of hearing grievances and foreclosure proceedings of Owners and to observe all due process requirements imposed on owners' associations for condominiums.
- (j) To meet at regularly scheduled times and hold meetings open to all Owners or their agents.
- (k) To prepare an annual budget for the Condominium to determine the amount of the Assessments payable by the Owners to meet the Common Expenses and allocate and assess such charges among the Owners according to their respective interests in the

Common Elements and to submit such budget to the Owners on or before the date of the annual meeting.

(l) To levy and collect special Assessments whenever, in the opinion of the Board, it is necessary to do so to meet increased operating or maintenance expenses, costs or additional capital expense, or because of emergencies.

(m) In addition to the provisions of subparagraph (f) above, to take appropriate legal action to collect any delinquent Assessments, payments or amounts or liens due from Owners or from any other person or persons owing money to the Condominium, and to levy a penalty and to charge interest on unpaid amounts due and owing.

(n) To defend in the name of the Association any and all lawsuits wherein the Resort Condominium is a party defendant.

(o) To enter into contracts with third parties to carry out the duties set forth, for and in behalf of the Board of the Association.

(p) To establish a bank account for the Resort Condominium, and to keep therein all funds of the Association. Withdrawal of monies from such accounts shall only be by checks signed by such persons as are authorized by the Board.

(q) In general, to act for and carry on the administration and affairs of the Association as authorized and prescribed by the Declaration, and to do all those things that are necessary and reasonable to carry out the governance and operation of the Resort Condominium.

(r) To establish rules and regulations for conduct, behavior, and use and control of the Common Elements, a copy of such rules and regulations as adopted from time to time shall be posted on the property and mailed to each Owner.

(s) To make repairs, alterations and improvements to the Common Elements consistent with managing the Condominium in a first class manner and in the best interest of the Owners.

(t) To arrange, keep, maintain and renew the insurance for the Association as set forth in the Declaration.

(u) To carry out the duties and responsibilities of the Board in all other matters as may be authorized, needed or required by the Declaration.

(v) To operate and maintain a surface water and/or stormwater management system.

- (w) To assign any or all of the above functions to a Management Firm (Manager).

10. **Officers:**

(a) Elective Officers: The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, at least one (1) of whom shall be members of the Board of Directors, and such other officers as the Board of Directors may appoint from time to time, who need not be members of the Board. The first officers named shall serve until the first regular meeting of the Board and, at such meeting, the Board of Directors shall elect said officers. The offices of Secretary and Treasurer may be combined one with the other, or either of them with the office of Vice President by resolution of the Board of Directors. While the Association is under the control of the Developer, the right of the Developer to select a majority of the Board of Directors in accordance with Section 718.301 of the Condominium Act shall prevail.

(b) Election: The officers of the Association designated in subparagraph (a) above shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

(c) Appointive Officers: The Board may appoint Assistant Secretaries and Assistant Treasurers and other officers as the Board of Directors deems necessary.

(d) Term: 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 at any time, with or without cause, by the Board of Directors, provided however, that no officer shall be removed except by the affirmative vote for removal by a majority of the whole Board of Directors (e.g., if the Board of Directors is composed of three (3) persons, two (2) of said Directors must vote for removal). If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

(e) President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Unit Owners and of the Board of Directors. The President shall have executive powers and general supervision over the affairs of the Association and other officers, and shall sign all written contracts to perform all of the duties incident to the office and that may be delegated to him from time to time by the Board of Directors.

(f) Vice President: The Vice President shall perform all of the duties of the President in the President's absence and such other duties as may be required from time to time by the Board of Directors.

(g) Secretary: The Secretary shall issue notices of all meetings of the Board of Directors and all meetings of the Unit Owners, shall attend and keep minutes of same, and shall have charge of all of the Association's books, records and papers except those kept by the Treasurer. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(h) Treasurer: The duties of the Treasurer shall be as follows:

1. Have custody of the Association's funds and securities, except the funds payable to any Management Firm, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association, in such depositories as may be designated from time to time by the Board of Directors. The books shall reflect an account for each Unit as required by Section 718.111 (7)(b) of the Condominium Act.

2. Disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these Bylaws, making proper vouchers for such disbursements, and render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Association.

3. Collect the Assessments and maintenance fees and promptly report the status of collections and of all delinquencies to the Board of Directors.

4. Give status reports to potential transferees on which the transferees may rely.

5. The duties of the Treasurer may be fulfilled by a Management Firm employed by the Association. The Management Firm shall fulfill the duties of the Treasurer and shall have custody of those books of the Association that the Board of Directors may determine. The books may include any books required to be kept by the Secretary of the Association.

11. Finances, Assessments and Maintenance Fees:

(a) Depositories: The funds of the Association shall be deposited in such banks and depositories as may be determined by the Board of Directors from time to time on resolutions approved by the Board of Directors, and shall be withdrawn only on checks and demands for money signed by such officer or officers of the Association as may be designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association; provided, however, that the provisions of any

Management Agreement between the Association and a Management Firm relative to the subject shall supersede the provisions hereof.

(b) Fidelity Bonds: The Treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association and any contractor handling or responsible for Association funds, shall be bonded in the principal sum of not less than one hundred thousand (\$100,000) dollars or as designated under F. S. Chapter 718 for each such officer or Director. The premiums on such bonds shall be paid by the Association. The bonds shall be in an amount sufficient to equal the monies that the bonded individuals handle or control via a signatory or a bank account or other depository account.

(c) Fiscal Year: The fiscal year for the Association shall begin on the first day of January of each year; however, the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the federal Internal Revenue Code when the Board of Directors deems it advisable.

(d) Determination of Assessments: (1) Unless provided otherwise in the Declaration, the Board of Directors of the Association shall fix and determine from time to time the sum or sums necessary and adequate for the Common Expenses of the Condominium. Common Expenses shall include expenses for the operation, maintenance, repair or replacement of the Common Elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time by the Board of Directors of the Association, or under the provisions of the Declaration of Condominium to which these Bylaws are attached. The Board of Directors is specifically empowered on behalf of the Association to make and collect Assessments and to lease, maintain, repair and replace the Common Elements of the Condominium. Funds for the payment of the Common Expenses shall be assessed against the Unit Owners in the proportions of percentages of sharing Common Expenses, as provided in the Declaration. Regular Assessments shall be due and payable monthly on the first (1st) day of each month. Special Assessments, if required by the Board of Directors, shall be levied in the same manner as hereinabove provided for regular Assessments and shall be payable in the manner determined by the Board of Directors. The Board may also set the fees or charges for delinquencies or late payments.

(e) A copy of the 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 Unit Owners shall be given written notice of the time and place at which the meeting of the Board of Directors shall be held to consider the proposed annual budget of Common Expenses and such meeting shall be opened to all Unit Owners. If a budget is adopted by the Board of Directors that requires Assessment against the Unit Owners in any fiscal or calendar year exceeding

fifteen percent (15%) of such Assessment for the preceding year, on written application of fifty-one percent (51%) of the Unit Owners, a special meeting of the Unit Owners shall be held on no less than seven (7) days written notice to each Unit Owner, but within seven (7) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting the Unit Owners may consider and enact a revision of the budget. In either case, unless these Bylaws shall require a larger vote, the revision of the budget shall require a vote of not less than a majority of the 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 re-examined by the Unit Owners in the manner hereinabove set forth. In determining whether Assessments exceed fifteen percent (15%) of similar Assessments for the prior year, the computation shall exclude any provision for reasonable reserves made by the Board of Directors for repair or replacement of the Condominium Property or for anticipated expenses by the Condominium Association that are not anticipated to be incurred on a regular or annual basis. Also, the computation shall exclude Assessment for betterments to the Condominium Property if these Bylaws so provide or allow the establishment of reserves, or Assessments for betterments to be imposed by the Board of Directors; however, as long as the Developer is in control of the Board of Directors, the Board shall not impose any Assessment for a year greater than twenty percent (20%) of the prior fiscal or calendar year's Assessment without approval of a majority of the Unit Owners. When the Board of Directors has determined the amount of any Assessment, the Treasurer of the Association shall mail or present to each Unit Owner a statement of said Unit Owner's Assessment. All Assessments shall be payable to the Treasurer of the Association and, on request, the Treasurer shall give a receipt for each payment made. Any Owner may at any time, on payment of a reasonable fee as determined by the Board, obtain from the Treasurer or Management Firm a statement reflecting the status of the Owner's account setting forth any unpaid Assessments, charges or fees.

(f) Application of Payments and Commingling of Funds: All sums collected by the Association from Assessments may be commingled in a single fund or divided into more than one (1) fund as determined by the Board of Directors of the Association. All Assessment payments by a Unit Owner shall be applied to interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances as provided herein and in the Declaration of Condominium and general or special Assessments, in such manner and amounts as the Board of Directors determines in its sole discretion.

(g) Acceleration of Assessment Installments Upon Default: If a Unit Owner is in default in the payment of an installment on any Assessment, the Board of Directors may accelerate the remaining monthly installments for the fiscal year on notice thereof to the Unit Owner, and the unpaid balance of the Assessment or maintenance fee shall

become due on the date stated in the notice, but not less than thirty (30) days after delivery or the mailing of such notice to the Unit Owner.

(h) Audits: An audit of the accounts of the Association shall be made annually. The audit shall be prepared by such accountant as the Board of Directors determines. A copy of the report shall be available to members of the Association in the office of the Association and with the Treasurer of the Association. The report shall be available not later than four (4) months after the end of the year for which the report is made.

(i) Application of Surplus: Any payments or receipts to the Association, whether from Unit Owners or otherwise, paid during the year in excess of the operating expenses and other Common Expenses of the Association shall be kept by the Association and applied against the Association's expenses for the following year.

12. Additions or Alterations:

There shall be no additions or alterations to the Common Elements of the Condominium this Association operates and maintains except as specifically provided for in said Condominium Declaration.

13. Compliance and Default:

(a) In the event of a violation (other than the nonpayment of an Assessment) by the Unit Owner of the provisions of the Declaration of Condominium, these Bylaws or the applicable portions of the Condominium Act, the Association by its Board of Directors may notify the Unit Owner by written notice of said breach, transmitted by mail. If such violation continues for thirty (30) days from the date of the notice, the Association through its Board of Directors shall have the right to treat such violation as an intentional and material breach of the Declaration or the Bylaws, and the Association may have at its option the following elections:

1. An action at law to recover for its damage on behalf of the Association or the other Unit Owners;
2. An action in equity to enforce performance on the part of the Unit Owner; or
3. An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

(b) Any violations deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the

cost shall be charged to the Unit Owner as a specific item, which shall be a lien against the Owner's Unit with the same force and effect as if the charge were a part of the Common Expenses.

14. Liability of Members of the Board of Directors:

No member of the Board shall be liable to the Association or any of the members or Owners or any third party for harm, injury, loss or damage suffered because of any action taken or not taken by any Board member serving in good faith if the Board member:

1. Exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of one's own affairs; or
2. Took or did not take action in reliance on advice of counsel or on statements or information of other Owners or employees of the Association that the Board member has reasonable grounds to believe.

15. Limitation of Liability:

Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable for injury or damage caused by a latent condition in the property, or for any injury or damage caused by the elements or by other Owners or persons.

16. Rules:

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Condominium Act, the Declaration of Condominium or these Bylaws.

17. Liens:

(a) Protection of Property: All liens whether by the Association or third parties against a Condominium Unit, other than for mortgages, taxes or special Assessments, shall be satisfied or otherwise removed within sixty (60) days of the date the lien attached. All taxes and special Assessments on a Condominium Unit shall be paid before becoming delinquent, as provided in these Condominium Documents or by law, whichever is sooner.

(b) Notice of Lien: A Unit Owner shall give notice to the Association of every lien on the Unit, other than for mortgages, taxes and special Assessments, within fifteen (15) days after the attaching of the lien.

(c) Notice of Suit: Unit Owners shall give notice to the Association of every suit or other proceeding that will or may affect title to the Unit or any part of the property, such notice to be given within fifteen (15) days after the Unit Owner received notice.

(d) Failure to Comply: Failure to comply with this paragraph concerning liens will not affect the validity of any judicial sale.

18. **Managers:**

(a) The Manager or Management Firm shall be appointed and/or removed by the Board or by the Owners. The Manager or any member of the Board or Association handling Association funds or having power to withdraw or spend such funds shall be bonded, and shall have maintained records of the financial affairs of the Condominium. Such records also shall detail all Assessments made by the Association and the status of payments of said Assessments by all Owners. All records shall be available for examination during normal business hours to any Owner or assigned representative. All functions and duties herein provided for the Board may be performed by the Manager, or the Chairperson if the Board should decide not to have a Manager.

(b) The Manager generally shall operate and manage the Condominium for and on behalf of the Owners and shall have such other powers and authority as the Board may designate. If there is no Manager or if the Manager resigns, is terminated or the contract expires and a successor is not chosen, the Board shall perform all the duties of the Manager until the Manager is replaced.

19. **Amendments to Bylaws:**

These Bylaws may be amended at any regular or special meeting of the Association provided that a copy of the proposed revision is included in the notice of such meeting.

(a) If the proposed amendment has been approved by the unanimous vote of the Board of Directors, then the proposed amendment shall require only two thirds (2/3) vote of the total membership to be adopted (the holders in the aggregate of a one hundred percent (100%) interest in the Condominium Common Elements).

(b) If the proposed amendment has not been approved by the unanimous vote of the Board of Directors, the proposed amendment must be approved by three fourths (3/4) of the total vote of the membership (the holders in the aggregate of a one hundred percent (100%) interest in the Condominium Common Elements).

20. The Declaration:

(a) The declarant and grantor have filed, along with these Bylaws, a Declaration as referred to above. They shall govern the acts, powers, duties and responsibilities of the Association and, if these Bylaws and the above-described documents are in conflict, the Declaration shall take final precedence.

(b) The definition of terms set forth in the Declaration shall be applicable throughout these Bylaws and their interpretation.

21. Parking:

The Manager (or Board) may designate or assign specific parking spaces for each Unit and mark them for such use. Reasonable rules for enforcement of such assignment may be imposed including Assessment or fines for violation by other Owners that shall become an individual operating expense as defined in the Declaration or may include the towing away of unauthorized vehicles at the expense of the owner of such vehicle.

22. Rules and Regulations:

(a) The Board of Directors from time to time may adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the Common Elements of the Condominium and any facilities or services made available to Unit Owners. A copy of the rules and regulations as herein provided shall be posted in a conspicuous place and/or copies shall be furnished to each Unit Owner.

(b) The Board of Directors may from time to time adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Condominium Units provided, however, that copies of such rules and regulations, prior to the time the same become effective, shall be posted in a conspicuous place and/or copies of the same shall be furnished to each Unit Owner.

23. Notice of Default to Mortgagee:

A first mortgagee, on request, shall be entitled to written notification from the Association of any default in the performance by the individual Unit borrower of any obligation under the Condominium Documents that is not cured within thirty (30) days.

24. Due Process by the Association:

If an action is taken by the Association against any individual Unit Owner to enforce an Assessment or any part of the Bylaws or Declaration or any rule or regulation properly

adopted by the Association, said Owner shall first be afforded the protections of due process, which includes, but is not limited to, the following:

1. Adequate notice of any default with a contingent right to cure the default.
2. An opportunity to defend against any allegations of default.
3. An opportunity to cross examine witnesses.
4. An opportunity to receive a formal hearing before an impartial forum or tribunal.
5. Findings of fact by the formal tribunal in accordance with the evidence presented.

25. **Miscellaneous:**

(a) Costs and Attorneys Fees: In any proceeding due to an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceedings and reasonable attorneys' fees as may be determined by the Court.

(b) No Waiver of Rights: The failure of the Association or of an Owner to enforce any right, provision, covenant or condition that may be granted by the Condominium Documents, shall not constitute a waiver of the right of the Association or Owner to enforce such right, provision, covenant or condition in the future.

(c) Election of Remedies: All rights, remedies and privileges granted to the Association or an Owner pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Condominium Documents, or at law or in equity.

(d) Surplus: Any surplus of common expense payment by Owners over the actual expenses (including the reserve for contingencies and replacements) during a fiscal year of the Association shall be applied towards Common Expenses for the following year or shall be applied in any other manner which shall benefit the Association and which, on the basis of Federal Income Tax Law, regulations and interpretations, in the sole discretion of the Board, is most likely to avoid taxation of such surplus, provided that such application is consistent with the proportional interest of all the Owners, and is not precluded by the terms of the Condominium Act, as amended from time to time.

(e) **Transfer of Units:** All Owners of Units shall notify the Association of any transfer by sale or otherwise of said Units within three (3) days of the date of transfer pursuant to Article XIV of the Declaration of Condominium of Worldquest Resort. The notice shall include information and be in a form that the Association may send to the person shown in its records as Owner of the Unit. The notice shall be binding as to any other Owner of the Units when the Association has not been notified as provided herein.

(f) **Notice of Suit:** All Owners shall give notice to the Association of every suit, lien, or other proceeding that will or may affect title to the Unit, such notice to be given within fifteen (15) days after the Owner receives notice thereof. Any lien against an Owner or against the Unit owned shall be limited to the Unit owned by that Owner and shall not encumber the property, real or personal, of any other Owner of Units in the Condominium.

(g) **Invalidity:** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance hereof.

(h) **Interpretation:** The provisions of the Bylaws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a time-share ownership resort.

26. Non-Binding Arbitration:

All internal disputes arising from operation of the Condominium between and among Unit Owners, the Association, their agents and assigns, may be resolved by reference to voluntary, non-binding arbitration, pursuant to Section 718.112(2)(k), Florida Statutes and the rules and regulations promulgated by the Division of Florida Land Sales, Condominiums and Mobile Homes of the State of Florida.

27. Certificate of Compliance:

The Board of Directors may accept as evidence of compliance that the condominium units comply with applicable fire and safety code, a certificate of such compliance from a licensed electrical contractor or electrician.

28. Incorporation of Section 718.112, Florida Statutes:

The provisions of Section 718.112, Florida Statutes, are hereby included by reference in these Bylaws.

