

AMENDED AND RESTATED BYLAWS¹
OF
CHATEAU-BY-THE-SEA, INC.

Note: Additions indicated by underlining. Deletions indicated by strike-through.

1. **IDENTIFY**. These are the By-Laws of CHATEAU-BY-THE-SEA, INC., hereinafter referred to as the Association, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation thereof having been filed in the Office of the Secretary of State, State of Florida, on August 19, 1971. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes (previously Chapter 711), hereinafter referred to as the Florida Condominium Act.

1.1 The fiscal year of the Association shall be the calendar year.

1.2 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 is, as follows:

1.3 Majority is defined in this document as one more than half.

2. **MEMBERS' MEETINGS OF ASSOCIATION.**

2.1 The annual meeting of the members shall be held in the month of October or November of each year at a time and place as determined by the Board of Directors for the purpose of electing Directors. An approval of following calendar year budget, establishment of an assessment amount to fund the approved budget and the transaction of any other business authorized to be by the members.

2.2 Special meetings of the members shall be held whenever called by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from majority of owners of the condominium units.

2.3 Notice of all meetings of the members stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary. Such notice shall be in writing to each member at his/her address as it appears on the

¹ This document incorporates the Restated By-laws of Chateau-by-the Sea, Inc., recorded on June 9, 2009, at Official Records Book 6362, Page 1843, *et seq.*, and the amendments to the By-laws recorded on February 6, 2013 at Official Records Book 6815, Page 2655, *et seq.*, all of the public records of Volusia County, Florida.

books of the Association and shall be mailed or delivered not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice shall also be posted at the Association office thirty (30) days prior to meeting.

2.4 A quorum at the meetings of the members shall consist of a majority of owners of condominium units in the Association. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation, or these By-laws or by the Florida Condominium Act.

2.5 **Voting.**

a. At any meeting of members, the owner of each unit shall be entitled to cast one vote for each unit he/she owns.

b. If a unit is owned by one person, his/her right to vote shall be established by the record title to his/her unit. If a unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote of a unit may be revoked by any owner of the unit. If such 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.

2.6 **Proxies.** Votes may be cast in person or by proxy. A proxy may be made by any member entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary of the Association before any adjournment of the meeting. The holder of a proxy must be an owner of a condominium unit. Proxies shall not be allowed for voting on elections of Directors.

2.7 **Adjourned meetings.** If any meeting of members cannot be organized because of a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 The order of business at the annual meetings of the members and as far as practical at the other meetings of the members shall be as follows:

- a. Call to order by President
- b. Calling of the roll and certifying proxies.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading and disposal of any unapproved minutes.
- e. Election of directors.
- f. Reports of officers.
- g. Reports of committees.
- h. Unfinished business.
- i. New Business.
- j. Adjournment.

3. **DIRECTORS.**

3.1 **Membership.** The affairs of the Association shall be managed by a Board composed of seven (7) Directors, the exact number of directors to be varied only by amendment to these By-laws.

3.2 Election of directors shall be conducted in the following ~~manner~~ manner.

a. Election of directors shall be held at the annual meeting of the members, or at a special meeting called for that purpose provided at least 20% of the members are present and vote.

b. Four (4) directors should be elected one year, then three (3) the following year. All are elected for 2 year terms.

c. The election procedure will follow the current laws of the Condominium Statute. ~~Addendum (1.) is the current procedure with new procedures attached as enacted.~~ When an election by ballot occurs, the majority of ballots cast will elect the new Board members. Each person voting to be entitled to cast his/her votes for as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

d. Except as to vacancies created by removal of directors by the members, vacancies in the Board of Directors occurring between annual meetings of the members shall be filled by the remaining directors. Interim vacancies will be filled for the entire term of the ~~predecessors~~ predecessor's tenure.

e. Directors are required to attend designated board meetings. A director missing three (3) consecutive meetings will be asked to submit his resignation. The board

will have the authority to accept the resignation and to appoint a replacement to fill the remaining term.

3.3 The joint meeting of newly-elected Board of Directors with the outgoing Board shall be held within thirty (30) days of their election at such place and time as shall be stated by the directors. The new Board and officers will then be ready to take over in January.

3.4 The term of each director's service shall extend two (2) years until his successor is duly elected and qualified or until he/she is removed in the manner elsewhere provided. Officers of the Board should be elected ~~as~~ at a reconvened Board of Directors meeting immediately following the annual meeting or at the joint Board meeting to be held within 30 days. (See 3.3)

3.5 Regular and special meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by the President or a majority of the Directors. Notice of meetings shall be given to each director, personally or by documented confirmation at least forty-eight (48) hours prior to the time stated for such meeting and notice of same shall be posted at the Association office at least forty-eight (48) hours prior to the time stated for the meeting.

a. In case of an emergency between regular meetings of the Board, a telephone meeting may be held by conference call. The Board shall give as much notice as possible given the particular circumstances existing at that time and, if possible, a speakerphone shall be placed in a central location and used so that owners in attendance will be able to hear all other persons at the meeting and on the conference call and be able to speak to the group as a whole on any agenda item.

3.6 A quorum at meetings of the directors shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation, or these By-laws.

3.7 **Adjourned meetings.** If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to

time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.8 **Joinder in meeting by approval of minutes.** The joinder of a director in the action taken at a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.

3.9 **Presiding officer.** The presiding officer at meetings of the directors shall be the President. In the absence of the President, the Vice-President shall preside.

3.10 **Order of Business.** The order of business at meetings of the directors shall be as follows:

- A. Call to Order.
- B. Calling of the roll.
- C. Proof of due notice ~~of or~~ waiver of notice of the meeting.
- D. Reading and disposal of any unapproved minutes.
- E. Election of officers (if needed).
- F. Treasurer's report.
- G. Manager's report.
- H. Committee reports.
- I. Unfinished business.
- J. New business.
- K. Adjournment.

3.11 **Compensation of Directors and Officers.** Compensation of Directors, if any, shall be determined and set by the vote of a majority of the members voting, in person or by proxy, at a membership meeting where a quorum is present.

3.12 **Open Board Meetings.** ~~All meetings of the Board shall be open to members of the Association.~~ All meetings of the Board shall be open to members except for those instances where Chapter 718, Florida Statutes, allows the Board to conduct a closed meeting.

4. **POWER AND DUTIES OF THE BOARD OF DIRECTORS.** All of the powers and duties of the Association existing under the Florida Condominium Act, Declaration of Condominium, Articles of Incorporation, By-laws and Rules and Regulations, all as amended from

time to time, shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by the members when such is specifically required.

5. **OFFICERS.**

5.1 The executive officers of the Association shall be a President, Vice President, Treasurer, Secretary and a registered Corporate Agent. All except the Corporate Agent shall be elected annually by the Board of Directors, and may be preemptorily removed by majority 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. The Board of Directors, from time to time, shall elect such other officers and designate their powers and duties as the Board shall find to be required in the management of the affairs of the Association.

5.2 The President shall be the chief executive officer of the Association. He/she shall have all of the powers and duties usually vested in the office of president of a corporation, including, but not limited to, the power to appoint and the power to dissolve committees from among the members from time to time, as he/she in his/her discretion may determine appropriate, to assist in the conduct of the affairs of the Association.

5.3 In the absence of the President, the Vice President, shall exercise the powers and perform the duties of the President. The Vice President also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

5.4 The Secretary shall keep the minutes of all proceedings of the directors and the members. He/she shall attend to the giving and service of all notices to the members and directors and other notices required by law. He/she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an association and as may be required by the directors or the President.

5.5 The Corporate Agent is the registered agent of the Association which will be kept current with the Department of State. The Corporate Agent shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed.

5.6 The Treasurer shall have custody of all financial and financially related property of the Association, including funds, securities and evidence of indebtedness, both payable and receivables. He/she shall keep the books of the Association in accordance with good accounting practices, and he/she shall perform all other duties incident to the office of the Treasurer as prescribed by the Board of Directors.

5.7 The Treasurer and any Manager or Management Company employed by the Association shall be bonded in at least the minimum amount required by Florida law; such amount however shall not be less than the amount of the current year's annual budget.

5.8 The compensation of employees of the Association shall be set by the vote of a majority of the Board of Directors. Compensation of Directors, if any, shall be determined and set by the vote of a majority of the members voting, in person or by proxy, at a membership meeting where a quorum is present. The Board may not employ an owner or Board member as its manager.

6. **FISCAL MANAGEMENT.** The provisions for fiscal management of the Associations set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

6.1 **Accounts.** The receipts and expenditure of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses.

a. Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.

b. Reserve for deferred maintenance account, which shall include funds for maintenance items that occur less frequently than annually. Reserve for replacement account shall include funds for repair or replacements required because of damage, depreciation or obsolescence. Amounts for these accounts can be set by the Board of Directors and the needs of the condominium. These accounts can be set by the Board of Directors and approved by members at the annual meeting as required by Florida Condominium law.

6.2 **Budget.** The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts and reserve according to good accounting practices as follows and as required by the Florida Condominium Act.

a. ~~Current anticipated annual expenses.~~

ba. Copies of the budget and proposed assessments shall be transmitted to each member on or before fourteen (14) days prior to the annual meeting preceding the year for which the budget is made.

eb. Reserve for Capital expenditures. The Condominium Act requires that reserve accounts be maintained for Capital expenditures for the following items:

1. Roof replacement
2. Pavement resurfacing
3. Building painting
4. Any other item which exceeds \$10,000

ec. The reserve accounts must be calculated by a formula using the remaining useful life, the replacement cost and the current balance of each of the respective reserve accounts; unless the Board of Directors determines to pool the reserves.

ed. The processes to vote to waive or reduce the funding of the required reserves must be done at the annual meeting, after the proposed budget with fully funded reserves has been presented to the owners. An affirmative vote of a majority of those present at the annual meeting will accomplish this reduction, provided that a quorum of owners is in attendance at the annual meeting and the time of the vote to waive or reduce reserve funding. Any waiver or reduction is only valid for that year's annual budget period. The reserve disclosure must be made in the annual meeting.

6.3 **Maintenance Assessment.** Yearly budget funding assessments against the unit owners for their share of the items of the budget shall be made for the calendar year annually in advance, preceding the year for which the assessments are made. Such assessments shall be due and payable quarterly in equal installments on the first day of each and every quarter during the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior annual assessment, and quarterly installments on such assessment shall be due each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which an amended or special assessment is made shall be due and payable in equal quarterly installments on the first day of each and every quarter during the remaining portion of said calendar year, or as otherwise set by the Board of Directors.

6.4 **Late Charge.** If the quarterly maintenance fee is not received by the Manager on the 30th day of the month in which it is due, there shall be interest charged as set forth in the documents and a late charge equal to the maximum allowed by law.

a. **Collection Policy.** Maintenance fees are due quarterly on January 1st, April 1st, July 1st, and October 1st. Each owner is required to have his/her payment received

in the Chateau by the Sea office by the due date. A reminder notice will be sent by certified mail 15 days after the due date. Once an owner is delinquent 30 days, late fees and interest will be assessed according to Chateau by the Sea documents.

b. Collection Procedures. A second certified letter of notification will be sent on accounts delinquent for an additional fifteen (15) days. Unless prior arrangements are made, maintenance fees will automatically be deducted from rental income checks seven (7) days from the date of second notification as expressly authorized by each Owner who ~~is part of the Rental Pool~~ participates in the Chateau Rental Program.

1. Chateau-By-The-Sea lien and foreclosure procedures will be initiated according to Chateau-By-The-Sea documents.

2. If a bank or other lending institution initiates foreclosure proceedings, Chateau-By-The-Sea has the authority to hold all rental income checks in an escrow account as expressly authorized by each Owner who ~~is part of the Rental Pool~~ participates in the Chateau Rental Program. These funds will be used to pay for any maintenance fees, special assessments, utility bills, repairs to unit, or any other financial obligation owed by the owner(s) of the unit. Once a court order has been received stating the unit has been foreclosed, the remaining funds in the escrow account, if any, will be returned to the unit owner. The lending institution shall be liable for all accounts owed pursuant to Chapter 718, Florida Statutes, as amended from time to time, at the time of the foreclosure, and the lending institution will be responsible for all maintenance fees and assessments that come due thereafter.

6.5 Acceleration of assessment installments. If the owner of a unit shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the owner of the unit, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than thirty (30) days after delivery of the notice to the owner of the unit, or as otherwise set by law.

6.6 Special Assessments. Special assessments are levied in the same proportion or percentage as maintenance assessments. Funds collected for a special assessment may only be used for the specific purpose included in the notice. Any funds remaining after completion are to be considered common surplus. The common surplus at the direction of the Board, may either be returned to the person or entity which is the titled owner of record of the unit at the time the funds are returned or applied as a credit for future assessments.

6.7 The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors, and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall ~~be~~ only be checks signed by such persons as are authorized by the directors.

6.8 A report of the accounts of the Association shall be made annually by the Board, and a copy of the report shall be furnished to each member not later than 60 days following the end of the year for which the report is made. Financial statements may be provided as allowed by law. Report of accounts to be done annually. An audit may be requested upon hiring of a new manager.

7. **REGULATIONS.** The Board of Directors of the Association may from time to time make, adopt, amend and endorse reasonable regulations respecting the use of the respective condominium properties, and any property in which the Association owns an interest, and said rules and regulations shall implement the following general policies:

7.1 An owner of a unit shall pay all ad valorem taxes on his particular unit.

7.2 An owner of a unit shall maintain his/her unit so that the unit or any other unit will not be damaged by his/her neglect.

7.3 An owner of a unit shall maintain all of the interior installations of the unit, including the maintenance of the water, light, gas, power, sewage, telephone, air conditioners (within units and portions on roof or ground outside), sanitary installations, doors, windows, lamps and other accessories belonging to the particular unit and not owned by the Association or covered by the insurance maintained by the Association.

7.4 No memorials to individuals or groups will be erected on Chateau property.

8. **AMENDMENTS.** These By-laws may be amended in the following manner:

8.1 **Notice** of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

8.2 **A resolution** adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

a. Not less than seventy-five percent (75%) of the entire membership of the Board of Directors, and by not less than seventy-five percent (75%) of the votes of the entire membership of the Association; or

b. By not less than eighty percent (80%) of the votes of the entire membership of the Association.

DISTRIBUTION OF BY-LAWS The By-laws of the Association shall be distributed to all new owners upon transfer of ownership of a unit and to all current owners when revised or amended according to the By-laws. A copy of the By-laws may be requested any time by members of the Association.

COVENANTS, RESTRICTIONS, POLICIES. Other covenants, restrictions, policies, rules and regulations of the Association shall also be distributed by the current or transferring owner to all new owners prior to transfer of ownership of a unit, and/or as required by law. Copies of the current governing documents are available to unit owners upon written request in accordance with the requirements of Chapter 718, Florida Statutes, and the Association's Rules and Regulations.