

78-307690

ISLAND CLUB RECREATION CENTER, INC.
PROPOSED AMENDMENTS

The following are proposed amendments to the Island Club Recreation Center, Inc., Articles of Incorporation and By-Laws. If you approve of the amendment as proposed, please indicate by writing the word "Yes" in the blank provided to the left of each amendment. If you are opposed to the amendment, please indicate by writing "No" in the blank provided. CODING: Words in ~~struck through~~ type are deletions from existing provisions; words in underscored type are additions.

78 NOV 27 AM 10:12

ARTICLES OF INCORPORATION

ARTICLE XI - AMENDMENTS TO ARTICLES OF INCORPORATION, SECTION 1:

1. The Articles of Incorporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by a majority of the members of the Board of Directors and by members representing at least ~~seventy-five (75%)~~ fifty-one (51%) percent of the outstanding 99-year undivided leasehold interest in and to the recreation center which is managed by the corporation. Notice of the subject matter of any proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

BY-LAWS

ARTICLE V - MEMBERS' MEETINGS, SECTION 1:

Section 1. The annual meeting of the members shall be held ~~at 2-P.M.-Eastern-Standard-Time-on-the-third-Wednesday-in-April~~ of each year on the fourth Wednesday in February, at a time set as convenient by the Board at or near the principal office of the corporation, or at such other place as may be set forth in the notice of said meeting, in Fort Lauderdale, Florida. At such meeting the members shall elect directors to serve until the next annual meeting of the members, or until their successors should be duly elected and qualified, and for such other business as may be authorized to be transacted by the members.

ARTICLE IV - MEMBERS' MEETINGS, SECTION 3:

Section 3. Notice of the time and place of all annual and special meetings shall be mailed by the President or Vice President or Secretary to each member not less than ~~ten (10)~~ thirty (30) days prior to the date of said meeting, to the

REF 7889 PAGE 540

Island Club Recreation Center, Inc.

Cypress Waterway at 777 So. Federal Highway, Pompano Beach, Fla. 33062

address of said member as it appears upon the books of the corporation, a certificate of the officer mailing said notice, and/or other valid proof of delivery shall be prima facie proof that said notice was given.

ARTICLE VIII - AMENDMENTS, SECTION 1:

Section 1. The Articles of Incorporation of the non-profit corporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by members representing at least 75% 51% of the leases outstanding at any time.

ARTICLE VIII, - AMENDMENTS, SECTION 2:

Section 2. These By-Laws may be amended by the corporation at a duly constituted meeting for such purpose provided, however, no amendment shall take effect unless approved by members representing at least 75% 51% of the leases outstanding at any time.

I HEREBY CERTIFY that I am the duly authorized voting representative for Apartment # _____ of ISLAND CLUB

Dorothy B. Bernstein
Pres.
Alvin D. Reiwitch
V.P.

RECORDED IN THE OFFICIAL RECORDS BOOKS
OF BROWARD COUNTY, FLORIDA
R. R. KAUTH
COUNTY ADMINISTRATOR

STATE OF FLORIDA
COUNTY OF BROWARD

BEFORE ME personally appeared Dorothy B. Bernstein and Alvin D. Reiwitch known to me to be the persons who executed the foregoing certificate, who, after being duly sworn, say that they are the President and Vice President respectively of Island Club Recreation Center, Inc. a corporation not for profit under the laws of the State of Florida, and that the amendments contained above are the ones presented and passed at the annual meeting held in February, 1978.

SWORN TO AND SUBSCRIBED before me this 1st day of November, 1978
Pompano Beach, Florida

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
BY COMMISSION EXPIRES SEP. 30 1982
BONDED THRU GENERAL INS. UNDERWRITERS

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Ralph Hall
PUBLIC

DEF 7889 PAGE 541

78-335058 CERTIFICATE OF AMENDMENT

Pursuant to the provisions of Article XI of the Articles of Incorporation of Island Club Recreation Center, Inc., and Article VIII of the By Laws of Island Club Recreation Center, Inc., a revision of the Articles of Incorporation and the By Laws of the said corporation was made, approved and ratified by the membership on the 23rd day of February, 1978.

This Certificate and the attached copy of the Proposed Amendments are being filed in the Public Records of Broward County, Florida, in conformity with Florida Statute 718 thereby amending the original Declarations of Condominium of Island Club One as recorded on August 2, 1971, in Official Records Book 4568 at Page 635; Island Club Two as recorded on October 5, 1972, in Official Records Book 5015 at Page 1; Island Club Three as recorded on January 16, 1973, in Official Records Book 5128 at Page 13 and Island Club Four as recorded on April 9, 1974, in Official Records Book 5707 at Page 541 all in the Public Records of Broward County, Florida. Upon proper recordation and filing in the Public Records of Broward County, Florida, the attached Amendments will become effective as the Amendments of the Articles of Incorporation and By Laws of Island Club Recreation Center, Inc.

IN WITNESS WHEREOF, the parties hereto have caused this Certificate of Amendment to be executed by their duly authorized officers and the seal of the corporation affixed hereto this 8th day of December, 1978.

LAW OFFICES
GRAHAM, HODGE, LARSON & HUME
PROFESSIONAL ASSOCIATION
5100 NORTH FEDERAL HIGHWAY
FORT LAUDERDALE, FLORIDA 33309

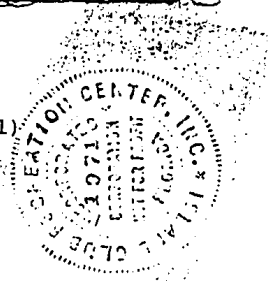
ISLAND CLUB RECREATION CENTER, INC.

By: [Signature]
President

ATTEST:

[Signature]
Secretary

(Corporate Seal)



STATE OF FLORIDA
COUNTY OF BROWARD

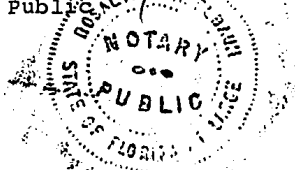
I HEREBY CERTIFY that on this day, before me an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Dorothy B. Bernstein and Wesley W. Falkson to me known and known to be the persons described in and who executed the foregoing instrument as President and Secretary, respectively, of ISLAND CLUB RECREATION CENTER, INC., and severally acknowledge before me that they executed the same as such officers in the name and on behalf of said Association.

WITNESS my hand and official seal in the State and County last aforesaid this 8th day of December, 1978.

[Signature]
Notary Public

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR. 17 1981
BONDED THRU GENERAL INS. UNDERWRITERS



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EXHIBIT "A"

78-307690

ISLAND CLUB RECREATION CENTER, INC.
PROPOSED AMENDMENTS

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ARTICLES OF INCORPORATION

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1. The Articles of Incorporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by a majority of the members of the Board of Directors and by members representing at least ~~seventy-five-(75%)~~ fifty-one (51%) percent of the outstanding 99-year undivided leasehold interest in and to the recreation center which is managed by the corporation. Notice of the subject matter of any proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

BY-LAWS

ARTICLE V - MEMBERS' MEETINGS, SECTION 1:

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ARTICLE IV - MEMBERS' MEETINGS, SECTION 3:

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Island Club Recreation Center, Inc.

Cypress Waterway at 777 So. Federal Highway, Pompano Beach, Fla. 33062

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address of said member as it appears upon the books of the corporation, a certificate of the officer mailing said notice, and/or other valid proof of delivery shall be prima facie proof that said notice was given.

ARTICLE VIII - AMENDMENTS, SECTION 1:

Section 1. The Articles of Incorporation of the non-profit corporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by members representing at least 75% 51% of the leases outstanding at any time.

ARTICLE VIII, - AMENDMENTS, SECTION 2:

Section 2. These By-Laws may be amended by the corporation at a duly constituted meeting for such purpose provided, however, no amendment shall take effect unless approved by members representing at least 75% 51% of the leases outstanding at any time.

I HEREBY CERTIFY that I am the duly authorized voting representative for Apartment # _____ of ISLAND CLUB

Dorothy B. Bernstein
Pres.
Alvin D. Reiwitch
V. Pres.

STATE OF FLORIDA
COUNTY OF BROWARD

RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
R. R. KAUTH
COUNTY ADMINISTRATOR

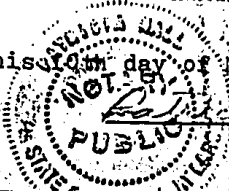
RECORDED IN THE OFFICIAL RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
R. R. KAUTH
COUNTY ADMINISTRATOR

BEFORE ME personally appeared Dorothy B. Bernstein and Alvin D. Reiwitch known to me to be the persons who executed the foregoing certificate, who, after being duly sworn, say that they are the President and Vice President respectively of Island Club Recreation Center, Inc. a corporation not for profit under the laws of the State of Florida, and that the amendments contained above are the ones presented and passed at the annual meeting held in February, 1978.

SWORN TO AND SUBSCRIBED before me this 14th day of November, 1978
Pompano Beach, Florida

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES SEPT. 10 1982
BONDED THRU GENERAL INS. UNDERWRITING

-2-



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CERTIFICATE OF AMENDMENT
OF BY-LAWS OF
ISLAND CLUB RECREATION CENTER, INC.

WE HEREBY CERTIFY THAT the attached amendments to the By-Laws of Island Club Recreation Center, Inc., as described in Official Records Book 5707 at Page 605 of the Official Records of Broward County, Florida were duly adopted in the manner provided in Article 8 of the By-Laws, that is by proposal of the Board of Directors and approval by fifty one (51%) percent of the members of the Association at a meeting held February 10, 1988.

IN WITNESS WHEREOF, we have affixed our hands this 10th day of FEBRUARY, 1988, at City of Pompano Beach, Broward County, Florida.

By: Carol Panghella

President

Attest: Jack H. Stifelma

Secretary

STATE OF FLORIDA

COUNTY OF BROWARD

) SS

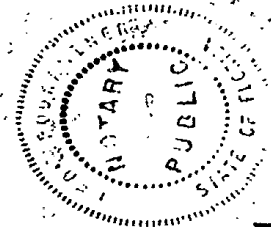
On this 10th day of FEBRUARY, 1988, personally appeared Carol Panghella and Jack H. Stifelma, and acknowledge that they executed the foregoing Certificate of Amendment for the purpose therein expressed.

WITNESSETH my hand and seal this day and year last above written.

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. NOV. 1, 1990
BONDED THRU GENERAL INS. UND.

Dean A. Schmitt
Notary Public



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+9.50

AMENDED AND RESTATED
BY-LAWS
OF
ISLAND CLUB RECREATION CENTER, INC.

ARTICLE I

NAME AND LOCATION

Section 1. The name of this corporation shall be ISLAND CLUB RECREATION CENTER, INC.

Section 2. The principal place of business shall be located at 777 South Federal Highway Pompano Beach, Florida.

ARTICLE II

PURPOSE

Section 1. This corporation has been organized as a non-profit corporation, pursuant to the provisions of Chapter 617 Florida Statutes, for the purpose of operating and managing a Recreation Center for the use and benefit of its members in the City of Pompano Beach, Florida.

The corporation shall also operate and manage any bus transportation for its members as may be considered desirable by the Board of Directors.

The corporation shall also be responsible for maintaining any real property or improvements located thereon which may be owned by it subject to any easements or the obligation of holders of said easements to maintain any utilities located therein.

Section 2. ISLAND CLUB RECREATION CENTER, INC., a non-profit corporation, was duly incorporated in the Office of the Secretary of State of the State of Florida on the 11th day of February, 1971.

ARTICLE III

MEMBERS

Section 1. ~~All of the owners or holders of undivided 99-year leases issued by the owner of the fee simple title to the land upon which ISLAND CLUB RECREATION CENTER is located shall be members of this corporation. Upon recording of an Assignment of lease or other instrument establishing a change of record title to said owner's or lessees' interest in said lease, and the delivery to the corporation of a certified copy of said instrument, the new owner (lessee) designated by said instrument shall become a member of the corporation and the membership of the prior owner shall be thereby terminated. Those owners of condominium units in ISLAND CLUB ONE, a condominium; ISLAND CLUB TWO, a condominium; ISLAND CLUB THREE, a condominium; and ISLAND CLUB FOUR, a condominium; to which units there is appurtenant a 1/503rd possessory interest (either through a recorded Assignment of Lease or through an undivided 99-year lease) in the land upon which the ISLAND CLUB RECREATION CENTER is built, shall be members of this corporation. Membership in this corporation shall be appurtenant to the condominium units in ISLAND CLUB ONE, a condominium; ISLAND CLUB TWO, a condominium; ISLAND CLUB THREE, a condominium; and ISLAND CLUB FOUR, a condominium, and, upon the~~

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recording of a deed to any such unit and any documents which may be necessary to transfer the 1/503rd possessory interest appurtenant to such unit, and delivery to the corporation of certified copies of all such instruments, the new unit owner designated in such instruments shall become a member of the corporation and the membership of the prior owner shall be thereby terminated.

In addition thereto, the officers, directors and employees of ISLAND CLUB OF POMPANO BEACH, INC. shall be non-voting members of the corporation upon certification by ISLAND CLUB OF POMPANO BEACH, INC. that the individuals named in said certificate are entitled to membership. No assessments shall be levied against any of the officers, directors or employees of ISLAND CLUB OF POMPANO BEACH, INC.

Section 2. Each member holding a leasehold interest in and to the Recreation Center shall be entitled to one vote in the affairs of the corporation for each unit owned by said member.

Section 3. No other person or legal entity may be a member of the corporation or vote in its affairs.

ARTICLE IV

REPAIRS AND MAINTENANCE OF THE PROPERTY

The corporation will take good care of the premises and the sidewalks and curbs adjoining the premises, and will keep the same in good order and condition, and make all necessary repairs thereto, interior and exterior, structural, non-structural, ordinary and extraordinary and unforeseen and foreseen. The term "repairs" shall include all necessary replacements, renewals, alterations, additions and betterments. All repairs shall be equal in quality and close to the original work. The corporation will do or cause others to do all necessary shoring of foundations and walls of any building, and every other act or thing for the safety and preservation thereof which may be necessary by reason of any erosion, excavation or other building operation upon any adjoining property or street, alley or passageway.

The necessity or adequacy of repairs to any building or other improvement shall be measured by the standard which is appropriate for buildings of similar construction and class, provided that the corporation shall in any event make all repairs necessary to avoid any structural damage or injury to any building or other improvements.

ARTICLE V

TAXES

The corporation will pay any and all real estate taxes or special assessments levied against the land and improvement of the property operated and managed by ISLAND CLUB RECREATION CENTER, INC. Nothing in this paragraph shall prevent the corporation from contesting the validity of any tax or claim.

ARTICLE VI

UTILITY CHARGES

The corporation agrees and covenants to pay all charges for utilities, whether they are supplied by a public or private firm, and to pay them monthly or as they become due, including all charges for water, gas, electricity, telephone, sewer, and other types of utilities or any other type of service charge.

ARTICLE VII

COMPLIANCE WITH REGULATIONS OF PUBLIC BODIES

The corporation will make such improvements on the premises and perform such acts and do such things as shall be lawfully required by any public body having jurisdiction over said property in order to comply with sanitary requirements, fire hazard requirements, zoning requirements, set-back requirements, and other similar requirements designated to protect the public.

ARTICLE VIII

LAWFUL USE OF PREMISES

The property operated by the corporation shall be used solely for recreational, educational, administrative or for other purposes which are for the use and benefit of the owners of individual apartments in ISLAND CLUB ONE, a condominium; ISLAND CLUB TWO, a condominium; ISLAND CLUB THREE, a condominium; and ISLAND CLUB FOUR, a condominium, their authorized lessees, and or licensees, provided, however, that a maximum number of 503 guests shall utilize said Recreation Center. No person will permit the same to be used for any illegal or immoral purpose, business or occupation.

ARTICLE IV IX

MEMBERS' MEETINGS

Section 1. ~~The annual meeting of the members shall be held on the fourth Wednesday in February between February 15 and March 15 of each year, at a time of day set as convenient by the Board at or near the principal office of the corporation, or at such other place as may be set forth in the notice of said meeting, in Fort Lauderdale the City of Pompano Beach, Florida.~~ At such meeting the members shall elect Directors to serve until the next annual meeting of the members, or until their successors should be duly elected and qualified, and for such other business as may be authorized to be transacted by the members.

~~The first annual meeting of the members shall be held on the third Wednesday in April of 1973. The holding of the first annual meeting of the members may be accelerated prior thereto if desired by ISLAND CLUB OF POMPAÑO BEACH, INC., in its sole discretion.~~

Section 2. A special meeting of the members to be held at the same place as the annual meeting, or such other place in the City of Pompano Beach, Florida, as may be set forth in the notice of said meeting, may be called at any time by the President, or in his absence by the Vice-President, or by a majority of the Board of Directors. It shall be the duty of the Directors, President, or Vice-President, to call such a meeting whenever so requested by members holding thirty-three (33%) percent or more of the voting rights in the corporation.

Section 3. Notice of the time and place of all annual and special meetings shall be mailed by the President or Vice-President or Secretary to each member not less than thirty (30) days prior to the date of said meeting, to the address of said member as it appears upon the books of the corporation. A certificate of mailing said notice and/or other valid proof of delivery shall be prima-facia proof that said notice was given.

Section 4. The President or, in his absence, the Vice-President, shall preside at all annual or special meetings of the members.

Section 5. A quorum for members' meetings shall consist of persons entitled to cast fifty one (51%) percent of the votes of the entire membership. In the event that a quorum is not present, the members present at any meeting, though less than a quorum, may adjourn the meeting to a future date.

The execution by any member of a copy of the Minutes shall constitute the presence of such member for the purpose of determining a quorum, and for the further purpose of validating all of the actions taken at said meeting.

Section 6. Votes may be cast in person or by proxy. All proxies shall be in writing and shall be filed with the Secretary and entered of record in the Minutes of the meeting. No proxy shall be valid unless the same is executed by all members owning any interest in the recreation lease record title holders of a condominium unit in ISLAND CLUB ONE, a condominium; ISLAND CLUB TWO, a condominium; ISLAND CLUB THREE, a condominium; or ISLAND CLUB FOUR, a condominium, or unless the proxy is executed by the person designated, on the form prescribed in Section 8, to cast the vote of said unit.

Section 7. Annual or special meetings of the members may be held at any time or place without notice, with the written consent of all of the members.

Section 8. ~~In the event that any of the individual undivided 99-year leases is owned by more than one person, or by a corporation or other entity, the lessee shall execute and deliver to the Secretary of the Corporation a certificate duly signed by all of the lessees or by the officers of the corporation or trustees, as the case may be, designating the person who shall be authorized to cast the fractional vote allocated to said lease. Such certificate shall be valid until revoked by a subsequent certificate. Unless said certificate is filed with the Secretary of the corporation prior to the meeting at which said vote is to be cast, the vote of such owners shall not be considered for the purpose of determining a quorum or for any other purpose. If a condominium unit within ISLAND CLUB is owned by more than one person, including husband and wife, the person entitled to cast the vote for the unit shall be designated in a certificate, signed by all of the recorded owners of the unit, and filed with the Secretary of this corporation no later than the meeting. If a condominium unit is owned by a corporation, the officer or employee thereof entitled to cast the vote of the unit for the corporation shall be designated in the certificate for this purpose, signed by the President or Vice President, and attested to by the Secretary or Assistant Secretary of the corporation, no later than the meeting scheduled. The person designated in such certificate who is entitled to cast the vote for a unit shall be known as the "voting member." If such a certificate is not on file with the Secretary of this corporation for a unit owned by more than one person or by a corporation, the vote of the unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the unit. Such certificates shall be valid until revoked or until superceded by a subsequent certificate, or until a change in the ownership of the unit concerned.~~

In the event that the approval or disapproval of any lessee unit owner is required upon any subject, whether or not the same is the subject of any meeting, said approval or disapproval shall be executed by the same person who would be entitled to cast the vote of such lessee unit owner at any corporation meeting.

Section 9. The order of business at all meetings of the members of the corporation where applicable shall be as follows:

- ~~A. Election of chairman of the meeting.~~
- ~~A.B. Calling of the roll and certifying of proxies.~~
- ~~B. Registration of voters to establish a quorum.~~
- ~~B.C. Proof of notice of meeting or waiver of notice.~~
- ~~B.D. Reading and disposal of any unapproved minutes.~~
- ~~B.E. Reports of officers.~~
- ~~B.F. Reports of committees.~~
- ~~B.G. Election of inspectors of election.~~ Certification and installation of Directors.
- ~~G.H. Election of Directors.~~ Nomination of ninth Director.
- ~~H.F. Unfinished business.~~
- ~~I.J. New Business.~~
- ~~J.K. Adjournment.~~

Section 10. The affairs of the corporation proceedings shall be conducted in accordance with Roberts Rules of Order when not otherwise in conflict with the Articles of Incorporation and By-Laws of the corporation, or with the Statutes of the State of Florida.

ARTICLE V X

DIRECTORS

Section 1. The business and affairs of the corporation shall be managed by a Board of Directors who shall be elected in the following manner: ~~electd by the members. --- said Board of Directors shall consist of not less than three (3) persons nor more than nine (9). --- The exact number of Directors is to be set at the annual meetings prior to the election of said Directors.~~ Prior to the annual meeting either the Board of Directors or the membership of each of the respective condominiums within Island Club, the option of which should be in accordance with the procedure(s) solely determined by each condominium, shall elect two of their members to be directors of Island Club Recreation Center, Inc. for the coming year and shall so inform the Secretary of the corporation of their names. The method by which these Directors are elected may be changed at any time, and may differ from condominium association to condominium association. At the annual meeting, those Directors who have been elected in this manner prior to the annual meeting shall take nominations from the floor from among those members of ISLAND CLUB RECREATION CENTER, INC. present at the annual meeting, who indicate their willingness to serve, for the position of Director-at-Large. Election of the Director-at-Large shall take place at the organizational meeting of the Board, which shall be held within ten (10) days of the annual meeting, as provided in Section 5 of this Article X. In the event that one or more condominium associations fail to elect one or both of their allotted Directors prior to the annual meeting, the quorum of Directors necessary to elect the Director-at-Large at the organizational meeting shall be reduced to a majority of those Directors who have been appointed prior to the annual meeting. Any condominium association which has not elected one or both of its allotted Directors prior to the annual meeting may, at any time after the election of the Director-at-Large, designate one or two of its members to serve as its Directors on the Board of ISLAND CLUB RECREATION CENTER, INC. until the next annual meeting. During any period of time that any condominium association shall not have elected one or both of its allotted Directors, the quorum of the Board of Directors of Island Club Recreation Center, Inc. shall be reduced to a majority of those Directors who have been appointed, including the Director-at-Large.

Notwithstanding the failure of any condominium association to have elected one or both of its allotted Directors, the members of said condominium association shall be bound by the actions taken and decisions made by the Board of Directors of ISLAND CLUB RECREATION CENTER, INC.

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It shall not be necessary for a member of the Board of Directors to be a lessee of an individual undivided leasehold interest until such time as ISLAND CLUB OF POMPANO BEACH, INC., has fully developed and sold ninety five (95%) per cent of the apartments in the various apartment buildings which it contemplates constructing upon the overall ISLAND CLUB development. Prior to that date, ISLAND CLUB OF POMPANO BEACH, INC. shall have the right to elect the members of the Board of Directors and to fill any vacancies occurring thereon, provided, however, upon the election of a Board of Directors from the members of any individual condominium association or cooperative apartment building, said condominium association or cooperative apartment building shall have the right to elect one member from their Board of Directors to the Board of Directors of this corporation and further provided, however, that ISLAND CLUB OF POMPANO BEACH, INC. shall have the right to control the Board of Directors until such time as it has fully developed and sold ninety five (95%) per cent of the apartments in the various apartment buildings which it contemplates constructing on the overall ISLAND CLUB development.

ISLAND CLUB OF POMPANO BEACH, INC. shall have the right to elect one director to the Board of Directors of this corporation until such time as it has sold one hundred (100%) per cent of the apartments being developed by it as part of the overall ISLAND CLUB development.

Section 2. The original members of the Board of Directors shall be those elected at the first meeting of the original incorporators of ISLAND CLUB RECREATION CENTER, INC. who shall hold office pursuant to the provisions of Section 1 of Article V as set forth above. At such time as the provisions of Section 1 of Article V have been met, The Directors shall be selected in the above manner and shall be installed at the annual meeting of the members by the members and shall serve thereafter until the next annual meeting or until their successors are duly elected and qualified or until they are removed in the manner elsewhere provided. At each annual meeting prior thereto, ISLAND CLUB OF POMPANO BEACH, INC. shall be entitled to elect the Directors or the majority thereof, or a member on said Board of Directors until all of the provisions of Article V, Section 1 of these By-Laws have been complied with.

Section 3. In the event of a vacancy occurring in the Board of Directors for any reason whatsoever, prior to the conditions set forth in Article V, Section 1 of these By-Laws, the remaining Directors shall elect a person of legal age to serve as a Director for the unexpired portion of the term of the former Director. In this event, ISLAND CLUB OF POMPANO BEACH, INC. shall have the right to nominate said person to fill said vacancy. In the event of a vacancy occurring in the Board of Directors for any reason whatsoever after one hundred (100%) per cent of the apartments being developed by ISLAND CLUB OF POMPANO BEACH, INC. have been sold, the remaining Directors shall elect one of the members of this corporation who is the holder of a leasehold interest to serve as a Director for the unexpired portion of the term of the former Director. The vacancy shall be filled as follows:

- A. If the vacancy occurs in the Director-at-Large position, the remaining Directors shall elect, by majority vote, any person indicating a willingness to serve.
- B. If the vacancy occurs in a directorship elected by the Board or membership of an Association the Board of the condominium association where the vacancy occurs shall fill the vacancy for the remainder of the term. If the Board of Directors of the condominium association fails to fill the vacancy in this manner within thirty days of the date the directorship became vacant, the quorum of the Board of Directors of ISLAND CLUB RECREATION

CENTER, INC. shall be reduced to a majority of the remaining Directors, until such time as the board of directors of the applicable condominium association elects a Director to fill the vacancy. Until thirty (30) days have passed, however, the quorum shall not be reduced on account of such vacancy.

Section 4. ~~After control of the Board of Directors has been turned over to the members, a Director may be removed from office with or without cause by a majority of the owners at any regular or special meeting duly called. At said meeting, a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members, shall be given an opportunity to be heard at the meeting. Any Director elected by ISLAND CLUB OF POMPANO BEACH, INC. may not be removed without its consent.~~

Section 5. The first meeting of a newly elected installed Board of Directors shall be held within ten (10) days of election installation at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, installed, and no notice shall be necessary to the newly elected installed Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 6. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director personally or by mail, telephone or telegraph, at the current address given by each Director in writing to the Secretary of the corporation, at least five (5) days prior to the date named for such meeting. The corporation shall not be liable to any Director for failure to provide notice unless that Director has provided the Secretary of the corporation with his or her current address and the Secretary has failed to send the notice to said address.

The Directors may establish a schedule of regular meetings to be held in the office of the corporation, and no notice shall be required to be sent to said Directors of said regular meetings, once said schedule has been adopted.

Section 7. Special meetings of the Board of Directors may be called by the President on five (5) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least five (5) Directors.

Section 8. Before or at any meeting of the Board of Directors, any Director may, in writing, 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 by him 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.

Section 9. At all meetings of the Board of Directors, a majority of the Directors (subject to the provisions of Article X, Sections 1 and 3 above) shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting 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 be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be

transacted without further notice. The President of the corporation shall act as Chairman of the Board of Directors and he shall be entitled to vote as a member of the Board of Directors on all questions arising before the Board of Directors.

Section 10. The Board of Directors shall have all of the powers vested in it under common law, and pursuant to the provisions of Chapter 617, et seq., Florida Statutes, together with any powers granted to it pursuant to the terms of the Articles of Incorporation of the corporation, subject only to such approval of the members as may be required under these By-Laws and the Articles of Incorporation.

Such powers shall include but shall not be limited to the following:

- RECREATION CENTER.
- A. Management and operation of ISLAND CLUB
 - B. To make and collect assessments from members for the purpose of operating and maintaining the Center.
 - C. The maintenance, repair and replacement of the corporation property.
 - D. The reconstruction of improvements after any casualty, and the further improvement of the property.
 - E. The hiring and dismissal of any necessary personnel required to maintain and operate the corporation.
 - F. The Board of Directors of ISLAND CLUB RECREATION CENTER, INC. shall have the power to initially adopt rules and regulations for the operation of the recreation center.
 - G. The Association shall have the right to amend regulations respecting the use and occupancy of the property in the Center, provided, however, that any amendments made after the initial regulations or new regulations, shall be approved by not less than fifty-one (51%) per cent of the vote of the entire membership of the corporation before such shall become effective.
 - H. To carry and pay the premium for such insurance as may be required for the protection of the owners of ~~leasehold possessory interests and the lessor of the recreation~~ leases and the corporation against any casualty or any liability to third persons.
 - I. To employ a management agent at a compensation established by the Board of Directors and to delegate to said management agent such powers and duties as the Board shall authorize except those as are specifically required to be exercised by the Board of Directors or the membership.
 - J. To enforce, by legal means, the provisions of the Articles of Incorporation, the By-Laws of the corporation, and the regulations for the use of the property owned or operated by the corporation.
 - K. To pay any taxes or special assessments which may be levied against the Center or any property owned by the corporation or operated by the corporation.
 - L. To accept a conveyance of the streets or any other property which was designed to be utilized as part of the overall ISLAND CLUB development and to maintain the same on behalf of the members.
 - M. To operate a bus or other types of private transportation for the use of the members only.

ARTICLE VI XI

OFFICERS

Section 1. The principal officers of the corporation shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. The office of the Secretary and Treasurer may be filled by the same person.

Section 2. The officers of the corporation shall be elected annually by the Board of Directors at the annual meeting of each new Board and shall hold office until the next annual meeting of the Board of Directors or until their successors should be duly elected and qualified, except as hereinafter provided.

Section 3. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. The President shall be the Chief Executive Officer of the corporation. He shall preside at all meetings of the corporation and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of a president or a corporation, including but not limited to, the power of appointing committees from among the members from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the corporation.

Section 5. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall, from time to time, be imposed upon him by the Board of Directors.

Section 6. The Secretary shall issue notice of all Directors' and members' meetings and shall attend and keep the Minutes of the same; shall have charge of all corporate books, records and papers; shall be custodian of the corporate seal; shall attest with his signature and impress with the corporate seal all contracts or other documents required to be signed on behalf of the corporation and shall perform all such other duties as are incident to his office. The duties of the Assistant Secretary shall be the same as those of the Secretary in the absence of the Secretary.

Section 7. The Treasurer shall have the responsibility for corporation funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the corporation. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may from time to time be designated by the Board of Directors. The duties of the Assistant Treasurer shall be the same as those of the Treasurer in the absence of the Treasurer.

Section 8. Any vacancy in the office of the President, Vice-President, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary, or any other officer or employee for any reason whatsoever may be filled by the Board of Directors at any regular or special meeting, which may elect a successor to the vacant office, who shall hold office for the balance of the unexpired term.

ARTICLE VII XII

FINANCE

Section 1. The funds of the corporation shall be deposited in a bank account in Broward County, Florida, and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by Resolution of the Board of Directors from time to time.

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Section 2. For accounting purposes, the corporation shall operate on the calendar year beginning the first day of January and ending the 31st day of December of each year.

Section 3. An audit of the accounts of the corporation shall be made annually by an accountant licensed by the State of Florida, and a copy of the report shall be furnished to each member not later than March-1 April 1 of the year following the year for which the report is made.

Section 4. ~~The Board of Directors of the corporation~~ Each condominium association within ISLAND CLUB shall maintain an assessment roster and a set of accounting books in which there shall be an account for each member. Each account shall designate the name and address of the member or members, the amount of each assessment against the members, the dates and amounts in which the assessments become due, the amounts paid upon the account, and the balance due upon the assessments. Each condominium association shall notify the Treasurer of ISLAND CLUB RECREATION CENTER, INC., within sixty (60) days of any delinquency, of the full details of such delinquency. The applicable condominium association may claim a lien against such delinquent unit in the full amount of the delinquency plus interest, costs and attorneys' fees. If the condominium association fails to claim such a lien within ninety (90) days of the delinquency, ISLAND CLUB RECREATION CENTER, INC. shall have, and may foreclose upon, such a lien.

Section 5. The Board of Directors shall adopt a budget each year for the following calendar year which shall contain estimates of the cost of operating and maintaining the corporation, including the following items:

A. General expenses to be incurred in connection with the operation of the general common elements of the Center and any property owned or operated by the corporation.

B. A breakdown showing the proposed assessments against each member of the above expenses.

Copies of the proposed budget and assessments will be transmitted to each member on or before December 1st, preceding the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be provided each member concerned.

Section 6. The Board of Directors shall require that a fidelity bond be obtained upon all officers and employees of the corporation handling or responsible for corporate funds. The amount of such bond shall be determined by the Board of Directors, and the premiums on the bond shall be paid by the corporation as an item of general expense.

Section 7. All assessments paid by members of the corporation for the maintenance and operation of the center or of any property owned or operated by the corporation will be utilized by the corporation for the purposes of said assessments. Any excess moneys received from any assessments paid by the members shall be held by the corporation for the use and benefit of the members. Any surplus held by the corporation after the payment of expenses for maintaining and operating the general elements shall be considered a general surplus and held for the benefit of all of the members, in proportion to each member's share in the general common elements.

ARTICLE XIII

INSURANCE

Section 1. Fire, Wind, Casualty, and Other Insurance. The corporation shall keep the premises insured against loss or damage by fire, hurricane, tornado, windstorm and against loss or damage by any other risks now or hereafter embraced by "Extended Coverage", so called, in an amount not less than eighty (80%) percent of the then "full replacements cost", exclusive of the cost of excavations, foundations and footings below the lowest basement floor. Such "full replacement cost" shall be determined from time to time by the Board.

The corporation shall maintain:

A. Personal injury and property damage liability insurance, with respect to each new building, against claims for bodily injury, death or property damage, occurring thereon, in or about the premises and on, in or about the adjoining streets, property and passageways, such insurance to afford minimum protection of not less than \$2,000,000 in respect to bodily injury or death to any one person, and of not less than \$2,000,000 in respect to any one accident, and not less than \$2,000,000 property damage arising out of any one accident.

B. Boiler insurance, if applicable, and plate glass insurance in reasonable amounts.

C. Such other insurance and in such amounts as may, from time to time, be reasonably required by the corporation against other insurable hazards which, at the time, are commonly insured against in the case of premises similarly situated, due regard being, or to be given to the height and type of building, its construction, use and occupancy.

All insurance provided for in this paragraph shall be effected under valid and enforceable policies issued by insurers of recognized responsibility, which shall be issued by an insurer approved by ISLAND CLUB RECREATION CENTER, INC.

In the event of any loss under any policies provided for in the paragraphs hereinabove set forth, such losses shall be adjusted with the insurance companies and the proceeds of any such insurance policies shall be utilized by the corporation to repair, reconstruct or replace any portion of the premises damaged, or tangible personal property destroyed. Should the cost of said repair, replacement or rebuilding exceed the proceeds of said insurance policy, the members shall be responsible for paying a special assessment to ISLAND CLUB RECREATION CENTER, INC., which shall be utilized for meeting said shortage of funds, repairing, rebuilding or replacement, as necessary.

All policies of insurance hereinabove provided for shall also be payable to any mortgagee, as the interest of such mortgagee may appear. The loss, if any, under any policies provided for in such paragraphs shall be adjusted with the insurance companies by this corporation and said mortgagee in case of any particular casualty resulting in damage or destruction. The proceeds of any such insurance shall be payable to this corporation and to the mortgagee, if any, in the case of any particular casualty resulting in damage or destruction.

All policies hereinabove provided for shall provide that the loss, if any thereunder, shall be adjusted and paid as hereinabove provided.

Each such policy or certificate therefor issued by the insurer shall contain an agreement by the insurer that such policy shall not be cancelled without reasonable days prior written notice to ISLAND CLUB RECREATION CENTER, INC.

Section 2. Damage or Destruction. In case of casualty to the premises, the corporation shall, whether or not the insurance

proceeds, if any, shall be sufficient for the purpose, restore, repair, replace, rebuild (including the demolition of a damaged building if necessary) or alter the premises, regardless of the amount of damage or destruction, as nearly as possible to its value, condition and character immediately prior to such damage or destruction. Such restoration, repairs, replacements, rebuilding, demolition or alterations shall be commenced promptly and prosecuted with reasonable diligence.

All insurance money paid on account of such damage or destruction, less the actual cost, fees and expenses, if any, incurred in connection with adjustment of the loss, shall be applied to the payment of the cost of the aforesaid demolition, restoration, repairs, replacement, rebuilding or alterations, and shall be paid out from time to time as such restoration progresses upon the written request of the party performing such work, which shall be accompanied by:

A. A Certificate signed by the party doing the work, dated not more than thirty (30) days prior to such request, setting forth the following:

1. That the sum then requested is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials for the restoration therein specified, and giving a brief description of such services and materials and the several amounts so paid or due to each of said persons in respect thereof, and stating that no part of such expenditures has been or is being made the basis, in any previous or then pending request, for the withdrawal of insurance money and that the sum then requested does not exceed the value of the services and materials described in the Certificate.

2. That except for the amount, if any, stated (pursuant to the foregoing subparagraph A.[1]) in such certificate to be due for services or materials, there is no outstanding indebtedness known to the persons signing such certificate, after due inquiry, which is then due for labor, wages, materials, supplies or services in connection with such restoration which, if unpaid, might become the basis of a vendor's mechanic's, laborer's or materialman's statutory or similar lien upon such restoration or upon the premises or any part thereof.

B. An opinion of counsel or other evidence, reasonably satisfactory to the corporation, to the effect that these had not been filed with respect to the premises, or any part thereof, any vendor's mechanics, laborer's, materialman's or other lien which has not been discharged of record, except such as will be discharged by payment of the amount then requested.

In the event that any such restoration involves expenditures in excess of \$25,000.00, the certificate required by clause A. of this numbered paragraph shall be a certificate signed by the architect or engineer in charge of the restoration, who shall be selected by the Board of Directors and who shall be an architect or engineer licensed to do business in Broward County.

All insurance monies received by the corporation shall be held in a separate bank account as trust funds, until applied as aforesaid.

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ARTICLE VIII XIV

AMENDMENTS

Section 1. The Articles of Incorporation of the non-profit corporation may be amended by the members at a duly constituted meeting for such purpose, provided, however, that no amendment shall take effect unless approved by members representing at least 51% of the ~~leases-outstanding~~ members at any time.

Section 2. These By-Laws may be amended by the corporation at a duly constituted meeting for such purpose provided, however, no amendment shall take effect unless approved by members representing at least 51% of the ~~leases-outstanding~~ members at any time.

Section 3. No amendment to the Articles of Incorporation, or the By-Laws, shall be valid without the written consent of 100% of the members ~~as to any of the following: A. No amendment may be made which in any way changes or modifies the voting rights which may be cast by any member or which in any way modifies the percentage of the assessments to be levied against any member for the operation and maintenance of the center, or of any property owned or operated by the corporation.~~

Section 4. Before any amendment shall be effective, it shall also be approved by a majority of the members of the Board of Directors.

Section 5. Notice of the subject matter of any proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

~~Section 6. No amendment to the Articles of Incorporation, the By-Laws, or the Rules and Regulations shall be effective without the written consent of ISLAND CLUB OF POMPANO BEACH, INC. so long as it is the owner of any condominium apartment unit, cooperative apartment unit, or rental apartment unit, which is a part of the overall ISLAND CLUB development.~~

ARTICLE XV

CHANGES AND ALTERATIONS BY CORPORATION

ISLAND CLUB RECREATION CENTER, INC. shall have the right at any time and from time to time to make changes and alterations in any building on the premises subject, however, in all cases to the following:

A. A change or alteration which would change the character or the structure or the size of the building or other improvements may be made without the approval of the membership only if the change or alteration does not impair the value or usefulness of the building or any part thereof.

B. No change or alteration shall be undertaken until the corporation shall have procured and paid for, so far as the same may be required from time to time, all permits and authorizations of all municipal departments and governmental subdivisions having jurisdiction.

C. (1) Any structural change or alteration involving an estimated cost of \$25,000.00 or more shall require the Board of Directors to obtain at least three bids and shall be conducted under the supervision of a licensed architect or engineer licensed in Broward County, selected by the corporation and no such structural change or alteration shall be made except in accordance with detailed plans, specifications and cost estimates prepared and approved, in writing, by such architect or engineer and submitted to the corporation.

(2) Any structural change or alteration involving an estimated cost of \$10,000.00 or more shall require the Board of Directors to obtain at least three bids. In addition, there shall be no structural change, alteration or addition, the cost of which exceeds \$75,000.00 within any twelve-month period without first obtaining the approval of 51% of the members. Nothing herein shall be construed to require members approval of maintenance of the corporation property, notwithstanding the fact that the cost thereof exceeds \$10,000.00.

D. If the estimated cost of such structural change or alteration shall be \$25,000.00 or more, the work shall be covered by a surety company completion bond, issued by a company reasonably acceptable to the corporation or other securities satisfactory to the corporation in an amount at least equal to the estimated cost of such change or alteration, guaranteeing the completion thereof within a reasonable time, free and clear of all encumbrances, chattel mortgages, conditional bills of sale, and other charges and in accordance with the plans and specifications approved by the corporation.

E. Any change or alteration shall, when completed, be of such a character as not to reduce the value of the premises below its value immediately before such change or alteration.

F. Any change or alteration shall be made promptly (unavoidable delays excepted) and in a good and workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws and with all other laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, departments, commissions, boards and officers, and in accordance with the orders, rules and regulations of the National Board of Fire Underwriters, or any other body or bodies hereafter exercising similar functions.

G. The cost of any such change or alteration shall be paid promptly so that the premises shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the demised premises. Nothing in this paragraph shall prohibit the corporation from challenging invoices and/or availing itself of the Mechanic's Lien Law, Chapter 713, Florida Statutes.

H. General liability insurance with limits of not less than \$2,000,000 in the event of bodily injury or death to one person, and not less than \$2,000,000 in the event of bodily injury or death to any number of persons in any one accident, and \$2,000,000 property damage shall be maintained at all times when any work is in process in connection with any change or alteration. All such insurance shall be in a company or companies satisfactory to the corporation, and all policies or certificates therefor issued by the respective insurers, bearing notations evidencing the payment of premiums or accompanied by other evidence satisfactory to the corporation of such payment, shall be delivered to the corporation.

ARTICLE VIII XVI

ASSESSMENTS

~~Each member of ISLAND CLUB RECREATION CENTER, INC., except the officers, directors and employees of ISLAND CLUB OF POMPANO BEACH, INC., are the holders and owners of individual undivided 99-year leasehold interests enabling them to may utilize said recreation center so long as they pay the rentals required by said leases and so long as they pay their share of the assessments levied by this corporation for the purpose of operating, maintaining, repairing, replacing said center, and for any other expenses incurred by the corporation for insurance, taxes, special assessments, or any other costs legitimately incurred by~~

the corporation in connection with the operation of said center and so long as they pay any payments under existing leases or mortgages which may remain appurtenant to the member's unit.

The assessments payable by each of the members as provided for in said leases to ISLAND CLUB RECREATION CENTER, INC. shall be a $\frac{1}{503}$ rd fractional share, the numerator of which shall be one (1) and the denominator of which shall be the number of outstanding undivided individual 99-year leases from time to time. Said assessments shall be payable by the members in the following manner:

1. On or before December 1st of each and every calendar year, the Board of Directors of the corporation shall submit to the condominium association, ~~cooperative corporation or rental apartment management unit~~ operating each and every building which is a part of the overall ISLAND CLUB development, a budget for the forthcoming calendar year, in accordance with the provisions of Article XII of these By-Laws. Copies will be transmitted to each of said legal entities for distribution to each member holding an undivided leasehold a possessory interest in the Recreation Center, said budget shall show the amount of the assessment payable by each member for the forthcoming calendar year.

2. Each condominium association, ~~cooperative apartment corporation, or management unit, managing any rental apartment~~ shall distribute a copy of said budget to each member and shall include within its own budget, the amount of the monthly assessment payable by each member.

3. Each member shall pay, on a monthly basis, at the same time as all other assessments are payable to their own condominium association, ~~cooperative apartment corporation, or management unit managing any rental unit~~, the amount of their assessment. Said condominium association, ~~cooperative apartment corporation or management unit~~, in turn, shall transmit on a monthly basis, on or before the 10th day of each and every calendar month, the amount of all assessments collected by it to ISLAND CLUB RECREATION CENTER, INC. designating the members who should receive credit for the payment of said assessments. The Condominium Association, ~~cooperative apartment corporation, or management unit~~ shall not be responsible for paying any assessments which have not been received from individual members.

4. In the event that any member should fail to pay his or her assessments to his or her condominium association, ~~cooperative apartment corporation, or management unit of a rental apartment~~ unit, so that the same can be transmitted to ISLAND CLUB RECREATION CENTER, INC. by the 10th of each and every calendar month, said member shall be considered in default in the payment of said assessments.

5. In the event of a default in making said payment by any member and the transmittal of the same to ISLAND CLUB RECREATION CENTER, INC. by the 10th of each calendar month, ISLAND CLUB RECREATION CENTER, INC. shall have a lien against said member's apartment or interest in any condominium property, ~~cooperative apartment building or leasee's interest in any rental apartment~~, and shall have the right, in the event that said default continues for a period of ten (10) additional days thereafter, to file notice of such lien with the Comptroller of Broward County, Florida, thereby constituting notice to said member and to any other third party except as hereinafter provided, of the existence of said lien. Said lien shall at all times be inferior and subordinate to the lien of any institutional mortgages holding an institutional mortgage against any condominium apartment unit or the interest of any owner in any cooperative apartment building, or mortgage against any rental apartment building. Said lien shall also be inferior and subordinate to any lien held by the

Lessors of the undivided individual 99-year leases issued for the use and occupancy of ISLAND CLUB RECREATION CENTER, INC.

6. The lien of ISLAND CLUB RECREATION CENTER, INC. may be enforced against the member and against his or her condominium apartment, ~~cooperative apartment, or lessee's interest in any rental apartment unit~~, by foreclosing the same in the Circuit Court in & for Broward County, Florida, in the same manner as mortgages are foreclosed in the State of Florida. In the event it should become necessary for ISLAND CLUB RECREATION CENTER, INC. to enforce any such lien, it shall be entitled to recover not only the amount due for said assessment but, in addition thereto, the amount equal to one year's advance assessments due from said member which shall be credited to said member's account, and any and all costs which it may incur in connection with said foreclosure, including a reasonable attorneys' fee.

ARTICLE * XVII

ADDITIONAL RIGHTS OF INSTITUTIONAL MORTGAGEES AND THE LESSOR UNDER THE INDIVIDUAL UNDIVIDED 99-YEAR LEASES

Section 1. Institutional first mortgage means a first mortgage originally executed and delivered to a bank, savings and loan association, insurance company, employee's pension fund, or real estate investment trust authorized to transact business in the State of Florida, creating a first mortgage lien on an apartment unit and on any interest appurtenant to such apartment unit. For the purpose of these By-Laws, the Developer shall be considered an institutional mortgagee, and any mortgage held by the Developer or its component corporations which is a lien against any of the apartments in the condominium developed by the Developer shall be considered as an institutional mortgage. In the event of foreclosure of an institutional first mortgage encumbering an apartment, the purchaser at such sale, his successors or assigns, shall not be liable for the share of assessments pertaining to such apartment chargeable to the former owner (lessee) of such apartment, which became due and payable to ISLAND CLUB RECREATION CENTER, INC. prior to the foreclosure sale of such apartment. Such unpaid share of assessments shall be deemed to be common expenses collectible from all persons holding ~~individual undivided leases~~ to possessory interests in the recreation center, including the purchaser, his successors or assigns. The foregoing provision shall also be applicable to the conveyance of an apartment unit to an institutional first mortgagee in lieu of foreclosure.

Any institutional mortgagee acquiring the title to any apartment by foreclosure or by deed in lieu of foreclosure shall, while it is the owner of the same, be responsible for paying its regular share of any maintenance (but not including any recreational rentals) to ISLAND CLUB RECREATION CENTER, INC., from the date it acquires the title to said apartment, either through a foreclosure sale or by a deed of conveyance in lieu of foreclosure, provided, however, the share of said maintenance payable by said mortgagee during the period when it holds title to said apartment, shall be limited to a fraction, the numerator of which shall be one (1), and the denominator of which shall be the number of apartments contained in the condominium apartment building in which said apartment is located, or a fraction, the numerator of which shall be one (1), and the denominator of which shall be the total number of outstanding possessor interests, whichever is the lesser of the two.

Section 2. In the event that the lessor of the undivided

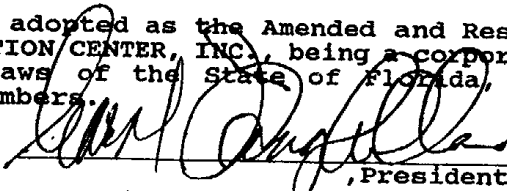
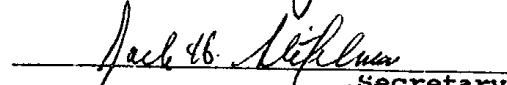
non-exclusive 99-year leases entitling the owners of various apartment units in the overall ISLAND CLUB development being developed by ISLAND CLUB OF POMPANO BEACH, INC. should, by reason of the default of any owner, as provided in said leases, acquire the title to any condominium parcel (apartment unit) by foreclosure or by deed in lieu of foreclosure, it shall be accorded the same rights as those accorded to the holder of an institutional first mortgage, in that it shall not be responsible for paying any accrued maintenance or rental due from said former owner prior to the date of said acquisition of title by said lessor, and it shall not be responsible for the payment of any rental, and that it shall be responsible for paying the same fractional share of maintenance of the recreational center operated by ISLAND CLUB RECREATION CENTER, INC., as an institutional mortgagee, as set forth above.

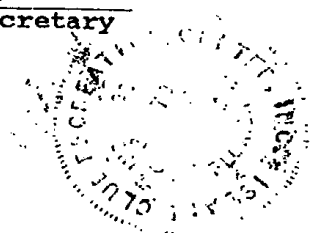
ARTICLE XI XVIII

ENFORCEMENT OF ARTICLES OF INCORPORATION, BY-LAWS AND RULES AND REGULATIONS

In the event that it should become necessary for the Board of Directors of ISLAND CLUB RECREATION CENTER, INC. to enforce any of the terms and conditions of the Articles of Incorporation, By-Laws or Rules and Regulations relating to use and occupancy of ISLAND CLUB RECREATION CENTER, INC. or any of the property owned or operated by it, it shall be entitled to enforce the same against any member violating said Articles of Incorporation, By-Laws or Rules and Regulations, and, in addition to any damages which it may seek to recover may, in appropriate cases, obtain injunctive relief against said member, and in the event that it should prevail in any such action, it shall be entitled to recover any and all costs incurred by it together with a reasonable attorneys' fee.

The foregoing were duly adopted as the Amended and Restated By-Laws of ISLAND CLUB RECREATION CENTER, INC., being a corporation not for profit, under the laws of the State of Florida, at a duly-called meeting of the members.


_____, President

_____, Secretary



RECORDED IN THE PUBLIC RECORDS BOOK
OF BROWARD COUNTY, FLORIDA
L. A. HESTER
COUNTY ADMINISTRATOR

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SETTLEMENT AGREEMENT

THIS AGREEMENT is made this 25th day of November, 2005, by and between ISLAND CLUB TWO, INC. (herein "TWO") and ISLAND CLUB RECREATION CENTER, INC. (herein the "CENTER"), ISLAND CLUB ONE, INC. (herein "ONE"), ISLAND CLUB THREE, INC. (herein "THREE") and ISLAND CLUB FOUR, INC. (herein "FOUR").

WHEREAS, the parties hereto make up the Community of Island Club in Pompano Beach, Florida (herein "Island Club") and operate under the various governing documents for the Condominiums and the CENTER, recorded in the Public Records of Broward County, Florida at Official Records Book 4568, Page 635 for ONE; Official Records Book 5015, Page 1 for TWO; Official Records Book 5128, Page 13 for THREE; Official Records Book 5707, Page 541 for FOUR, and Official Records Book 15254, Page 636 for CENTER; and

WHEREAS, TWO had raised certain issues of dispute with CENTER and the other Phases within Island Club over various matters involving expenditures within the Community, which were ultimately set forth in a law suit filed by TWO against ONE, THREE, FOUR and CENTER in the Broward County Circuit Court in Case No. 05-8002 (11) (herein the "Lawsuit"); and

WHEREAS, the parties hereto have reached a resolution to the issues of dispute in the Lawsuit and wish to set forth the agreements herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are expressly acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct.
2. The issues between the parties hereto set forth in the Lawsuit are hereby fully settled in the manner as further delineated herein. Upon the execution of this Agreement by all of the parties hereto, TWO shall cause its attorneys to dismiss with prejudice those counts of the Lawsuit which pertain to the matters described herein.
3. All of the Lawsuit issues are resolved as follows:
 - (a) CENTER shall instruct its attorney to reexamine the By-Laws of CENTER regarding the proper legal status of CENTER relative to Chapter 718 of Florida Statutes and provide to CENTER recommendations of any revisions which would resolve any ambiguities

or uncertainties which may exist relative to the individual unit owners in all of the Condominiums as well as the four Phases. Count I of the Lawsuit shall be dismissed.

(b) CENTER shall cause to be prepared and submitted to the Voting members of CENTER an amendment to the By-Laws of CENTER to resolve the asserted conflict between the provisions of Articles X and XVI cited in the Lawsuit, relative to the delinquencies of assessments due to the CENTER. Such amendment shall include the requirement of CENTER to notify an individual owner of the possibility of a lien being filed against the unit by the CENTER prior to such action being taken, in addition to any notification given to the Phase. Count II of the Lawsuit shall be dismissed.

(c) Count III and Count IV of the Lawsuit will be dismissed.

(d) CENTER shall obtain an opinion from its attorney regarding the legal relationships of the parties hereto, along with those of the individual unit owners, as they are set forth in the governing documents of the CENTER. Such opinion shall provide recommendations for revisions if such are deemed appropriate by counsel of CENTER. Count V of the Lawsuit shall be dismissed.

(e) In light of the term set forth in (b) above, Count VI of the Lawsuit will be dismissed.

(f) TWO agrees to the proportional formula as set forth in the By-Laws of CENTER and re-established by the CENTER in January 2005 relative to the Phase water bills. For all portions of the CENTER budget, including water, ONE pays 28.23%; TWO pays 31.41%; THREE pays 16.3%; and FOUR pays 24.06%. CENTER shall incorporate the water bill into its operating budget commencing with operating year 2006 as a separate line item thereon. CENTER will not pursue reallocation of the Phase water bills for periods prior to 2005. Count VII of the Lawsuit shall be dismissed.

(g) CENTER shall utilize its best efforts to make certain that the financial obligations of the CENTER are clearly stated in the annual budget each year, including the line item for water for the entire Community, as set forth in (f) above. TWO agrees that special assessments by the CENTER may be necessary from time to time. Count VIII of the Lawsuit shall be dismissed.

(h) The parties are satisfied with the maintenance responsibilities of the various parties in the Community. TWO agrees to dismiss Count IX of the Lawsuit.

(i) TWO recognizes that the Official Records of CENTER are available to the

inspection and, if requested, copying of all unit owners in Island Club, upon their written request of CENTER. TWO agrees to dismiss Count X of the Lawsuit.

(j) TWO accepts that the annual audit performed by the independent CPA engaged by CENTER is sufficient and provides an adequate accounting of the funds of the CENTER. TWO agrees to dismiss Count XI of the Lawsuit.

(k) CENTER, ONE, THREE and FOUR agree to reimburse TWO for electricity charges used not only for the Island Club sign displayed on the outside of TWO but also for the lift stations that service the entire Community. A formula for determining the estimated amount of electricity for such purposes has been agreed upon by the parties and the percentages for apportionment set forth in the CENTER governing documents shall be utilized in determining the respective shares of the parties, which are ONE pays 28.23%; TWO pays 31.41%; THREE pays 16.3%; and FOUR pays 24.06%. The base monthly charge for estimated electricity for September 2005 is \$70.00 for the lift stations and \$36.00 for the sign. TWO shall provide semi-annual invoices to CENTER for the electric reimbursement, less its proportionate share of 31.41%. In the event of extended emergency use of the generator to operate the lift stations becomes necessary, TWO may submit to CENTER an invoice for the propane associated with such generation of power, as well as any repairs to the generator that result due to such use. Count XII of the Lawsuit shall be dismissed.

4. The parties hereto agree that each party shall bear and be responsible for their own attorney's fees and costs which were and may be associated with the Lawsuit.

5. Upon the execution of this Agreement, the parties hereto, each to the other, hereby remise, release, acquit, satisfy, and forever discharge each other, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which either party ever had, now has, or which any personal representative, successor, heir or assign of each party, hereafter can, shall or may have, against any other party, for, upon or by reason of the matters, causes or things whatsoever, from the beginning of the world to the day of these presents as they relate to the issues set forth in the Lawsuit.

6. The terms and conditions set forth herein constitute the entire agreement of the parties hereto and may only be modified and amended by a subsequent written document signed by all parties. This Agreement supersedes, cancels, nullifies and voids any previous Agreement (written or oral) between the parties hereto.

7. This Agreement shall be subject to and construed under the laws of the State of Florida. The parties hereto hereby agree to submit themselves to the jurisdiction of the Court of Broward County, Florida, in any disputes which arise under this Agreement. In the event that litigation is necessary to enforce this Agreement, the prevailing party shall be entitled to reimbursement of its attorney's fees and costs, including appeals.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first written above.

Signed, sealed and delivered
the presence of

ISLAND CLUB TWO, INC.

Holly A. Wettrich
(Print name)

By: Holly A. Wettrich
, President

MARION WILLIAMS
(Print name)

Attest: Marion Williams
, Secretary

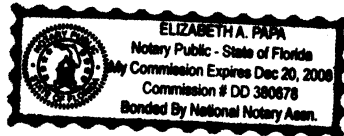
STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 25th day of November 2005, by Holly A. Wettrich, President and Marion Williams Secretary of Island Club Two, Inc., who are personally known to me or who have produced _____ as identification.

ELIZABETH A. PAPA
Print Name of Notary Public

Elizabeth A. Papa
NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

My Commission expires:



Signed, sealed and delivered
the presence of

ISLAND CLUB RECREATION CENTER, INC.

BARRY M. BIRENBAUM

(Print name)

By: [Signature], President

ELIZABETH A. PAPA

(Print name)

Attest: [Signature], Secretary

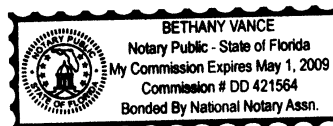
STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 25th day of November 2005, by BARRY M. BIRENBAUM, President and ELIZABETH A. PAPA, Secretary of Island Club Recreation Center, Inc., who are personally known to me or who have produced _____ as identification.

[Signature]
Print Name of Notary Public

[Signature]
NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

My Commission expires:



(Remainder of page intentionally left blank)

Signed, sealed and delivered
the presence of

ISLAND CLUB ONE, INC.

Ralph M. Blasi

(Print name)

By: Ralph M. Blasi
, President

LOUISE ALBARRACIN

(Print name)

Attest: Louise Albarracin
, Secretary

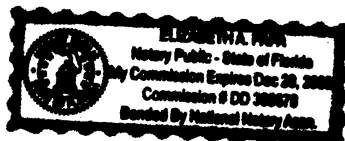
STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 25 day of NOVEMBER, 2005, by RAIPH BLASI, President and LOUISE ALBARRACIN, Secretary of Island Club One, Inc., who are personally known to me or who have produced _____ as identification.

ELIZABETH A. PAPA
Print Name of Notary Public

Elizabeth A. Papa
NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

My Commission expires:



(Remainder of page intentionally left blank)

Signed, sealed and delivered
the presence of

ISLAND CLUB THREE, INC.

Francis Santos

(Print name)

By: Francis D. Santos
, President

CHARLES J. BARRETTE

(Print name)

Attest: Charles J. Barrette
, Secretary

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this ____ day of _____,
2005, by Francis Santos, President and Charles Barrette, Secretary of Island Club Three,
Inc., who are personally known to me or who have produced _____ as identification.

ELIZABETH APAPA

Print Name of Notary Public

Elizabeth Apapa

NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

My Commission expires:



(Remainder of page intentionally left blank)

Signed, sealed and delivered
the presence of

ISLAND CLUB FOUR, INC.

LOUIS RIVA
(Print name)

By: Louis Riva
, President

Gloria Caroleo
(Print name)

Attest: Gloria Caroleo
, Secretary

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 25th day of November
2005, by Louis Riva, President and Gloria Caroleo Secretary of Island Club Four,
Inc., who are personally known to me or who have produced _____ as identification.

Bonnie Colburn
Print Name of Notary Public

Bonnie Colburn
NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

My Commission expires:

NOTARY PUBLIC-STATE OF FLORIDA
 **Bonnie Colburn**
Commission # DD421881
Expires: MAY 08, 2009
Bonded Thru Atlantic Bonding Co., Inc.