

BY-LAWS
OF
DELRAY VILLAS RECREATION ASSOCIATION, INC.

A corporation Not For Profit Under the Laws of the State of Florida

ARTICLE I
Definitions

Terms used herein shall have the meanings ascribed thereto in the Articles of Incorporation of the Association and in the Declaration of Covenants and Restrictions for Delray Villas Recreation Association, formerly known as Villadelray West Planned Unit Development, recorded in the public Records of Palm Beach County, Florida.

ARTICLE II
Location

Section 1. The principal office of the Association shall be located at 13773 Circular Drive, Delray Beach, Florida 33484, or such other place as determined by the Board of Directors from time to time.

ARTICLE III
Membership

Section 1. Membership of the Association is set forth in Article III, Section 2 of the Articles of Incorporation of the Association.

Section 2. The rights of membership are subject (where applicable) to payment of annual and special assessments levied by the Association, the obligation of which assessment is imposed against each unit owner of, and become a lien upon the Unit against which such assessments are made as provided by Article VI of the Declaration ~~of Covenants and Restrictions for Villadelray West Planned Unit Development.~~

Section 3. The Board of Directors shall be empowered to levy fines in accordance with the Declaration and with Section 720.305, Fla. Stat., as same may be amended from time to time. ~~the maximum amount of \$25.00 for violations of duly enacted rules or regulations where the offender evidences a consistent disregard for the best interests of the community. No fines shall be assessed unless there has been both a prior warning notice followed by a subsequent hearing before the Board.~~ The imposition of a fine will not replace nor act to bar any other legal remedies available to the Association.

ARTICLE IV
Board of Directors

Section 1. The Directors of the Association shall be ~~elected~~ installed at the annual meeting of the members ~~as specified in the Articles of Incorporation.~~ There shall be three Directors elected by and from each Homeowner's Plat Association by majority plurality vote, in accordance with the documents for each such Plat Association. ~~For the 1985 election, those two persons from each Homeowner's Association receiving the two greatest pluralities shall serve for two years and that person with the next greatest for one year. Their successors shall serve for a two year term. Directors shall serve for staggered terms, as previously commenced with the 1985 election of Directors, such that eight (8) Directors shall be elected in one (1) year, and four (4) Directors shall be elected in the following year, and so on. All Directors shall be elected by their respective Plat Associations to serve for a term of two (2) years. Notwithstanding the foregoing, if the Plat 4/5 Association amends its documents to allow for an additional Director to be seated on the Recreation Association Board, such Association shall have the right to have up to one (1) additional Director serve on the Recreation Association Board for a staggered term consistent with this Section.~~

Section 2. Any Director may be removed from office at any time with or without cause by the affirmative vote of a majority of the members of the Homeowners Association represented by that Director, and as otherwise in accordance with Section 720.303(10), Fla. Stat., as amended from time to time. ~~votes cast in person or by proxy at a duly called meeting of the Homeowner's Association represented by that Director. A Director may also be removed by the majority vote of the Board of Directors voting at a meeting if he/she has been absent from three consecutive regular meetings or a total of four regular meetings during a one year period without justifiable excuse satisfactory to the Board of Directors.~~

Section 3. The first meeting of the duly elected Board of Directors, for the purpose of organization, shall be held immediately after their taking office, provided the majority of the members of the Board elected be present. Any action taken at such meeting shall be by a majority of the whole Board. If the majority of the members of the Board elected shall not be present at that time, or if the Directors shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty days after the annual meeting of the members upon three days written notice in writing to each member of the Board elected, stating the time, place, and object of such meeting.

Section 4. Regular meetings of the Board of Directors may be held at any place or places within Palm Beach County, Florida, on such days and at such hours as the Board of Directors may, by resolution, appoint.

Section 5. Notice of Board meetings shall be as provided in Section 720.303, Fla. Stat., as same may be amended from time to time. Notices may also be provided by electronic transmission in accordance with Florida law, where Owners consent to receive notices by electronic transmission. ~~No notice shall be required to be given of any regular meeting of the Board of Directors.~~

Section 6. Special meetings of the Board of Directors may be called at any time by the President or by any two members of the Board and may be held any place or places within Palm Beach County, Florida, and at any time.

Section 7. Notice of each special meeting of the Board of Directors, stating the time, place, and purpose or purposes thereof, shall be given by or on behalf of the President or by or on behalf of the Secretary, or by and on behalf of any two members of the Board to each member of the Board not less than three days by mail or one day by telephone ~~or telegraph~~. Special meetings of the Board may also be held at any place or any time without notice by unanimous waiver of notice by all the Directors. Notice of special Board meetings shall be as provided in Section 720.303, Fla. Stat., as same may be amended from time to time. Notices may also be provided by electronic transmission in accordance with Florida law, where Owners consent to receive notices by electronic transmission.

Section 8. Important Subject. A subject brought to the Board of Directors for action in the form of a motion may be declared an IMPORTANT SUBJECT by the President or by a majority vote of the Board. The final vote on any IMPORTANT SUBJECT cannot be taken earlier than the second meeting following the making of the motion to give each Board member an opportunity to obtain community input. An open meeting to discuss an IMPORTANT SUBJECT may be called by the Board. If such an open meeting is called, the final vote shall not be taken by the Board until the next Board meeting.

Section 9. Vacancies. A vacancy occurring on the Recreation Association Board in between annual meetings shall be filled by the respective Plat Association in accordance with the Plat Association's Governing Documents.

~~Section 9a. Capital Improvements. The Board of Directors shall be limited to expend no more than Five Thousand Dollars (\$5000) on any Capital Improvement, not requiring a special assessment, without the Association voting by proxy/ballot at a meeting called to vote on such a project. No Capital Improvement shall be considered in component parts so as to avoid the intent of this action. A Capital Improvement with a total cost not in excess of \$5000, shall be approved by two thirds (66 2/3%) of the entire Board of Directors.~~

~~Section 9b. Definition. A Capital improvement shall be any material alteration or substantial improvement which results in the creation of an entirely new asset or one which substantially alters an existing asset which would neither be part of, nor required for the normal repair, replacement, or maintenance functions of the Association.~~

~~Section 9c. Funding. The source of the necessary funds shall be included in the motion for approval of any Capital Improvement. Funds necessary for Capital Improvements shall be derived from existing unreserved funds or by assessment. Such assessment shall be levied in accordance with Section 3, Article VI of the Declaration.~~

ARTICLE V
Officers

Section 1. Any officer may be removed at any time by the affirmative vote of a majority of the Board of Directors at any duly called regular or special meeting of the Board.

Section 2. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the members of the Association and of the Board of Directors. He shall have the general powers and duties of supervision and management of the Association, which generally pertain to his office, and shall perform all such duties as are properly required of him by the Board of Directors. The Board of Directors shall elect one Vice President, who shall have such powers and perform such duties as usually pertain to such office or as are properly required of him by the Board of Directors. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President. The Secretary shall issue notices of all meetings of the membership of the Association and the directors where notices of such meetings are required by law or in these By-Laws. He shall keep the minutes of the meetings of the membership and of the Board of Directors.

Section 3. The Treasurer shall have the care and custody of all the moneys and securities of the Association. He shall enter on the books of the Association, to be kept by him for that purpose, full and accurate accounts of all moneys received by him and paid by him on account of the Association. He shall sign such instruments as require his signature and shall perform all such duties as usually pertain to his office or as are properly required of him by the Board of Directors.

Section 4. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting.

ARTICLE VI
Meetings of Members

Section 1. The regular annual meeting of the members shall be held ~~on the second Friday of the month of February in each year~~ at such time and place as shall be determined by the Board of Directors, but in no event shall be more than thirteen (13) months from the date of the previous year's annual meeting.

Section 2. Special meetings of the members for any purpose may be called by the President, or by any two of the other officers of the Board, or by any four or more members of the Board, or upon written request of ~~25%~~ ten percent (10%) of the members who are eligible to vote.

Section 3. Written notice may be given to the member either personally or by sending a copy of the notice through the mail, postage thereon fully paid, or personally delivering a copy of the notice to the address appearing on the records of the corporation. Each member shall register his address with the Secretary and notices of meetings shall be mailed or personally delivered at least 14 days in advance of meeting and shall set forth the general nature of the business to be transacted, provided however, that if any business of any meeting shall involve any action governed by the Articles of Incorporation, notice of such meeting shall be given or sent as therein provided. In addition to the foregoing, notices of members meetings may be sent by electronic

transmission (email), where such member consents in writing to such notices by electronic transmission or as otherwise provided by Section 720.303, Fla. Stat., as same may be amended from time to time.

Section 4. The presence at the meeting of members, in person or by proxy, of ~~1/3~~ of twenty (20%) percent of those entitled to cast votes, shall constitute a quorum for any action governed by these By-Laws.

~~Section 5a. Regular Meetings. Regular evening meetings shall be held in the months of February, April, June, August, and October, at such time as shall be designated by the Board of Directors. Notices of these meetings only, published in the "DELRAY VILLAS REC. NEWS" shall be considered an official notice.~~

Section 5b. No matter shall be voted upon at ~~such any membership~~ meeting unless notice of such proposed action shall be given as per Section 3, Article VI of the By-Laws and shall be accompanied by a proxy.

Section 6a. Roberts Rules. Robert's Rules of Order (latest edition) may act as a guide but shall not be required to govern the conduct of all Association meetings, unless in conflict with the Articles of Incorporation, the Declaration of Covenants and Restrictions, or these By-Laws.

Section 6b. The President may but shall not be required to appoint a Parliamentarian.

Section 7. Voting. Notwithstanding anything contained to the contrary in these By-Laws, voting at a membership meeting may be conducted in person, by limited proxy, by written consent in lieu of meeting, in accordance with the provisions of Section 617.0701(4), Fla. Stat., as amended from time to time, or by electronic voting in accordance with the provisions of Section 720.317, Fla. Stat., as same may be amended from time to time. General proxies may not be used to vote, but limited proxies may be used for any membership vote.

ARTICLE VII Management

Section 1. Financial Management. The financial affairs of the Association shall be guided by a Finance Committee. The Finance Committee shall be appointed by the President with the approval of the Board of Directors and shall be made up of persons with a background in financial management. If possible, each Plat shall be represented on the Finance Committee and the Board of Directors of each Plat shall be asked to assist in the selection of suitable representatives.

The Finance Committee shall recommend to the Board of Directors those areas of financial management in which their expertise will be of importance. This shall include, but not be limited to, assisting the Treasurer in preparing the yearly budget, determining the

bookkeeping methods to be used, recommending appropriate auditing procedures, reviewing the audit, and preparing a summary thereof for dissemination to the members of the Association.

Any recommendations of the Finance Committee shall be accepted, rejected, or modified only by a majority vote of the entire Board of Directors.

Section 2. Budgets. A yearly budget shall be prepared covering two (2) basic types of expenses. The OPERATIONS BUDGET shall consist of the estimated expenses for the day to day operation of the Association. These expenses shall consist of but not be limited to, items such as electricity and other utilities, janitorial and other maintenanceservices, swimming pool upkeep and repairs, upkeep and repairs to other facilities, minorreplacements, and insurance.

In addition a RESERVE ACCOUNT shall be included in the budget. This account shall provide for the collection of funds to be used for long term repairs and replacement of capital facilities. Such funds shall provide for, but not be limited to, periodic repainting of the buildings, roof repair and replacement, pool and tennis court refurbishment, and road resurfacing. The funds necessary to maintain these reserves shallbe recalculated at least once each three years based on the best estimate of the remaining life and the cost of the work.

Section 3. Books and Papers. The books, records, and papers of the Associationshall at all times during reasonable business hours, be subject to inspection by any member of the Association.

Section 4. Health and Safety. Smoking in any of the Recreation Associationbuildings is prohibited as provided in the Declaration.

ARTICLE VIII Amendments

Section 1. These By-Laws may be amended at a regular or special meeting of themembers, by a vote of a majority of members present in person or by proxy, provided that notice to the members of the meeting disclosed the information that the amendment of the By-Laws was to be considered; provided, however, the provisions which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and provided further that matters stated herein to be or which are in fact governed by the Declaration ~~of Covenants and Restrictions for Villadelray West Planned Unit Development~~ referred to herein, may not be amended except as provided in such instrument. Any action that may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by Members entitled to cast a majority of the votes entitled to be cast with respect to the subject matter thereof. Voting by written consent shall be pursuant to Section 617.0701, Fla. Stat., as same may be amended from time to time.

Section 2. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in case of any conflict between said Declaration ~~of Covenants and Restrictions for Villadelray West Planned Unit Development~~ and these By-Laws, said Declaration shall control.