

**COVER PAGE**

1. Certification dated September 25, 2002.
2. Marine Terrace Association , Inc. Bylaws adopte February 19, 1999.

**CERTIFICATION**

I, Marie Tripp, the President of Marine Terrace Association, Inc., hereby certify that the attached is a true and correct copy of the following document of Marine Terrace Association, Inc.:

1. By-Laws of Marine Terrace Association, Inc. adopted February 19, 1999.

IN WITNESS WHEREOF, I set my hand and seal this the 25th day of SEPTEMBER, 2002.

WITNESS:

Wesley J. [Signature]

Marie Tripp [Signature]

Marie Tripp, President of  
Marine Terrace Association, Inc.

STATE OF NEW YORK )

)SS.:

COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this 25th day of SEPTEMBER, 2002, by Marie Tripp, President of Marine Terrace Association, Inc., who is personally known to me or has produced NY DRIVERS LIC as identification.

Peter Mertz [Signature]

Notary Public (Signature)

(SEAL)

PETER MERTZ

Printed Signature

**PETER MERTZ**  
Notary Public, State of New York  
No. 0211000271  
Qualified in New York County  
Commission Expires July 10, 2003



MARINE TERRACE ASSOCIATION, INC.

BYLAWS

Adopted February 19, 1999

OFFICES:

1. The principal office of the Corporation shall be at 401 Riverside Drive, City of Pompano Beach, County of Broward, State of Florida.

MEMBERSHIP AND VOTING:

2(a). All persons, and only such persons, who are owners of Cooperative Proprietary Leases issued by the Corporation (hereinafter referred to as "Proprietary Leases" or "ownership leases") shall be members of the Corporation. A separate Proprietary Lease shall be issued for each apartment and each lease shall constitute a separate membership. At all meetings of the members one vote shall be cast for each Proprietary Lease regardless of the number of persons who may be named as lessees in any one lease.

(b). Any ownership lease may be owned by more than one owner, either jointly as tenants by the entirety or as tenants in common, but in such event all of the owners of any such ownership lease shall be entitled collectively to only one (1) vote, which such ownership lease would entitle a single person to cast in the management of the affairs of the Corporation, and such vote may not be divided between plural owners of a single ownership lease. If the owners of any such ownership lease are unable to agree upon their vote on any subject at any meeting, they shall lose their right to vote on such subject, but if all of the owners of any such ownership lease shall not be present at the meeting, either in person or by proxy, the one or ones so present shall vote the votes of all such owners.

MEMBERS MEETINGS:

3. All meetings of the members shall be held at a designated place in Pompano Beach, Florida, designated by the Board of Directors, or may be held at such place and time as shall be stated in a duly executed Waiver of Notice thereof.

4. An annual meeting of the members shall be held annually during the month of February at a time and place designated by the Board of Directors, at which time the members shall elect by a Board of Directors, approve an annual budget and transact such other business as may properly be brought before the meeting. Special meetings, as hereinafter provided, shall be held in Pompano Beach, Florida.

5. Written notice of annual meetings, including an identification of agenda items, shall be given to each member at least 14 days prior to the annual meeting and shall be posted in a conspicuous place on the cooperative property at least 14 continuous days preceding the annual meeting. Unless a member waives in writing the right to receive notice of the annual meeting, the notice of the annual meeting shall be sent by mail to each member. An officer of the Corporation shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Corporation, affirming that notices of the meeting were mailed or hand delivered to each unit owner, in accordance with this provision, at the address last furnished to the Corporation.

6. Special meetings of the members may be called by the President, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of twenty (20) members. Such request shall state the purpose or purposes of the proposed meeting.

7. Written notice of a special meeting of members, stating the time and place and object thereof, shall be served upon or mailed to each member entitled to vote thereat at such address as appears on the books of the Corporation, at least seven (7) days before such meeting.

8. Fifty percent (50%) of the total voting power of the membership present in person or by proxy shall constitute a quorum at all meetings for the transaction of business. If a quorum shall not be present at any meeting the Chair of the meeting or a majority of those present may adjourn the meeting from time to time without further notice. Any proxy shall be effective only for the specific meeting for which originally given and any adjournments thereof, shall not be valid for more than 90 days after the date of the first meeting for which it was given and shall be revocable at the pleasure of the member executing it.

9. Except as otherwise provided in these bylaws, a majority of the members present in person or by proxy shall decide any question brought before any meeting.

10. At any meeting of the members, every member having the right to vote shall be entitled to vote in person or by proxy appointed by an instrument in writing duly executed by such member, except that in no event shall proxies be used in the election of directors. Unless otherwise provided in the proxy, it shall be valid only for the meeting or meetings specified therein and any adjournments thereof. Except for the election of Directors, which shall be by secret written ballot, all voting shall be by voice or by the showing of hands; provided, however, that upon the direction of a majority of members present any particular matter then pending before a meeting shall be voted upon by secret written ballot.

#### DIRECTORS

11. The number of Directors which constitute the Board shall be five. Directors shall be elected for two year terms, two directors to be elected in even numbered years and three directors

to be elected in odd numbered years. All directors shall be resident members who insofar as practicable will be in residence approximately six months in the year. Where more than one person is named as lessee of an apartment in a single Proprietary Lease, not more than one of such persons may serve as a director at the same time.

12. The election of Directors shall take place at the annual meeting. Not less than 60 days before each annual meeting there shall be mailed or delivered to each member a first notice of the date of the election. This notice shall contain the name and correct mailing address of the Association. Any member desiring to be a candidate for Director shall give written notice to the Association not less than 40 days before a scheduled election. This written notice shall be effective when received by the Association, and may be done by certified mail, by personal delivery, or by regular U.S. mail, facsimile, telegram or other method of delivery to the Association. Upon receipt by the Association of any timely submitted written notice by personal delivery that a member desires to be a candidate, the Association shall issue a written receipt acknowledging delivery of the written notice. Candidates who timely submit a written notice by mail may wish to send the written notice by certified mail in order to obtain a written receipt.

If there are no more candidates filing a timely notice of intent to run than there are vacancies existing on the board, no election shall be held, and the candidates so filing shall become members of the board at the annual meeting.

If there are more candidates filing a timely notice of intent to run than there are vacancies existing on the board, the election process shall proceed as follows:

a. Together with the written notice and agenda as set forth in paragraph 5 of these bylaws, the association shall mail a second notice of election to all members together with a ballot which shall list all candidates. Upon request of a candidate, the association shall include an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate not less than 35 days prior to the election, to be included with the mailing of the ballot, with the costs of mailing or delivery and copying to be borne by the association. This notice and accompanying documents shall not contain any communication by the board which endorses, disapproves, or otherwise comments on any candidate. The association has no liability for the contents of the information sheets provided by the candidates. The Association shall not edit, alter or otherwise modify the content of the information sheet. The original copy provided by the candidate shall become part of the official records of the Association.

b. Accompanying the ballot shall be an outer envelope addressed to the person or entity authorized to receive the ballots and a small inner envelope in which the ballot shall be placed. The outer envelope shall indicate the name of the voter, and the apartment number being voted, and shall contain a signature space for the voter. Once the ballot is filled out, the voter shall place the completed ballot in the inner smaller envelope and seal the envelope. The inner envelope shall be placed within the outer larger envelope, and the outer envelope shall then be sealed. Each inner envelope shall contain only one ballot, but if a person is entitled to cast more than one ballot, the separate inner envelopes required may be enclosed within a single outer envelope. The voter shall

sign the exterior of the outer envelope in the space provided for such signature. The envelope shall either be mailed or hand delivered to the Association. Upon receipt by the Association, no ballot may be rescinded or changed.

c. The ballot shall list candidates who have filed proper notice (other than any candidates who have, prior to the mailing of the ballot, withdrawn in writing) in alphabetical order by surname. No ballot shall indicate which candidates are incumbent members of the board. No write-in candidates shall be permitted. No ballot shall provide a space for the signature of or other means of identifying the voter. All ballot forms shall be uniform in color and appearance.

d. Envelopes containing ballots received by the Association shall be retained unopened by the Association and transported to the location of the duly called meeting of members. The Association shall have available at the meeting additional blank ballots for distribution to eligible voters who have not cast their votes. Each ballot distributed at the meeting shall be placed in an inner and outer envelope in the manner provided above. As the first order of business ballots not yet cast shall be collected. The ballots shall then be given to a committee appointed by the board, which committee shall not include any current officers or board members or candidates or their spouses. This committee shall first check the signature and apartment identification on the outer envelopes against a list of qualified voters, and any envelope not signed by the eligible voter shall be marked "Disregarded" or words of similar import, and any ballots contained therein shall not be counted. The voters shall be checked off the list as having voted. Then, in the presence of the unit owners present all inner envelopes shall first be removed from the outer envelopes and placed in a receptacle. Upon the commencement of the opening of the outer envelopes, the polls will be closed, and no more ballots shall be accepted. The inner envelopes shall then be opened and the ballots shall be removed and counted in the presence of the members. Any inner envelope containing more than one ballot shall be marked "Disregarded" or with words of similar import and any ballots contained therein shall not be counted. All envelopes and ballots, whether disregarded or not, shall be retained with the official records of the Association.

e. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement for election purposes, but at least 20 percent of eligible votes (8 out of 39 apartments) must cast a ballot in order to have a valid election of directors.

13. If the office of any Director or Directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, may chose a successor or successors, who shall hold office until the next annual meeting, at which time, if the term of the vacated office has not expired, an election shall be held to fill the remainder of the term. Vacancies may, but need not, be filled in this manner, provided that there shall always be at least three directors.

14. Directors may be removed for cause by affirmative vote of a majority of the members, or may be recalled by election in the manner prescribed by Florida laws. No Director shall continue to serve on the Board if his or her lease of ownership is terminated for any reason.

15. The property and business of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation all such lawful acts and things as are permitted by these bylaws, except that the Board of Directors may not:

a. Make any expenditure for a capital improvement (other than a repair or replacement) costing in excess of \$5,000 without approval of the members, or

b. lease, mortgage, sell or convey the Corporation's real property or leasehold interest therein unless approved by two-thirds of the membership.

The Board of Directors shall obtain and maintain adequate provision for the fidelity bonding of all persons who control or disburse funds of the Association in the manner provided by law.

16. Any compensation paid directly or indirectly to any Directors shall be approved by the Members.

#### COMMITTEES:

17. The Board of Directors may from time to time establish such committees as it deems appropriate.

#### MEETINGS OF THE BOARD:

18. The first meeting of each board newly elected shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable.

19. Regular meetings shall be held in at such times as the Board may establish.

20. Special meetings may be called by the President or Vice-president when necessary, and will be called on request of any two Directors.

21. At all meetings of the Board a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of Directors present at a meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present

22. Meetings of the Board of Directors at which a quorum is present shall be open to all members, who shall have the right to speak with reference to all designated agenda items and to tape record or videotape the meeting. Tape recording and videotaping shall be subject to any rules adopted by the Florida Division of Land Sales, Condominiums and Mobil Homes, and the Board

of Directors may adopt reasonable rules governing the frequency, duration and manner of statements by members. Adequate notice of all meetings shall be posted in a conspicuous place upon the cooperative property at least 48 continuous hours preceding the meeting, except in an emergency. Any item not included in the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. However, written notice of any meeting at which nonemergency special assessments, or at which amendment of rules regarding unit use, will be considered shall be mailed or delivered to members and posted conspicuously on the cooperative property not less than 14 days prior to the meeting. Evidence of compliance with this 14-day notice shall be made by affidavit executed by the person providing the notice and filed among the official records of the Association. Upon notice to the members, the Board shall by duly adopted rule designate a specific location on the cooperative property upon which all notices of board meetings shall be posted. Notice of any meeting at which regular assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Meetings of a committee to take final action on behalf of the Board or to make recommendations to the Board regarding the Association budget are subject to the provisions of this Section 22, but other committee meetings are not.

#### BUDGET PROCEDURES:

23(a). The Board shall mail or hand deliver to each member at the address last furnished to the Association a meeting notice and copies of the proposed annual budget of common expenses not less than 14 days prior to the meeting of the Board of Directors at which the budget will be considered. Evidence of compliance with this 14-day notice shall be made by an affidavit executed by an officer of the Association or manager or other person providing notice of the meeting and filed among the official records of the Association.

(b). The Board shall propose the annual budget to the members at a meeting of members or by writing, and if the budget or proposed budget is approved by the members at the meeting or by a majority of all voting interests in writing, the budget is adopted. If a meeting of members has been called and a quorum is not attained or a substitute budget is not adopted by the members, the budget adopted by the Board goes into effect as scheduled.

(c). The proposed annual budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications, and shall include the reserves required by law or call for the waiver thereof in the manner provided by law.

#### OFFICERS:

24. The officers of the Corporation shall be chosen by the Directors from the membership of the Board of Directors and shall be a President, a Vice-President, a Secretary and a Treasurer. With the exception of the President, two or more offices may be held by the same person.



25. The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

26. The President shall be the chief executive officer of the Corporation, shall preside at meetings of members and of Directors, shall be ex-officio member of all committees, shall have general and active management of the business of the Corporation and shall see that all orders of the the Board are carried into effect.

27. The Vice-President in the absence or disability of the President shall perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall prescribe.

28. The Secretary shall see that proper minutes of the proceedings and voting at all meetings of the members and of the Directors are prepared and kept in a minute book of the Corporation, shall give or cause to be given proper notice of meetings, and shall perform such other duties as may be prescribed by the Board of Directors or President.

29. The Treasurer shall be responsible for the safe custody of the funds of the Corporation and shall see that the receipts and disbursements of Corporate funds are properly accounted for, and provide the Board and the members with such accounting reports as may be required by the Board or by law.

DIRECTORS' ANNUAL STATEMENT:

30. The Board of Directors shall approve and present to the members an annual financial statement in the manner provided by law.

CALENDAR OR FISCAL YEAR:

31. The Board of Directors may adopt from time to time a fiscal or calendar year for accounting purposes.

SEAL:

32. The Corporation shall have no seal.

COOPERATIVE APARTMENT LEASES  
OF OWNERSHIP:

33. The first Board of Directors shall adopt the standard form of "Cooperative Apartment Lease" as issued heretofore by Marine Terrace, Inc., to be entered into by the Corporation and its members, and, after its adoption, such form shall not thereafter be changed, altered or amended,

except that occupancy provisions may be changed, altered or amended by the authority of its members obtained in like manner as required to amend these bylaws. For purposes of uniformity, changes authorized by such member approval shall be binding and serve to amend leases theretofore executed.

#### ASSESSMENTS:

34. The Board of Directors of the Corporation shall, from time to time, fix and determine the sums necessary and adequate for the continued operation of the apartment building. They shall determine the total amount required including ground rental, as hereinafter more fully set out, mortgage amortization payments, and the operating items such as taxes, insurance repairs, betterments, reserves for repairs and replacements, and operating expenses. The total annual requirements shall be assessed as a single sum against all apartments and pro-rated to each of said apartments based on whether the ownership lease is for a one or two bedroom apartment. Said assessments shall be paid quarterly in advance as ordered by the Board of Directors. Special assessments, should such be required, shall be levied and paid in the same manner as hereinbefore provided for regular assessments. The purchaser agrees promptly to pay when due the quarterly and special assessments against his or her apartment. No member shall be liable for Corporation debts. Delinquent assessments shall bear interest and penalties as set by the Board of Directors, subject to the limitations of applicable laws.

#### TRANSFER OF LEASE OF OWNERSHIP:

35. The primary object of this Corporation is to operate and maintain its property on a mutual and cooperative basis for the housing needs of its resident members. Coupled, however, with the right of occupancy, valuable equity rights arise from the acquisition of ownership leases. To the fullest degree, these ownership lease rights are deemed transferable, either absolutely or by way of pledge. The right of occupancy under the ownership lease is, nevertheless, a matter of discretionary decision by the Board of Directors and every transfer of ownership lease, with its right of occupancy, as defined in the leases, is subject to the approval of the Board of Directors. The right of occupancy shall not be denied to a transferee or vendee who, at the time of such transfer or sale (or at the death of a resident member if the transfer results from his or her death), is or was the leaseholder's lawful spouse or related to the member by blood within the second degree. The Board of Directors may establish and collect a standard charge for services performed in connection with the transfer of ownership of apartments.

#### LEASING AND SUBLEASING:

36. The control by the Board of Directors of the right of occupancy shall include rental or occupancy by anyone without a lease and shall extend to leasing or subleasing by members. Application for authority to lease or sublease shall be made to the Board of Directors on such forms and upon such terms as it may, from time to time, prescribe. Approved leases and subleases shall be uniform as to terms, other than rent and period of tenancy, and on forms provided by the

Corporation. Leases and subleases shall not extend beyond a six (6) month period without specific approval of the Board of Directors. A standard charge for services in connection with application for leasing and subleasing may be established and collected by the Board of Directors.

#### DEFAULT UNDER OWNERSHIP LEASES:

37. (a) In the event of default by a member, in the payment of any sums, charges or assessments required to be paid under his or her lease of ownership, the Corporation may by direction of its Board of Directors terminate the ownership lease on thirty (30) days written notice by registered or certified mail, return receipt requested. Unless the default is cured within the thirty (30) day notice period aforesaid, the Corporation may declare the ownership lease terminated for non-payment of any such sums and offer for sale a substitute ownership lease for the owned apartment at an amount determined by the Board of Directors to be its fair market value. On disposal of the substitute ownership lease, the Corporation shall pay to the member the amount of the disposal price less any unpaid assessments or charges accrued to the date of disposition, the expenses of sale (which shall include but not be limited to a reasonable brokerage commission and attorney's fee for either consultation or representation), and the estimated cost for placing the apartment covered by the lease in suitable condition for a new occupant. The offering of a substitute lease shall be limited to persons qualified for ownership.

(b). In the event of violation by the member of any of the provisions of the Bylaws or of the House Rules and Regulations of the Corporation as now or hereafter constituted, the Corporation may by direction of its Board of Directors elect to cancel and terminate the Member's right to occupancy or to terminate the ownership lease on thirty (30) days written notice to the member. If the violation shall not be cured within the thirty (30) day notice period aforesaid or if the violation shall be persistently renewed, the Corporation may require the member and the member hereby agrees to quit and surrender the owned apartment, or if the Corporation shall have elected, instead, to terminate the ownership lease, upon the expiration of said notice period, or upon the persistent renewal of such violation, the Corporation may then declare the lease of ownership terminated and offer for sale a substitute ownership lease upon the same terms and conditions as in the case where the member's default was for non-payment of any sums, charges, or assessments required to be paid under the ownership lease, as hereinbefore set forth in subparagraph (a) hereof.

#### SURRENDER OF APARTMENT:

38. In the event of termination of an ownership lease or termination of the occupancy rights thereunder, the member, or any other persons in possession by or through the right of the member, shall promptly quit and surrender the owned apartment to the Corporation in good repair, ordinary wear and tear and damage by fire or other casualty excepted, and the Corporation shall have the right to re-enter and to repossess the owned apartment. The member for himself and any successor in interest by operation of law or otherwise, hereby waives any and all notice

and demand for possession if such be required by the laws of the City of Pompano Beach, the County of Broward, the State of Florida, or the United States of America.

#### REGISTRATION OF PLEDGED LEASES:

39. The Secretary of the Corporation shall maintain a suitable register for the recording of pledged ownership of leases. Any pledgee of an ownership lease shall notify the Secretary of the pledge and the terms thereof, furnishing the Secretary with such information as may be required by the Board of Directors. In the event notice of default is given any member under the provisions of Section 37 of these bylaws, a copy of said notice shall likewise be mailed to the registered pledgee. In addition, in the event of the sale by the Corporation of its assets, and prior to the distribution of the proceeds thereof to its members, suitable notice shall be given to all registered pledgees. No other obligation is accepted or assumed by the Corporation with respect to such registration of pledged ownership leases.

#### SALE OF CORPORATE PROPERTY:

40. Upon the sale of the apartment building, whether occasioned by voluntary or involuntary disposition thereof, or as part of the dissolution or liquidation of affairs of the Corporation, all members having valid ownership leases then outstanding shall be entitled to share in the net proceeds of sale and in any other property or assets authorized to be distributed. Each of such members shall be entitled to receive as his or her share of the distributable assets, the same proportion thereof as the assigned capital value of his or her ownership lease bears to the total assigned capital value of all ownership leases. However, the share of each member shall be reduced by any arrearage of monthly or special assessments. Unless otherwise voted by the members, the Directors then in office shall serve as trustees for the Corporation and the members in the distribution of all distributable assets.

#### RULES AND REGULATIONS:

41. The Board of Directors shall have the power to issue rules and regulations and amendments thereto as it shall see fit, and such rules and regulations and amendments shall have full force and effect as though contained in the ownership leases as provided for in Paragraph nine (9) of said leases, when ratified by 2/3 of the members.

#### COMPLAINTS AND ARBITRATION

42(a). When a member files a written complaint by certified mail with the Board of Directors, the Board shall respond in writing to the member within 30 days of receipt of the complaint. The Board's response shall either give a substantive response to the complainant, notify the complainant that a legal opinion has been requested, or notify the complainant that advice has been requested from the Florida Division of Land Sales, Condominiums and Mobile Homes. If the

Board requests advice from the Division, the Board shall, within 10 days of its receipt of advice, provide in writing a substantive response to the complainant. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the complaint, provide in writing a substantive response to the complainant.

(b). Internal disputes arising from the operation of this shall be subject to mandatory non-binding arbitration in the manner provided by Florida law and regulations.

AMENDMENTS OF BYLAWS:

43. These bylaws may be amended at any regularly called meeting of the members, provided, (1) that the notice of meeting shall contain a full statement of the proposed amendment; (2) that the quorum requirement for such purpose shall be a majority of the then members; (3) that no amendment, alteration or addition to these bylaws shall be valid if inconsistent with equity rights contained in ownership leases; and (4) that the amendment be adopted by a two-thirds (2/3) majority.