

shall be designated by the Board of Directors. Alternatively, the Association may deposit funds with brokerage houses or institutions that are members of the National Association of Securities Dealers, Inc. and insured by SIPC or equivalent industry insurance. Principal of association funds, whether reserves or operating funds, may not be placed at risk for investment purposes. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the Directors.

8.13 Commingling of Funds. All funds shall be maintained separately in the Association's name. No community association manager or business entity required to be licensed or registered under F.S. 468.432, as amended from time to time, and no agent, employee, Officer, or Director of the Association, shall commingle any Association funds with his or her funds or with the funds of any other condominium association or community association as defined in F.S. 468.431, as amended from time to time, or with those of any other entity. Reserve funds and operating funds of the Association may be commingled for investment purposes, as provided by law.

8.14 Financial Reports. A complete financial report of actual receipts and expenditures of the Association shall be made annually that shall comply with F.S. 718.111(13), as amended from time to time, as determined in the Rule adopted by the Division, based upon the amount of the Association's budget from time to time.

8.15 Fidelity Bonding. The Association shall obtain and maintain adequate fidelity bonding in the minimum principal sum set forth in F.S. 718.111(11), as amended from time to time, for each person (whether or not a Director) who controls or disburses Association funds, and the President, Secretary, and Treasurer. The Association shall bear the cost of bonding. In the case of a licensed manager, the cost of bonding may be reimbursed by the Association as the parties may agree. All persons providing management services to the Association, or otherwise having the authority to control or disburse association funds, shall provide the Association with a certificate of insurance evidencing compliance with this section, naming the Association as an insured under the policy.

9. PARLIAMENTARY RULES. ROBERT'S RULES OF ORDER (latest edition) shall be used as a guide in the conduct of members' meetings, Board meetings, and committee meetings to ensure fairness, impartiality, and respect for minority views without unduly burdening majority rights. Meetings shall also be conducted in accordance with these Bylaws and the procedures established by the Board from time to time, including the form of voting documents to be used. The ruling of the Chair of the meetings, unless he or she or the Board of Directors designates a third person as Parliamentarian, shall be binding unless contrary to law.

10. BYLAW AMENDMENTS. Amendments to the Bylaws shall be adopted in the following manner:

10.1 Proposal of Amendments. An amendment may be proposed by either a majority of the Directors or by twenty-five percent (25%) of the entire voting interests.

10.2 Proposed Amendment Format. Proposals to amend existing Bylaws shall contain the full text of the article to be amended. New words shall be underlined and words to be deleted shall be ~~lined-through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment stating,

10.3 Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

10.4 Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of fifty-three percent (53%) of the voting interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present or by the written agreement of fifty-one percent (51%) of the entire voting interests. Amendments correcting errors, omissions, or scrivener's errors may be executed by the Officers of the Association, on Board approval, without need for Association membership vote.

10.5 Effective Date. An amendment when adopted shall become effective after being recorded in the Palm Beach County Public Records according to law.

10.6 Proviso. No amendment shall change the configuration of any Unit or the share in the common elements appurtenant to it or increase the Owner's share of the common expenses unless the record Owner of the Unit concerned and all record owners of the mortgages on the apartment shall join in the execution of the amendment and all other Unit Owners approve the amendment.

## 11. DISPUTE RESOLUTION.

11.1 Mandatory Arbitration. If unresolved, disputes between the Board and Unit Owners as defined in F.S. 718.1255(1), as amended from time to time, must be arbitrated in mandatory nonbinding arbitration proceedings as provided in the Condominium Act prior to commencing litigation, as long as the Condominium Act requires arbitration.

11.2 Unit Owner Inquiries. When a Unit Owner files a written inquiry by certified mail with the Board, the Board shall respond in writing to the Unit Owner within thirty (30) days of receipt of the inquiry. The Board's response shall either give a substantive response to the inquirer or notify the inquirer that advice has been requested from the Association's counsel or the Division. If the Board requests advice from the Division, the Board shall provide in writing a substantive response to the inquirer within ten (10) days of its receipt of the advice. If a legal opinion is requested,