

BY-LAWS
OF
BOCA HIGHLAND CENTER, INC.

Section 1. Identification

These are the By-Laws of BOCA HIGHLAND CENTER, INC., a corporation not-for-profit, organized pursuant to Chapter 617, Florida Statutes (hereinafter referred to as the "Center"). The Center has been organized for the purpose of operating and administering the "Center Areas" at "Boca Highland", as those terms are defined in the Articles of Incorporation of the Center (the "Articles").

1.1 The office of the Center shall be for the present at 4720 South Ocean Boulevard, Highland Beach, Florida 33431 and thereafter may be located at any place in Palm Beach County, Florida, designated by the Board of Governors.

1.2 The fiscal year of the Center shall be the calendar year.

1.3 The seal of the Center shall bear the name of the Center, the word "Florida" and the words "Corporation Not-For-Profit".

Section 2. Definitions and Interpretation

The provisions of these By-Laws shall be interpreted in accordance with the definitions and provisions of the Articles and the Declaration of Protective Covenants, Restrictions and Easements for Boca Highland.

Section 3. Membership; Selection of Governors

3.1 The qualification of members, the manner of their admission to membership and the termination of such membership shall be as set forth in the Articles.

3.2 Since the members have no voting rights and all of the actions and decisions of the Center are made by the Board, there shall be no meeting of members.

3.3 Each Association Member and group of Owner Members have the right to select Governors as provided in the Articles and pursuant to the methods set forth in their respective Articles of Incorporation, By-Laws or other governing documents. Each Association Member and group of Owner Members shall advise the Center of its selected Governors by notifying the Board, in writing, of its respective selection. In the event the Center is not so advised, the incumbent Governor for such Association Member or group of Owner Members, as the case may be, shall continue as Governor until the Center is so notified.

Section 4. Board of Governors; Meetings of the Board

4.1 Except for the "First Board" as that term is defined in the Articles, the Board shall consist of the persons selected by the membership and Developer in accordance with the Articles and the members' respective Articles of Incorporation, By-Laws and other governing documents.

4.2 The selection of Governors shall be conducted in the following manner:

(a) In accordance with the provisions of the Articles;

(b) The selection of Governors shall be by class, with each class entitled to vote for the Governor or Governors to represent such class. Each Association Member shall constitute a class and all of the Owner Members shall constitute a class; and

(c) Vacancies in the Board shall be filled until the next annual Board meeting by a Governor selected by the member or members who selected the departing Governor or by the Developer in the event one of its appointees created the vacancy. The fact that a vacancy exists on the Board shall not prevent the Board from meeting and acting. A vacancy on the Board shall be counted as if no vacancy existed for purposes of determining a quorum.

4.3 The term of each Governor's service shall extend until the next annual Board meeting and thereafter until his successor is duly selected and qualified or until he is removed in the manner elsewhere provided.

4.4 The organizational meeting of a newly selected Board shall be the annual meeting of the Board. The organizational and annual meeting of the Board shall be held at 7:30 p.m., local time, on the third Thursday in the month of February of each year commencing with the year 1980; provided, however, that if that day is a legal holiday, then the meeting shall be held at the same hour on the next succeeding Thursday which is not a legal holiday. Such meeting shall be held at the office of the Center or at such other place and time as shall be fixed by the Governors at the preceding meeting, and no further notice of the organizational and annual meeting shall be necessary, providing a quorum shall be present.

4.5 Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of Governors. Notice of regular meetings shall be given to each Governor, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting unless such notice is waived.

4.6 Special meetings of the Board may be called by the President or the Vice President and must be called by the Secretary at the written request of one-third (1/3) of the Governors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

4.7 Any Governor may waive notice of the meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

4.8 A quorum at a Governors' meeting shall consist of the Governors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the Board present at a meeting at which a quorum is present shall constitute the acts of the Board. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.9 The presiding officer at Governors' meetings shall be the President. In the absence of the presiding officer, the Governors shall designate any one of their number to preside.

4.10 Governors shall not receive any compensation for their services.

4.11 The Board shall have the power to appoint an Executive Committee of the Board consisting of not less than three (3) Governors. The Executive Committee shall have and exercise such powers of the Board as may be given to it by the resolution of the Board establishing the Executive Committee during the period of time between meetings of the Board and such other powers of the Board as may be delegated to the Executive Committee by the Board from time to time.

Section 5. Powers and Duties of the Board

All of the powers and duties of the Center shall be exercised by the Board, including those existing under the Articles. Such powers and duties of the Governors shall include, but not be limited to, the following:

5.1 The making and collecting of assessments against members to defray the costs of the Center Areas and the Center;

5.2 The use of the proceeds of assessments in the exercise of its powers and duties;

5.3 The maintenance, repair, replacement and operation of the Center Areas and the Center;

5.4 The reconstruction of improvements after casualty and the further improvement of the Center Areas;

5.5 The making and amending of rules and regulations with respect to the use of the Center Areas;

5.6 The enforcement by legal means of the provisions of the Covenants Declaration in accordance therewith;

5.7 The entering into agreements and contracts for the maintenance and care of the Center Areas or any portion thereof and the delegation to another person or entity of certain powers and duties of the Center with respect thereto;

5.8 The payment of taxes and assessments which are liens against any or all of the Center Areas and the appurtenances thereto, and assessment of the same against the members subject to such liens;

5.9 The purchasing and carrying of insurance for the protection of the Center Areas and the members against casualty and liability;

5.10 The payment of the cost of all power, water, sewer and other utility services rendered to the Center Areas;

5.11 The retention and hiring of such other employees as are necessary to administer and carry out the services required for the proper administration of the purposes of the Center and the payment of all salaries therefor; and

5.12 The collection and payment of Center Expenses, including special assessments, as provided in the Covenants Declaration.

Section 6. Officers

6.1 The officers of the Center shall be a President, who shall be a Governor, the several Vice Presidents, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board and who may be preemptorily removed by vote of the Governors or the Executive Committee at any meeting. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Center.

6.2 The President shall be the chief executive officer of the Center. He shall have all of the powers and duties which are usually vested in the office of the President of a corporation, including, but not limited to the power to appoint committees from among the Dwelling Unit Owners from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Center. He shall preside at all meetings of the Board.

6.3 The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President selected by the Board, then they shall be designated "First", "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.

6.4 The Secretary shall keep the minutes of all proceedings of the Governors. He shall have custody of the seal of the Center and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Center, except those of the Treasurer, and shall perform all of the duties required by the Board or the President. The Assistant Secretary, if any, shall perform all of the duties incident to the office of Secretary when the Secretary is absent and shall assist the Secretary.

6.5 The Treasurer shall have custody of all of the property of the Center, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the Dwelling Unit Owners; he shall keep the books of the Center in accordance with good accounting practices; and he shall perform all of the duties incident to the office of Treasurer. The Assistant Treasurer, if any, shall assist the Treasurer.

6.6 The compensation, if any, of all officers and employees of the Center shall be fixed by the Board. This provision shall not preclude the Board from employing a Governor as an employee of the Center or preclude the contracting with a Governor for the management of any portion or all of Boca Highland.

Section 7. Accounting Records; Fiscal Management

7.1 The Center shall maintain accounting records according to good accounting practices which shall be open to inspection by Dwelling Unit Owners or their authorized representatives at reasonable times. Authorization of a representative of a Dwelling Unit Owner must be in writing, signed by the Dwelling Unit Owner giving the authorization and dated within sixty (60) days of the date of the inspection. Written summaries of the accounting records shall be supplied at least annually to the Dwelling Unit Owners or their authorized representatives.

7.2 An assessment roll shall be maintained as shall a set of accounting books in which there shall be an account for each Dwelling Unit Owner. Such an account shall designate the name and address of each Dwelling Unit Owner, the account of each assessment against the Dwelling Unit Owner, the amounts and the dates on which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

7.3 (a) On or before December 1st of each year, the Board shall adopt a budget for the forthcoming calendar year which shall contain estimates of the costs of performing the functions of the Center including, but not limited to, the following items:

(1) Center Expenses Budget:

- (i) Administration
- (ii) Payroll
- (iii) Maintenance
- (iv) Security and Other Services
- (v) Utilities
- (vi) Insurance
- (vii) Supplies
- (viii) Legal, Accounting and Other Professional Fees
- (ix) Taxes
- (x) Miscellaneous

(2) Proposed assessments against each Dwelling Unit Owner

(3) Proposed special assessments against each Dwelling Unit Owner

(b) Notwithstanding that the Marina is a Center Area, the expenses of the operation and maintenance of the Marinas shall not be included as Center Expenses during the period that the Marinas are operated pursuant to the License Agreement. Upon the termination of the License Agreement, the expenses of operation and maintenance of the Marinas shall be Center Expenses and be included in the budget.

(c) The Board shall be the sole authority in determining the budget.

(d) Copies of the budget and proposed assessments shall be transmitted to each Dwelling Unit Owner on or before January of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, then a copy of the amended budget shall be furnished to each Dwelling Unit Owner.

(e) In administering the finances of the Center, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any income received by the Center in any calendar year (including the regular assessments and special assessments) may be used by the Center to pay expenses incurred in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Center Expenses which cover more than a calendar year, for example, insurance, taxes, etc.; and (iv) Center Expenses incurred in a calendar year shall be charged against income for the same calendar year, regardless of when the bill for such Center Expenses is received. Notwithstanding the foregoing, regular assessments shall be of sufficient magnitude to insure an adequacy of cash availability to meet all budgeted expenses in any calendar year, as such expenses are incurred in accordance with the cash basis method

of accounting. The cash basis method of accounting shall conform, as nearly as possible, to generally accepted accounting standards and principles applicable thereto.

7.4 The depository of the Center shall be such bank or banks as shall be designated from time to time by the Board, and in which the monies of the Center shall be deposited. Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

7.5 An audit of the accounts of the Center shall be made annually by an auditor, accountant or certified public accountant and a copy of the report shall be furnished to each Dwelling Unit Owner not later than April 1st of the year following the year for which the report is made.

Section 8. Parliamentary Rules

Robert's Rules of Order (the then latest edition) shall govern the conduct of the meetings of the Board when not in conflict with the Articles, these By-Laws or the Covenants Declaration.

Section 9. Center to Enter into Agreements

9.1 The Center shall enter into the Covenants Declaration with the Developer whereby the Center will acquire possessory and use interests in the Center Areas which are intended for the enjoyment, recreation or other use and benefit of the Dwelling Unit Owners in Boca Highland.

9.2 The Center is hereby authorized to enter into Supplements as provided in the Covenants Declaration and is authorized to enter into other agreements with the Dwelling Unit Owners, the Developer or lending institutions to acquire, preserve or affirm possessory or use interests in the Center Areas and to provide therein that the expenses thereof are Center Expenses.

9.3 The Center is hereby authorized to enter into a management agreement or license agreement, and any renewals or amendments thereto, as the Board shall agree upon for professional management of the Center Areas or any portion thereof as provided in accordance with the Covenants Declaration.

Section 10. Amendments

10.1 The Articles shall be amended in the manner provided in such document.

10.2 These By-Laws may be amended by a majority of the votes of the entire Board; provided, however, that no amendment shall in any way affect the rights of the Developer or any mortgagee of the Center Areas without the prior written consent thereto by the Developer and any mortgagee of all or a portion of the Center Areas.

BOCA HIGHLAND CENTER, INC.

SEAL

By: _____

Attest: _____