



April 21, 2006

FLORIDA DEPARTMENT OF STATE

Division of Corporations

PALMA SOLA BAY CLUB ASSOCIATION, INC.
6220 MANATEE AVENUE WEST SUITE 103
BRANDENTON, FL 34209

The Articles of Incorporation for PALMA SOLA BAY CLUB ASSOCIATION, INC. were filed on April 20, 2006, and assigned document number N06000004386. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H06000106050.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4 or by going to their website at www.irs.ustreas.gov.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding corporations, please contact this office at the address given below.

Sincerely,
Suzanne Hawkes
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 506A00027366

ARTICLES OF INCORPORATION
OF
PALMA SOLA BAY CLUB ASSOCIATION, INC.

A Corporation Not for Profit

In compliance with the provisions of Chapter 617, Florida Statutes, the undersigned, as Incorporator, hereby adopts, subscribes and acknowledges the following Articles of Incorporation for the purposes set forth below. Capitalized terms used in these Articles shall, unless otherwise expressly defined herein, have the meanings given to them in the Declaration (hereinafter defined).

ARTICLE 1
Name

The name of this corporation is: Palma Sola Bay Club Association, Inc. (the "Association").

ARTICLE 2
Address of Principal Office and Mailing Address

The Association's initial principal office is located at: 6220 Manatee Avenue West, Suite 103, Bradenton, Florida 34209, and the Association's initial mailing address is 6220 Manatee Avenue West, Suite 103, Bradenton, Florida 34209.

ARTICLE 3
Purposes and Powers

3.1. The purpose for which the Association is formed is to provide an entity pursuant to the Condominium Act for the operation of Palma Sola Bay Club, a condominium (the "Condominium") as a governing association and the managing entity within the meaning of Chapter 718, Florida Statutes (the "Condominium Act") in accordance with the Declaration of Condominium thereof, duly recorded or to be recorded in the Public Records of Manatee County, Florida, as it may lawfully be amended and/or supplemented from time to time (the "Declaration"), and its exhibits thereto, as they may be lawfully amended and/or supplemented from time to time (collectively, the "Condominium Documents").

3.2. The Association shall have all of the common law and statutory powers of a corporation not for profit, including all the powers and duties reasonably necessary or convenient to operate the Condominium and act as its managing entity pursuant to the Condominium Documents except as expressly limited or modified by these Articles, the Condominium Documents or the Condominium Act, as it may hereafter be amended, including but not limited to the following specific powers and duties:

- (a) To levy, collect and enforce Assessments against Members of the Association to defray the cost, expenses and losses of the Condominium, and to use the proceeds of Assessments in exercising the Association's powers and performing its duties.
- (b) To protect, maintain, repair, replace and operate the Condominium Property and Association Property.
- (c) To purchase insurance upon the Condominium Property and Association Property, for the protection of the Association and its Members.
- (d) To enforce by legal means the provisions of the Condominium Act, the Condominium Documents, and any Rules and Regulations promulgated by the Association.
- (e) To grant, relocate or modify such easements with respect to the Common Elements or

PREPARED BY:

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otherwise as may be not inconsistent with the Condominium Documents, upon approval of the Board.

- (f) To enter contracts for the management or maintenance of the Condominium Property and Association Property, and to delegate any powers and duties of the Association in connection therewith, except such powers or duties as may be expressly required by the Condominium Documents or by applicable law to be exercised by the Board or the Members.
- (g) To employ personnel, including accountants, architects, attorneys, appraisers, surveyors, engineers and other professional personnel, to furnish services required for the operation of the Condominium.
- (h) To borrow money to carry out the other powers and duties of the Association, and to give security for any such borrowing, including but not limited to, granting a security interest or lien upon assets of the Association, including Assessments, Owner Charges, and other funds receivable by the Association, including any liens or lien rights associated therewith, all on terms approved by the Board.
- (i) To adopt, amend and enforce reasonable Rules and Regulations governing the use of the Condominium and the operation of the Association.
- (j) To enter into agreements, or acquire leaseholds, memberships and other possessory, ownership or use interests in lands or facilities, if they are intended to provide enjoyment, recreation or other use or benefit to the Owners of the Units.
- (k) To reconstruct improvements after casualty and to further improve the Condominium Property.
- (l) To sue and be sued.
- (m) To acquire, own, hold, improve, maintain, repair, replace, convey, sell, lease, transfer and otherwise dispose of property of any kind or nature.
- (n) To operate and maintain and manage any Surface Water Management System Facilities, including all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, wetlands, and any associated buffer areas, and wetland mitigation areas, as required by any applicable environmental resource permit issued with respect thereto by the Southwest Florida Water Management District ("SWFWMD"), or otherwise, as provided in the Declaration.
- (o) To contract for services to provide for the operation and maintenance of the Surface Water Management System Facilities.
- (p) To levy, enforce and collect Owner Charges for the purposes set out in the Declaration.
- (q) To exercise such other power and authority to do and perform every act or thing necessary and proper in the conduct of its business for the accomplishment of its purposes as set forth herein, and as permitted by the applicable laws of the state of Florida and consistent with the Condominium Documents.

ARTICLE 4 No Distributions

The Association is organized and shall exist on a non-stock basis, does not contemplate pecuniary gain or profit to the Members thereof and is organized and shall exist solely for nonprofit purposes. No dividends shall be paid, and in no event shall the net earnings, income or assets of the

Association be distributed to, or inure to the benefit of, its Members, Directors or Officers.

ARTICLE 5
Term

The period of duration of the Association is perpetual.

ARTICLE 6
Membership

6.1. The Members of the Association are all owners of record legal title to one or more Units in the Condominium, as more fully set out in the Condominium Documents.

6.2. The share of a Member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to his Unit.

6.3. Each Member shall have such rights and privileges, and be subject to such duties, obligations and restrictions, including restrictions governing the transfer of his membership, as are set forth in the Condominium Documents.

6.4. Each Member shall have such Voting Interests as may be provided in the Condominium Documents.

ARTICLE 7
Board of Directors

7.1. The affairs of the Association shall be administered by a Board of Directors comprised of at least three (3) but no more than seven (7) persons; provided, however, that the Board shall at all times be comprised of an odd number of Directors. The exact number of Directors shall be as provided in the Bylaws. Provisions regarding the qualification, election, term, removal and resignation of Directors shall be set forth in the Bylaws.

7.2. The initial Board of Directors shall be appointed by Developer and shall serve until such time as Developer appoints replacement Directors or until their successors have been qualified and duly elected by the Members of the Association in the manner provided in the Bylaws.

ARTICLE 8
Officers

The Officers of the Association shall consist of a President, Vice President, Secretary, Treasurer and such additional Officers as the Board of Directors may deem necessary or appropriate from time to time. The Officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each newly constituted Board and shall serve at the pleasure of the Board.

ARTICLE 9
Bylaws

The initial Bylaws of the Association shall be adopted by the initial Board of Directors and may be altered, amended or repealed in the manner provided therein.

ARTICLE 10
Indemnification

To the extent permitted by law, the Association shall indemnify and hold harmless every Director and every Officer of the Association against all expenses and liabilities, including attorneys fees, actually and reasonably incurred by, or imposed on, him in connection with any legal proceeding, or settlement or appeal of such proceeding to which he may be made a party because of his being or having been, a

Director or Officer of the Association. The foregoing right to indemnification shall not be available if a judgment or other final adjudication establishes that the actions or omissions to act of such Director or Officer were material to the cause adjudicated and involved one or more of the following:

- (a) willful misconduct or a conscious disregard for the best interests of the Association; or
- (b) a violation of criminal law, unless the Director or Officer had no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful; or
- (c) wrongful conduct by Directors or Officers appointed by the Developer in a proceeding brought by or on behalf to the Association or
- (d) an act or omission which was committed in bad faith or with malicious purpose, or any manner exhibiting wanton or willful disregard for human rights, safety or property, in an action by or in the right of someone other than the Association or a Member.

In the event of a settlement the right to indemnification shall not apply unless a majority of the disinterested directors approves the settlement as being in the best interests of the Association. The foregoing right to indemnification shall be in addition to, and not exclusive of, all the rights to which a Director or Officer may be entitled.

ARTICLE 11 Amendments

Amendments to these Articles may be adopted as follows:

11.1. During the time that the Developer has the right to amend the Declaration, the Developer may amend these Articles in any manner that is not prohibited by law.

11.2. Amendments to the Articles may be proposed by a majority of the Board, or upon written petition to the Board signed by Owners of not fewer than twenty-five (25%) of the Units.

11.3. Any amendment to these Articles so proposed by the Board or Members shall be submitted to a vote of the Members not later than the next annual meeting for which proper notice can be given.

11.4. Except as otherwise provided by law, a proposed amendment to these Articles shall be adopted if approved by a two-thirds (2/3) majority of the total Voting Interests at an annual or special meeting called for that purpose, or if approved in writing by a two-thirds (2/3) majority of the Total Voting Interests without a meeting, provided that notice of any proposed amendment has been given to the Members and that the notice contains the text of the proposed amendment.

11.5. An amendment which is duly adopted pursuant to this Article shall be effective upon the filing with the Florida Department of State and subsequently recording a certified copy thereof in the Public Records, with the formalities required for the recording of an Amendment to the Bylaws.

ARTICLE 12 Incorporator

The name and address of the Incorporator is:

Evelyn Treworgy
6220 Manatee Avenue West, Suite 103
Bradenton, Florida 34209

ARTICLE 13
Initial Registered Office and Agent

The address of the initial registered office of the Association shall be: 6220 Manatee Avenue West, Suite 103, Bradenton, Florida 34209, and the name of the initial registered agent at such address shall be Evelyn Treworgy.

ARTICLE 14
Dissolution

In the event of termination, dissolution or final liquidation of the Association, the control or right of access to the property containing the Surface Water Management System Facilities shall be conveyed or dedicated to an appropriate governmental unit or public utility, and if not accepted, then the Surface Water Management System Facilities shall be conveyed to a non-profit corporation similar to the Association.

IN WITNESS WHEREOF, the Incorporator has hereunto set his hand and seal or caused these Articles of Incorporation to be signed this 20th day of April, 2006.


EVELYN TREWORGY

ACCEPTANCE OF APPOINTMENT BY REGISTERED AGENT

Evelyn Treworgy, having been designated as the registered agent for Palma Sola Bay Club Association, Inc. hereby agrees to act in such capacity and acknowledges that he is familiar with, and accepts, the obligations of such position.

Dated: April 20, 2006.


EVELYN TREWORGY