

**Articles of Incorporation
Of
Palm Island Homeowners Association, Inc.**

The undersigned, for the purpose of forming a corporation not for profit under the laws of the state of Florida, adopts the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation is PALM ISLAND HOME OWNERS ASSOCIATION, INC., A Florida corporation not for profit (the "Association").

ARTICLE II

LOCATION

The principal office of the Association is located at 9490 Palm Island Cir., North Fort Myers, Lee County, Florida.

ARTICLE III

PURPOSE AND POWERS

The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are (i) to provide for the acquisition, construction, management, maintenance and care of the Common Property, (ii) to provide for architectural control over the property commonly known as Palm Island, and ~~(iii) to promote the orderly development, use and occupation of Palm Island and such additional real property thereto as may hereafter be brought within the jurisdiction of the Association.~~ In furtherance of the foregoing, the association may engage in all activities set forth in the Declaration and in any activity permitted to a corporation not-for-profit under Chapter 617, Florida statutes (1989) unless otherwise prohibited by these articles or by the bylaws of the Association, including, without limitation, the following powers:

- (a) the right to own and convey property;
- (b) the right to operate and maintain the common property, including, without limitation, all lakes, retention areas, culverts and related appurtenances which form a part of the Stormwater Management System;
- (c) the right to establish rules and regulations governing the use and occupation of the Property and Common Property;
- (d) the right to assess and collect assessments from all members;
- (e) the right to sue and be sued; and
- (f) the right to contract for services to perform the operation and maintenance the Common Property.

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All of the Association's assets and earning shall be used exclusively for the purposes set forth herein and in accordance with section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual member or other person. The Association may, however, reimburse its members for actual expenses are incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its members for actual services rendered to the Association as permitted by section 528 of the Code and other applicable provisions of the code and/or federal and state law.

All capitalized terms herein are defined in the Declaration of Protective Covenants, Restrictions, Conditions, and Easements of Palm Island recorded in official records book_, page_, public records of Lee County, Florida (the "Declaration") Encumbering the Subdivision.

**ARTICLE IV
MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any lot ("Lot") which is subject to assessment by the Association, including contracts sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold in interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. ~~There shall be two classes of membership. The Class A member shall be all persons or entities who own a lot and the class B member shall be Moody Development of Palm Island Incorporated, a Florida Corporation and any successor or assign to which it specifically assigns in writing its rights under the declaration. The class B membership shall terminate on the earlier of (i) when the class B member so designates in a written notice to the Association that it has assigned its rights to another entity, (ii) December 31, 2020, or (iii) when the class B member owns less than two (two) lots in all of Palm Island.~~

**ARTICLE V
VOTING RIGHTS**

When entitled to vote, each Lot shall be entitled to One vote. Vote shall be cast in the manner provided in the bylaws of the Association. ~~Until such time as the Class B membership terminates, the Class B member shall be vested with the sole voting rights in the Association. The Class A member shall have no voting rights except on such matters as to which the declaration, these articles or the bylaws of the Association specifically require a vote of the Class A members.~~

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**ARTICLE VI
INCORPORATOR**

The name and address of the incorporator to these articles of incorporation is:

Claudia N. Hart
3800 Hancock Bridge Pkwy.
North Fort Myers, Lee County, FL 33903

**ARTICLE VII
MANAGEMENT**

The affairs and business of the Association shall be managed by a Board of Directors and by the following officers: president, vice president, secretary and treasurer, and such other officers as the Board shall appoint. These officers shall be elected by the board at the first meeting of the board following the annual meeting of the Association. The president shall be a director but no other officers need be a director. The same person may hold two offices, the duties of which are not incompatible provided however, the office of the president and vice president shall not be held by the same person, nor shall the office of president and secretary or assistant secretary be held by the same person.

The board may not as its discretion, contract with a management company to manage and operate the Association. The decision to contract with the management company shall first be approved by two thirds (2/3) of the Board, proposed by them to the members of the Association and approved at any membership meeting by the holders of record of two thirds (2/3) of the members entitled to vote whether by absentee ballot or at the meeting, provided that not less than thirty (30) days notice, by mail or delivered, shall have been given to all the members. Ownership of any management company with which the Board then may contract must be divulged so there will be no conflict of interest between directors or firms as provided in prevailing Florida not-for-profit statutes or homeowners association statutes.

**ARTICLE VIII
INITIAL OFFICERS**

The names of the officers who are to serve until the first election of officers by the board are:

Martha Moody Gore	President
Mark W. Beach	Vice President
Claudia N. Hart	Secretary and Treasurer

**ARTICLE IX
DIRECTORS**

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9.1 The Association shall have at least three, but not more than 10 directors. For the period of time which the developer retains control of the Association there shall be three (3) directors, thereafter there shall be at least five (5) directors, which number may be increased as provided in the bylaws.

9.2 The names and addresses of the persons who are to serve on the first board are:

<u>Name</u>	<u>Address</u>
Martha Moody Gore	3800 Hancock Bridge Pkwy. North Fort Myers, FL 33903
Mark W. Beach	3800 Hancock Bridge Pkwy. North Fort Myers, FL 33903
Claudia N. Hart	3800 Hancock Bridge Pkwy. North Fort Myers, FL 33903

9.3 The initial directors will serve until the first annual meeting of the Association. ~~Directors shall be elected by the Class B membership until such time as a Class B membership terminates.~~

9.4 ~~At the first election of the board after the class B membership terminates,~~ the replacements for the initial directors named in these articles, such directors shall be elected to terms so the three persons receiving the greatest number of votes shall serve for two (2) years and the two remaining directors will serve for one (1) year. It being the intention that the terms be staggered. Thereafter all directors shall serve for terms of two (2) years. At the 1st annual meeting, the members of the Association entitled to vote shall elect the members of the board by a plurality of votes cast at such election.

9.5 If there is a removal, resignation, death, or other vacancy of a director, the vacancy shall be filled by the board. A replacement director shall serve the remainder of the term of his predecessor.

9.6 No member of the board or any committee of the Association, or any officer of the Association, or any employee of the Association, shall be personally liable to any member of the Association, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of such person or group, provided that such person or group has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct.

9.7 The board of directors shall determine the amounts of annual and special assessments in accordance with the provisions of the declaration. Where there are multiple owners of a lot, such owners shall be jointly and severally liable for the payment of the assessments. In establishing the amount of the assessments, the board may not provide that a member shall pay no assessments except in accordance with the declaration. The assessment shall be fixed by the board annually and shall be based upon the costs and expenses expected to be incurred in the

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owning, operating, and maintaining, and improving the common property in the coming year, for the establishment of reasonable reserves for the future use as deemed advisable by the board and for such other purposes as provided in the declaration. The annual assessments may include any amounts to cover deficiencies from the previous year; or, at the end of each year the board, as an alternate to increasing the coming years assessments, may make a special assessment above and beyond the annual assessment if the costs and expenses of owning, operating, maintaining, and improving common property in that year exceeded the amount of the annual assessment and other income received by the Association. Special assessments for matters or activities deemed appropriate by the board may be made at any time in accordance with provisions of the declaration.

**ARTICLE X
DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of the votes of the members entitled to vote. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets and obligations of the Association, including, without limitation, the storm water management system shall be conveyed or dedicated to an appropriate public agency to be used for purposes similar to those for which this association was created. If a suitable public agency refuses to accept the dedication, the assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization formed and operated for similar purposes. No property shall be distributed to any person or entity pursuant to a dissolution hereunder if such distribution shall result in the imposition of any tax or penalty upon the Association and/or such person or entity under the Code or other applicable state and/or federal law.

**ARTICLE XI
DURATION**

The Corporation shall have perpetual existence.

**ARTICLE XII
BYLAWS**

The 1st bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the bylaws.

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ARTICLE XIII
AMENDMENTS

13.1 *Amendments to the articles of incorporation shall be approved by the board of directors, proposed by them to the members, and approved by a majority of the shareholders of record, provided that not less than thirty (30) days notice has been given to all members, setting forth the proposed amendment.*

Members have the right to vote by absentee ballot or on-site ballot or by proxy, provided a quorum is present at the membership meeting in accordance with Florida statutes governing Home Owners Associations.

~~13.2 Amendments to these bylaws which are required by the institutional mortgagee (as defined in the declaration) in order to obtain financing for the purchase of lots or which are required by governmental entities in order to obtain permits to develop Palm Island may be made by the class B member without the consent of any other member or mortgagee.~~

~~13.3 In the event that the Federal housing administration ("FHA") or Veterans Administration ("VA") insures or guarantees a mortgage on a lot and so long as there is a class B membership the following action shall require the prior approval of the FHA or VA: annexation of additional properties, mergers and consolidations, mortgaging of the common property, amendment of the articles of incorporation.~~

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IN WITNESS WHEREOF, the undersigned has hereunto set his
hand, and seal at N. H. Myers, Florida, this 19th day of
September, 1990.

Claudia N. Hart
CLAUDIA N. HART

STATE OF FLORIDA

COUNTY OF Lee

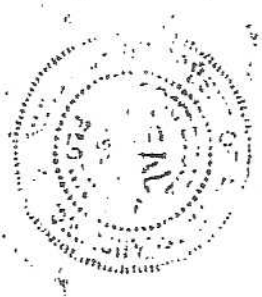
The foregoing instrument was
acknowledged before me this 19th day of September, 1990, by
Claudia N. Hart.

Estel T. McCalland
Notary Public

(Affix notarial seal)

My commission expires:

Notary Public, State of Florida
My Commission Expires March 22, 1992
Bonded Three Thousand Dollars Insurance



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CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR
THE SERVICE OR PROCESS WITHIN THIS STATE, AND NAMING AGENT UPON
WHOM PROCESS MAY BE SERVED.

Pursuant to Chapter 48.091, Florida Statutes, the
following is submitted:

PALM ISLAND HOME OWNERS
ASSOCIATION, INC., a corporation not-for-profit, desiring to
organize under the laws of the State of Florida with its
principal office, as indicated in the Articles of Incorporation,
in North Ft. Myers, Lee County, Florida, has named Martha Moody
Gore, located at 3800 Hancock Bridge Parkway, North Ft. Myers, Lee
County, Florida 33903 as its agent to accept service of process
within this state.

OR2201 PG0354

ACKNOWLEDGMENT:

Having been named to accept
service of process for the above-named corporation at the place
designated in this certificate, I hereby accept to act in this
capacity, and agree to comply with the provision of the Act
relative to keeping open the designated office.

MARTHA MOODY GORE

Martha Moody Gore
Resident Agent

CHARLE GREEN LEE CIV FL
91 FEB -4 PM 11:48
FEB 21 1992
TALLAHASSEE