

ARTICLES OF INCORPORATION  
OF  
SUN KETCH I CONDOMINIUM ASSOCIATION, INC.

The undersigned, by these Articles of Incorporation, hereinafter referred to as the "Articles," associate themselves for the purpose of forming a Corporation not for profit under Chapter 617, Florida Statutes and in accord with and pursuant to terms and conditions of Chapter 718, Florida Statutes, hereinafter referred to as the Condominium Act.

ARTICLE I

NAME

The name of the Corporation shall be SUN KETCH I CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II

PURPOSE

The purpose for which this Association is organized is to provide an entity pursuant to the Condominium Act for the operation of SUN KETCH I, A CONDOMINIUM, hereinafter referred to as the "Condominium."

ARTICLE III

DISTRIBUTION OF INCOME

The Association shall make no distribution of income to its members, directors or officers.

ARTICLE IV

POWERS

The powers of the Association shall include and be governed by the following provisions:

A. The Association shall have all the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles.

B. The Association shall have all the powers and duties set forth in the Condominium Act and all of the powers and duties reasonably necessary to operate the Condominium as set

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forth in the Declaration of Condominium as it may be amended from time to time, including, but not limited to, the following:

- (1) To make and collect assessments against members to defray the costs, expenses and losses of the Condominium; provided, however, the Association shall not change any fee against a Unit Owner for the use of the Common Elements or Association Property unless such use is the subject of a lease between the Unit Owners and Association.
- (2) To use the proceeds of assessments in the exercise of its powers and duties.
- (3) To maintain, repair, replace and operate the Condominium Property.
- (4) To purchase insurance on the Condominium Property and insurance for the protection of the Association and its members.
- (5) To reconstruct improvements after casualty and to further improve the property.
- (6) To enforce by legal means the provisions of the Condominium Act, the Declaration, these Articles, the By-Laws of the Association and the regulations for the use of the Condominium Property.
- (7) To contract for the management and/or for maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Condominium Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

- (9) To contract for the management or operation of portions of the Common Elements susceptible to separate management or operation.
- (10) To employ personnel to perform the services required for proper operation of the Condominium.
- (11) To acquire by purchase, or otherwise, Condominium Parcels of the Condominium, subject, nevertheless, to the provisions of the Declaration and By-Laws relative thereto.
- (12) To acquire title to property or otherwise hold property for the use and benefit of the Members.

C. Notwithstanding anything herein to the contrary, the Association prior to passage of control to Unit Owners other than Sunstyle Homes Corporation (the "Developer"), shall not enter into or be bound by, either directly or indirectly, any contract or lease (including management and employment contracts), unless there is a right of termination of any such contract or lease, without cause which is exercisable without penalty at any time after the transfer of control, upon not more than ninety (90) days notice to the other party thereto. Any management contract must be terminable for cause upon 30 days notice and may run for a period not to exceed three (3) years (one (1) year if negotiate by the Developer) and may be renewable by consent of the Association and the management firm.

ARTICLE V

OFFICIAL RECORDS

A. From the inception of the Association, the Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

- (1) The plans, permits, warranties, and other items provided by the Developer pursuant to Section 718.301(4), Florida Statutes;
- (2) A photocopy of the recorded Declaration of the Condominium and all amendments thereto;
- (3) A photocopy of the recorded By-Laws of the Association and all amendments thereto;

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a certified copy of the Articles of Incorporation  
of the Association or other documents creating the  
Association and all amendments thereto;

- (5) A copy of the current rules of the Association;
- (6) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than seven (7) years;
- (7) A current roster of all Unit Owners, their mailing addresses, unit identifications, voting certifications, and if known, telephone numbers;
- (8) All current insurance policies of the Association and the Condominium;
- (9) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility;
- (10) Bills of sale or transfer for all property owned by the Association;
- (11) Accounting records for the Association and separate accounting records for the Condominium, according to good accounting practices. All accounting records shall be maintained for a period of not less than seven (7) years. The accounting records shall include, but are not limited to:
  - (a) Accurate, itemized, and detailed records of all receipts and expenditures.
  - (b) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.
  - (c) All audits, reviews, accounting statements, and financial reports of the Association or Condominium.
  - (d) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year.

Voting proxies, which shall be maintained for a period of one (1) year from the date of the meeting for which the proxy was given.

(13) All rental records where the Association is acting as agent for the rental of condominium units.

B. The official records of the Association shall be maintained in the county in which the Condominium is located.

C. The official records of the Association shall be open to inspection by any Member or the authorized representative of such Member at all reasonable times. Failure to permit inspection of the Association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the records who, directly or indirectly, knowingly denies access to the records for inspection. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Member.

ARTICLE VI

LEGAL STANDING

The Association may contract, sue or be sued with respect to the exercise or non-exercise of its powers. For these purposes, the powers of the Association include, but are not limited to, the maintenance, management, and operation of the Condominium Property. After control of the Association is obtained by Unit Owners other than the Developer, the Association may institute, maintain, settle, or appeal actions or hearings in its name on behalf of all Unit Owners concerning matters of common interest, including, but not limited to, the Common Elements; the roof and structural components of a building or other improvements; mechanical, electrical, and plumbing elements serving an improvement or a building; representations of the Developer pertaining to any existing or proposed commonly used facilities; and protesting ad valorem taxes on commonly used facilities and Units. If the Association has the authority to maintain a class action, the Association may be joined in an action as representative of

that class with reference to litigation and disputes involving the matters for which the Association could bring a class action. Nothing herein limits any statutory or common law right of any individual Unit Owner or class of Unit Owners to bring any action which may otherwise be available.

ARTICLE VII

OPERATION OF CONDOMINIUM

The Association shall have the power of the operation of the Condominium Property.

ARTICLE VIII

AUTHORITY OF MEMBERS

A Unit Owner, who is a member of this Association, does not have any authority to act for the Association by reason of being a Unit Owner.

ARTICLE IX

BY-LAWS

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and By-Laws. The first By-Laws of the Association shall be adopted by the Board of Directors, and may be altered, amended, or rescinded in the manner provided by the By-Laws.

ARTICLE X

MEMBERS

- A. The members of the Association shall consist of all the record Unit Owners.
- B. Change of membership in the Association shall be established by the recording in the Public Records of Pinellas County, Florida, the deed or other instrument establishing record title to a Unit in the Condominium. The membership of the prior Owner shall thereby be terminated.
- C. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his Unit.
- D. The member or members collectively who own each Unit

shall be entitled to cast one vote in the affairs of the Association. The manner of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE XI

DIRECTORS

A. The affairs of the Association will be managed by a Board consisting of the number of directors as shall be determined by the By-Laws, but not less than three (3) directors, and in the absence of such determination shall consist of three (3) directors.

B. Directors may be removed and vacancies on the Board of Directors filled in the manner provided in the By-Laws.

C. The names and addresses of the first Board of Directors who shall hold office until their successors are elected and have qualified as provided in the By-Laws, or until removed as provided in the By-Laws are as follows:

<u>Name</u>	<u>Address</u>
Ralph W. Quartetti	3900 Belle Oak Blvd. Largo, FL 33541
John Gleason	3900 Belle Oak Blvd. Largo, FL 33541
Sue Clutter	3900 Belle Oak Blvd. Largo, FL 33541

D. The foregoing provisions of this Article relating to election of Directors shall be subject to the following qualifications. Initially, DEVELOPER shall appoint the members of the Board of Directors. When Condominium Unit Owners other than the DEVELOPER own fifteen percent (15%) or more of the Units, then the Unit Owners, other than the DEVELOPER, shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors of the Association. Unit Owners other than the DEVELOPER are entitled to elect not less than a majority of the members of the Board of Directors upon the occurrence of the earlier of the following dates:

- (1) Three years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or

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(2) 120 days after 75% of the Units will be operated ultimately by the Association have been conveyed to purchasers; or

(3) Three months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or

(4) The date on which all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the DEVELOPER in the ordinary course of business; or

(5) The date on which some of the Units of the Condominium have been conveyed to purchasers and none of the others are being constructed or offered for sale by the DEVELOPER in the ordinary course of business;

(6) Five years following the first conveyance of a Unit to a purchaser.

The DEVELOPER shall be entitled to elect at least one member of the Board of Directors of the Association, so long as the DEVELOPER holds for sale during the ordinary course of business, 5% of the 97 Units in the Condominium.

ARTICLE XII

OFFICERS

The affairs of the Association shall be administered by officers elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, which officers shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

	<u>Name</u>	<u>Address</u>
President:	Ralph W. Quartetti	3900 Belle Oak Blvd. Largo, FL 33541
Treasurer:	John Gleason	3900 Belle Oak Blvd. Largo, FL 33541
Secretary:	Sue Clutter	3900 Belle Oak Blvd. Largo, FL 33541



INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right to indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XIV

AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

- A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- B. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting, considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.
- C. Approval of an amendment must be by not less than fifty percent (50%) of the entire membership of the Board of Directors and not by less than fifty percent (50%) of the votes of the entire membership of the Association.

D. No amendment shall make any changes in the qualifications for membership nor the voting rights of members, without approval in writing by all members.

E. A copy of each amendment shall be certified by the Secretary of State and recorded in the Public Records of Pinellas County, Florida.

ARTICLE XV

TERM

The term of the Association shall be the life of the Condominium unless the Association is terminated sooner by unanimous action of its members. The Association shall be terminated by the termination of the Condominium in accordance with the provisions of the Declaration.

ARTICLE XVI

REGISTERED OFFICE AND AGENT

The registered office of the Association shall be 3900 Belle Oak Boulevard, Largo, Florida 33541, Florida or such other place as may be subsequently designated by the Board of Directors. The name of the initial registered agent of the Association shall be Ralph W. Quartetti or such other person as may be subsequently designated by the Board of Directors.

ARTICLE XVII

SUBSCRIBER

The name and address of the subscriber of these Articles of Incorporation is as follows:

<u>Name</u>	<u>Address</u>
Ralph W. Quartetti	3900 Belle Oak Blvd. Largo, FL 33541

ARTICLE XVIII

TRANSITION TO OWNER CONTROL

A. Within 60 days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call, and give not less than 30 days' or more than 40 days' notice of, a meeting of the Unit Owners to elect the members of the Board of

Directors. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so. Upon election of the first Unit Owner other than the Developer to the Board of Directors, the Developer shall forward to the Division of Florida Land Sales and Condominiums (the "Division") the name and mailing address of the Unit Owner board member.

B. If the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

- (1) Assessment of the Developer as a Unit Owner for capital improvements.
- (2) Any action by the Association that would be detrimental to the sales of units by the Developer. However, an increase in Assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

C. Prior to, or not more than 60 days after, the date on which Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association, and the Unit Owners shall accept control. Simultaneously, the Developer shall deliver to the Association, at the Developer's expense, all property of the Unit Owners and of the Association held or controlled by the Developer, including, but not limited to, the following items, if applicable:

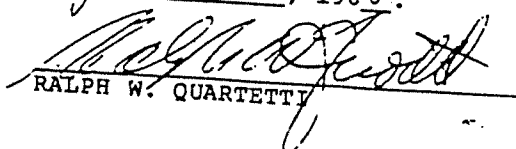
- (1) The original or a photocopy of the recorded Declaration of Condominium and all amendments thereto. If a photocopy is provided, it shall be certified by affidavit of the Developer, or an officer or agent of the Developer, as being a complete copy of the actual recorded Declaration.
- (2) A certified copy of the Association's Articles of Incorporation.
- (3) A copy of the By-Laws.
- (4) The minute books, including all minutes, and other books and records of the Association, if any.

- (5) Any Rules and Regulations which have been promulgated for the Association.
- (6) Resignations of officers and members of the Board of Directors who are required to resign because the Developer is required to relinquish control of the Association.
- (7) The financial records, including financial statements of the Association, and source documents since the incorporation of the Association through the date of turnover. The records shall be reviewed by an independent certified public accountant. The minimum report required shall be a review in accordance with generally accepted accounting standards as defined by rule by the Board of Accountancy. The accountant performing the review shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes and billings, cash receipts, and related records to determine that the Developer was charged and paid the proper amounts of assessments.
- (8) Association funds or control thereof.
- (9) All tangible personal property that is property of the Association, represented by the Developer to be part of the Common Elements or ostensibly part of the Common Elements, and an inventory of that property.
- (10) A copy of the plans and specifications utilized in the construction or remodeling of improvements and the supplying of equipment to the Condominium and in the construction and installation of all mechanical components serving the improvements and the site, with a certifice in affidavit form of the Developer, his agent, or an architect or engineer authorized to practice in this state that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction

c. Construction and installation of the mechanical components serving the improvements.

- (11) Insurance policies.
- (12) Copies of any certificates of occupancy which have been issued for the Condominium Property.
- (13) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one year prior to the date the Unit Owners other than the Developer take control of the Association.
- (14) All written warranties of the contractor, subcontractors, suppliers and manufacturers, if any, that are still effective.
- (15) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records.
- (16) Leases of the Common Elements and other leases to which the Association is a party, if any.
- (17) Employment contracts or service contracts in which the Association is one of the contracting parties or service contracts in which the Association or the Unit Owners have an obligation or responsibility, directly or indirectly to pay some or all of the fee or charge of the person or persons performing the service.
- (18) All other contracts to which the Association is a party.

D. If during the period prior to the time the Developer relinquishes control of the Association pursuant to this Article XVIII and §718.301(4), Florida Statutes, any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer shall be responsible for such violations as provided in §718.301(5), Florida Statutes.

IN WITNESS WHEREOF, the subscriber has hereto affixed his signature on this 25 day of April, 1985.  
  
RALPH W. QUARTETTY

On this 5 day of April, 1985, before me, a Notary Public, duly authorized in the State and County above named to take acknowledgments, personally appeared Ralph W. Quartetti to me well known to be the person described as subscriber in and who executed the foregoing Articles of Incorporation and acknowledged before me that he subscribed to these Articles of Incorporation.

WITNESS my hand and seal this 5 day of April, 1985.

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA  
BY COMMISSION EXPIRES JAN 22 1986  
BONDED 10000.00

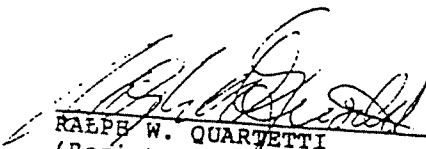
Charles W. Stewart  
NOTARY PUBLIC, State of Florida at Large

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

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with the said Act:  
FIRST, that SUN KETCH I CONDOMINIUM ASSOCIATION, INC., a corporation desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at the City of Largo, County of Pinellas, State of Florida, has named Ralph W. Quartetti located at 3900 Belle Oak Boulevard, City of Largo, County of Pinellas, State of Florida, as its agent to accept service of process within Florida.

ACKNOWLEDGEMENT:

HAVING BEEN NAMED to accept service of process for the above-stated corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provision of said Act relative to keeping open the said office.

  
RALPH W. QUARTETTI  
(Registered Agent)

DATED: April 25, 1957