

ARTICLES OF INCORPORATION
OF
BERMUDA BAY FOUNDATION, INC.

(a Florida corporation not for profit)

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE 1
NAME AND ADDRESS

The name of this corporation shall be BERMUDA BAY FOUNDATION, INC. (hereinafter referred to as the "Foundation"). The mailing and principal office address of the Foundation shall be 3300 University Drive, Coral Springs, Florida 33065.

ARTICLE 2
DEFINITIONS

A. All terms which are defined in the Declaration and General Protective Covenants for Bermuda Bay shall be used herein with the same meanings as defined in said Declaration.

B. "Foundation" as used herein shall mean the Bermuda Bay Foundation, Inc., a Florida corporation not for profit, the corporation formed by these Articles, its successors or assigns.

ARTICLE 3
PURPOSES

The purposes for which this Foundation is organized are to promote the recreation, health, aesthetic enjoyment and social welfare of the Owners, Declarant and occupants of the Committed Property, and to operate and maintain the Foundation Common Area and to own the Foundation Common Area (when and if conveyed to it) or other property in accordance with and pursuant to the Declaration or any Supplement thereto and to fulfill its obligations in accordance with and pursuant to the Declaration. The Foundation is NOT a condominium association under chapter 718, Florida Statutes.

ARTICLE 4
GENERAL POWERS

The general powers that the Foundation shall have are as follows:

A. This Foundation shall have all of the common law and statutory powers of a Florida corporation not for profit, except as herein contained.

B. This Foundation shall have all of the powers reasonably necessary to implement its purposes including those set forth herein.

C. To do all of the acts required to be performed by it in accordance with the Declaration.

D. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles.

E. To promulgate and enforce Rules and Regulations, By-Laws, and agreements to effectuate the purposes for which the Foundation is organized and to make, establish, and enforce Rules and Regulations governing the use of the Foundation Common Area consistent with the Declaration.

F. To delegate power or powers when such is deemed in the interest of the Foundation.

G. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of, real or personal property or interest therein, except to the extent restricted hereby; to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation, association or other entity; to do any and all of the activities and pursue any and all of the objects and purposes set forth in these Articles and not forbidden by the laws of the State of Florida or the Governing Documents.

H. To make, levy and collect Assessments and late fees for the purpose of obtaining funds from its Members to pay for the expenses of this Foundation and costs of collection and to use and expend the proceeds of Assessments and late fees in the exercise of its powers and duties hereunder.

I. To charge recipients for services rendered by the Foundation and users for use of Foundation property when such is deemed appropriate by the Board.

J. To pay taxes and other charges, if any, on or against Foundation Common Area and other property owned, leased, licensed or accepted by the Foundation.

K. To maintain, repair, replace and operate the Foundation Common Area and other property (including, but not limited to, any Foundation Common Area to be maintained in a natural state, used for recreation purposes or used for drainage, irrigation, landscaping or buffer purposes) in accordance with those governmental regulations which are applicable, the Declaration, and the other Governing Documents.

L. To enforce by legal means the obligations of the Members of the Foundation, the provisions of the Declaration and the other Governing Documents.

M. To contract for professional management (the "Manager," which may be an individual, corporation, partnership or other entity or persons) and to delegate to such Manager certain powers and duties of this Foundation.

N. To contract with any Person, governmental or otherwise, for the maintenance, administration and other functions to be carried out by the Foundation.

O. To contract with governmental or quasi-governmental entities regarding maintenance and administration, and other functions.

P. Notwithstanding anything contained herein to the contrary, this Foundation shall not have the power to, and shall not, engage in or carry on propaganda or otherwise attempt to influence legislation addressing any and all issues including but not limited to zoning, environmental and land use, or participate or intervene, directly or indirectly, in any political campaign on behalf of, or in opposition to, any candidate for office, whether public, quasi-public or private, or otherwise engage in or carry on any political action including the publishing or distribution of statements, nor shall Members perform any such activities in the name of the Foundation.

Q. Notwithstanding anything contained herein to the contrary, the Foundation shall not have the power to, and shall not, expend Capital Payment account (described in Article 9.15 of the Declaration) monies in connection with the construction of a new capital improvement (except for necessary construction resulting from the damage or destruction of existing improvements), in excess of Ten Thousand (\$10,000.00) Dollars without first obtaining the affirmative vote of a majority of all Members. Further, the Capital Payment account shall be used for capital purposes only and not for other purposes, including not being used by the Foundation for the purpose of litigation at either or both the trial or appellate levels in any court of competent jurisdiction, nor shall such reserves be used for operating funds.

ARTICLE 5 **MEMBERS**

The qualifications of Members, the manner of their admission to membership, the termination of such membership and voting by Members shall be as follows:

A. The Members of the Foundation shall be comprised of the Owners and the Declarant.

B. Membership shall be established effective immediately upon becoming an Owner; provided, however, that such new Member's rights shall not become effective until the new Member presents the Foundation with a recorded copy of the Warranty Deed or other muniment of title conveying the title to the Plot so conveyed, and such membership shall pass with title to the Plot in question as an appurtenance thereto with no such membership or rights arising therefrom being transferable in any manner except as an appurtenance to such Plot.

C. A Structure for which final Certificates of Occupancy had been issued but which has subsequently been destroyed or demolished shall be deemed, for the purpose of calculating eligible votes, to have the number of Dwelling Units, which were contained in the original Structure until such time as a replacement Structure has been erected and a final Certificate of Occupancy issued therefor. Thereupon, the number of Dwelling Units in the replacement Structure shall control in lieu of the number of Dwelling Units so destroyed or demolished.

D. Members' voting rights shall be as set forth in Article 6 of the Declaration.

E. Notwithstanding anything herein contained, Declarant shall have the right to appoint all Governors and thereby control the appointment of at least a majority of the Board of Governors until the "Turnover Date" which date shall be ninety (90) days after the Declarant no longer owns fee simple title to at least five (5) gross acres of the Bermuda Bay Community, which is either Committed Property or which may in the future become Committed Property, or at any earlier time upon a voluntary election of Declarant. Until such Turnover Date, Governors of the Foundation named by Declarant shall serve, and in the event of vacancies, such vacancies shall be filled by Declarant. The fact that the Owners have not elected or refuse to elect Governors shall not interfere with the right of Governors designated by Declarant to resign.

F. Each and every Member shall be entitled to the benefits of Membership and shall be bound to abide by the provisions of the Governing Documents.

ARTICLE 6 BOARD OF GOVERNORS

A. The affairs of the Foundation shall be managed by a Board of Governors initially consisting of three (3) Governors. Until after the Turnover Date, Declarant shall have the right to expand or reduce the size of the Board. Prior to and after the Turnover

Date, the Board shall at all times consist of at least three (3) Governors and not more than seven (7) Governors.

B. Until the Turnover Date, Governors need not be Members of the Foundation and need not be residents of the Committed Property; thereafter Governors shall be Members of the Foundation except for those who are appointed by the Declarant.

C. At the Turnover Date, the size of the Board shall then be as established by Declarant, provided that in the event there is then more than one Neighborhood, the Members of each Neighborhood shall as a class ("Class") elect one (1) Governor and the Membership as a whole shall elect the remaining Governors.

D. Elections shall be by plurality vote of the Member or Class of Members, as the case may be.

E. At the first meeting of the Members at which Members have the right to elect Governors, the following shall apply:

1. In the event there is only one (1) Neighborhood and there is an odd number of Governors, then half of the Governors plus one more Governor shall be elected to serve for a term expiring on the second annual meeting after the meeting at which they were elected, and the remaining Governors shall be elected to serve for a term expiring on the first annual meeting after the meeting at which they were elected; or

2. In the event there is only one (1) Neighborhood and there is an even number of Governors then half of the Governors shall be elected to serve for a term expiring on the second annual meeting after the meeting at which they were elected, and the remaining Governors shall be elected to serve for a term expiring on the first annual meeting after the meeting at which they were elected; or

3. In the event there is then more than one Neighborhood, the Governor(s) elected by the entire Membership shall be elected to serve for a term expiring on the second annual meeting after the meeting at which such Governor was elected and the Governors elected by the Members of each Neighborhood as a Class shall be elected to serve for a term expiring on the first annual meeting after the meeting at which they were elected.

F. At the meeting of the Members held for electing Governors after the first meeting of the Members at which they have the right to elect Governors, as many Governors shall be elected as there are regular terms of office of Governors expiring at such time, and the terms of the Governors so elected and appointed at each annual meeting shall be for two (2) years expiring on the second annual meeting following the annual meeting at which they were elected, and thereafter until their successors are duly elected and

qualified or until removed from office with or without cause by the affirmative vote of a majority of the Members or Class of Members which elected them.

G. In no event can a Member of the Board appointed by Declarant be removed except by action of Declarant. Any Governor appointed by Declarant shall serve at the pleasure of the Declarant, and may be removed from office, and a successor Governor may be appointed at any time by the Declarant. Declarant shall have the right any time prior to the Turnover Date to unilaterally amend this Section to enlarge the number of Governors serving on the Board.

H. The names and addresses of the members of the first Board of Governors who shall hold office until their successors are elected or appointed and have qualified, are as follows:

1. J. P. McGowan
3300 University Drive
Coral Springs, Florida 33065
2. J.P. Taravella, Jr.
3300 University Drive
Coral Springs, Florida 33065
3. Michael N. Vanatta
3300 University Drive
Coral Springs, Florida 33065

ARTICLE 7 **OFFICERS**

A. The Officers of the Foundation shall be a President, a Secretary and a Treasurer, and such other Officers as the Board may from time to time deem necessary. Any two (2) or more offices may be held by the same person except that the President may not hold another office. Officers shall be elected for one (1) year terms in accordance with the procedure set forth in the By-Laws.

B. The names of the Officers who are to manage the affairs of the Foundation and until their successors are duly elected and qualified, are:

President
Secretary
Treasurer

J. P. McGowan
J.P. Taravella, Jr.
Michael N. Vanatta

ARTICLE 8
CORPORATE EXISTENCE

The Foundation shall have perpetual existence.

ARTICLE 9
BY-LAWS

The Board shall, from time to time, adopt, alter, amend or rescind By-Laws not inconsistent with these Articles and the Declaration. However, the provisions of these Articles shall prevail in any conflict between the provisions of these Articles and the provisions of the By-Laws.

ARTICLE 10
AMENDMENT TO ARTICLES OF INCORPORATION

A. Prior to the recording of the Declaration amongst the Public Records of Indian River County, Florida, these Articles may be amended only by an instrument in writing signed by all of the Governors and filed in the Office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended and give the exact language of such amendment, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles and shall be an exhibit to the Declaration upon the recording of the Declaration.

B. After the recording of the Declaration amongst the Public Records of Indian River County, Florida, except as set forth in Article 6, Section A, these Articles may be amended in the following manner:

1. The Board, by majority vote, shall adopt a resolution setting forth the proposed amendment and direct that it be submitted to vote at a meeting of the Members;

2. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (regular or annual) at which such proposed amendment is to be considered by the Members;

3. Such proposed amendment must be submitted to and approved by the Members. Any number of amendments may be submitted to the Members and voted upon at one meeting. Approval by the Members must be by a vote of a majority of the votes of all Members entitled to vote thereon, except an amendment which changes the manner in which Members elect Governors after the Turnover Date shall be approved by all Classes of Members, in the event there is

more than one Neighborhood. Such vote by the Members must be taken at a meeting of the Membership;

4. Notwithstanding the foregoing, an amendment to these Articles may be made by a written statement signed by all Members and Governors eligible to vote.

C. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration.

D. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and the Secretary of the Foundation shall cause a copy certified by the Secretary of State to be recorded amongst the Public Records of Indian River County, Florida.

E. Notwithstanding the foregoing provision of this Article 10, there shall be no amendment to these Articles which (1) shall abridge, amend or alter the rights of Declarant, including the right to designate and select the Governors as provided in Article 6 hereof, or the provisions of this Article 10, without the prior written consent therefor by Declarant, or, (2) make any changes in the qualifications for Membership or the voting rights of the Members, or make any change that would terminate the Foundation without approval in writing of the Members affected.

F. Notwithstanding anything contained herein to the contrary, Article 4, Section P hereof shall not be amended or modified in any way except upon receiving the affirmative vote of at least seventy-five (75%) percent of all Members.

ARTICLE 11 **SUBSCRIBERS**

The names and addresses of the subscribers are as follows:

1. W. Buntmeyer
3300 University Drive
Coral Springs, Florida 33065
2. A. N. Malanos
3300 University Drive
Coral Springs, Florida 33065
3. Ronald C. Dillon
3300 University Drive
Coral Springs, Florida 33065

ARTICLE 12
INDEMNIFICATION OF OFFICERS AND GOVERNORS

Every Governor and every Officer of the Foundation (and the Governors and/or Officers as a group) shall be indemnified by the Foundation against all expenses and liabilities, including counsel fees (at all trial and appellate levels) reasonably incurred by or imposed upon such person or persons in connection with any claim, proceeding, litigation or settlement in which they may become involved by reason of being or having been a Governor or Officer of the Foundation. The foregoing provisions for indemnification shall apply whether or not such person is a Governor or Officer at the time such expenses are incurred. Notwithstanding the above, in instances when a Governor or Officer admits or is adjudged guilty by a court of competent jurisdiction of willful misfeasance or malfeasance in the performance of such person's duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Governor or Officer may be entitled, whether by statute or common law. No amendment to this Article which reduces or restricts the indemnity created herein may be adopted without the prior consent of each and every Officer and Governor (whether current or former) affected by such amendment.

ARTICLE 13
TRANSACTION IN WHICH GOVERNORS OR OFFICERS ARE INTERESTED

A. No contract or transaction between the Foundation and one or more of its Governors or Officers, or between the Foundation and any other corporation, partnership, association, or other organization in which one or more of its Governors or Officers are directors or officers or have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Governor or Officer is present at or participates in the meeting of the Board or a committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Governor or Officer of the Foundation shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

B. Interested Governors may be counted in determining the presence of a quorum at a meeting of the Board of Governors or of a committee which authorized the contract or transaction.

ARTICLE 14
DISSOLUTION OF THE FOUNDATION

A. Upon dissolution of the Foundation, all of its assets remaining after provision for creditors and payment of all costs

and expenses of such dissolution shall be distributed in the following manner and order:

1. Real property contributed to the Foundation without the receipt of other than nominal consideration by the Declarant (or its successor in interest) shall be returned to the Declarant (whether or not a Member at the time of such dissolution) unless it refuses to accept the conveyance (in whole or in part);

2. Dedication to applicable municipal or other governmental authority of such property (whether real, personal or mixed) as determined by the Board of Governors of the Foundation to be appropriate for dedication and which the authority is willing to accept; and

3. The remaining assets shall be distributed among the Members, subject to the limitations set forth below, as tenants in common, each Member's share of the assets to be determined in accordance with his voting rights.

B. The Foundation may be dissolved upon a resolution to that effect being approved by three-fourths (3/4) of the members of the Board of Governors; three-fourths (3/4) of the Members; and the filing of Articles of Dissolution with the Department of State as provided for in Section 617.1403 (1991), Florida Statutes.

ARTICLE 15

GENDER

Whenever the male pronoun is used herein, it shall be understood to be the female pronoun if the context or sex of the party referred to so requires.

ARTICLE 16

DECLARATION

In the event of any conflict between the provisions of these Articles and the provisions of the Declaration, the provisions of the Declaration shall prevail.

ARTICLE 17

DESIGNATION OF REGISTERED AGENT

Westinghouse Treasure Coast Communities, Inc., a Florida corporation, is hereby designated as the Foundation's Registered Agent for service of process within the State of Florida, at 3300 University Drive, Coral Springs, Broward County, Florida 33065.

ARTICLE 18
APPLICATION OF FLORIDA CONTROL SHARE ACQUISITION ACT

Florida Statutes §607.0902 (1989), as amended, the Florida Control Share Acquisition Act, shall not apply to control share acquisitions of shares (memberships) in the Foundation.

IN WITNESS WHEREOF, the undersigned subscribers have executed these Articles of Incorporation this 22nd day of August, 1991.

W. Bunte Meyer
W. BUNTEMEYER

A. N. Malanos
A. N. MALANOS

Ronald C. Dillon
RONALD C. DILLON

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)



The foregoing Articles of Incorporation were acknowledged before me this 22nd day of August, 1991, by W. Bunte Meyer, A. N. Malanos and Ronald C. Dillon.

Nancy J. Kerst
Name: Nancy J. Kerst
Notary Public

My Commission Expires:

[SEAL]

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG. 25, 1992
BONDED THRU GENERAL I.R.S. UND.

CONSENT OF REGISTERED AGENT

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WESTINGHOUSE TREASURE COAST COMMUNITIES, INC., a Florida corporation, of 3300 University Drive, Coral Springs, Broward County, Florida 33065 hereby consents to its designation as Registered Agent in the foregoing Articles of Incorporation, and states that it is familiar with, and accepts, the obligations provided for in Section 617.0501 (1991), Florida Statutes.

WESTINGHOUSE TREASURE COAST
COMMUNITIES, INC.

By: [Signature]
W. Buntmeyer, President

APPROVED

MRF

Attest:

[Signature]
A. N. Malanos, Secretary

[SEAL]

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing Consent of Registered Agent was acknowledged before me this 22nd day of August, 1991 by W. Buntmeyer and A. N. Malanos, as President and Secretary, respectively, of Westinghouse Treasure Coast Communities, Inc., a Florida corporation, on behalf of said corporation.

[Signature]
Name: Nancy J. Kerst
Notary Public

[SEAL]

My Commission Expires:

07/16/91 12:05:00 SAT. AMT

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG. 28, 1992
BONDED THRU GENERAL INS. UND.

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