

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of SPINDRIFT CONDOMINIUM ASSOCIATION OF VERO BEACH, INC., a corporation not for profit organized under the Laws of the State of Florida, filed on June 30, 1981, as shown by the records of this office.

The charter number for this corporation is 758979.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
6th day of July, 1981.



CER 101 Rev. 12-80

A handwritten signature in cursive script, appearing to read "George Firestone".

George Firestone
Secretary of State

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J.K. BARTON, CLERK

ARTICLES OF INCORPORATION

OF

SPINDRIFT CONDOMINIUM ASSOCIATION OF VERO BEACH, INC.

FILED
JUN 30 9 55 AM '91
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

In order to form a corporation under and in accordance with the provisions of the laws of the State of Florida for the formation of Corporations Not For Profit, we, the undersigned, hereby associate ourselves into a corporation for the purposes and with the powers hereinafter mentioned, and, to that end, we do, by these Articles of Incorporation, set forth:

I.

The name of the proposed corporation shall be SPINDRIFT CONDOMINIUM ASSOCIATION OF VERO BEACH, INC., hereinafter referred to as the "Corporation" and the "Association".

II.

The purpose for which the Association is organized is to provide an entity pursuant to the Condominium Act, which is Chapter 718, Florida Statutes, 1977, for the operation of a Condominium to be established by THE SPINDRIFT CORPORATION OF VERO BEACH, a Florida corporation, hereinafter called the "Developer", upon the following lands:

Lots 1, 2 and 3, Block 2, WALTER KITCHING'S SUBDIVISION, according to the plat filed in the office of the Clerk of the Circuit Court of St. Lucie County, Florida, in Plat Book 4, page 5; said land now lying and being in Indian River County, Florida.

and to purchase, own, operate, lease, sell, trade and otherwise deal with such property, or other property, whether real or personal, as may be necessary or

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convenient in the administration of said Condominium. The corporation shall be conducted as a non-profit organization for the benefit of its members.

III.

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

1. The Association will have all of the common law and statutory powers of a corporation not for profit that are not in conflict with the terms of these Articles or Chapter 718 of the Florida Statutes, The Condominium Act.
2. The Association will have all of the powers and duties set forth in the Condominium Act, and these Articles and the Declaration of Condominium; and it will have all of the powers and duties reasonably necessary to operate said Condominium, including but not limited to the following:
 - a. To make and establish reasonable rules and regulations governing the use and maintenance standards of the Condominium, as said terms may be defined in the Declaration of Condominium to be recorded.
 - b. To make and collect assessments against members to defray the costs, expenses and losses of the Condominium.
 - c. To use the proceeds of assessments in the exercise of its powers and duties.
 - d. To maintain, repair, replace and operate the Condominium property.
 - e. To purchase insurance for the Condominium property; and insurance for the protection of the Association and its members as Condominium Unit owners.

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f. To reconstruct Improvements after casualty and to further Improve the Condominium property.

g. To make and amend reasonable regulations respecting the use of the Condominium property.

h. To approve or disapprove the transfer, mortgage and ownership of Condominium Units as may be provided by the Declaration of Condominium and the By-Laws of the Association.

i. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the By-Laws of the Association and the regulations for the use of the Condominium property.

j. To contract for the management and operation of the Condominium, including the Common Elements; and to thereby delegate all powers and duties of the Association, except such as are specifically required to have approval of the Board of Directors or of the membership of the Association.

k. To lease such portions of the Common Elements of the Condominium as are susceptible to separate management and operation.

l. To enter into leases, as Lessee; including but not limited to long-term leases, whereby recreational facilities upon lands within reasonable proximity of the Condominium property are demised to the Association. Said leases may create liens upon the Condominium property, including all Condominium Units, they may require rent and other monies due thereunder to be Common Expenses of the Condominium, and they may require the demised premises or the Association's interest therein to be a part of the Common Elements of the Condominium.

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m. To employ personnel to perform the services required for the proper management and operation of the Condominium.

3. All funds, except such portions thereof as are expended for the Common Expenses of the Condominium, and the titles of all properties will be held in trust for the members of the Association, in accordance with their respective interests under the Declaration of Condominium and in accordance with the provisions of these Articles of Incorporation and the By-Laws of the Association.

4. The powers of the Association will be subject to and will be exercised in accordance with the provisions of the Declaration of Condominium and the By-Laws of the Association.

IV.

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

1. The members of the Association will consist of all of the record owners of the Condominium Units in the Condominium, and no other persons or entities shall be entitled to membership. Membership shall be established by the acquisition and recording evidence in the public records of Indian River County of fee title to a Unit in the Condominium, or by acquisition and recording evidence of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise (and, in the case of change of membership, by delivery of a copy of said evidence of this to Association), and the membership

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of any person shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in any Unit, except that nothing herein contained shall be construed as terminating the membership of any person who may own two or more Units, or who may own a fee ownership interest in two or more Units, so long as any such person shall retain title to or a fee ownership interest in any Unit.

2. 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 Condominium Unit. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Condominium, and in the By-Laws which may be hereafter adopted.

3. On all matters on which the membership shall be entitled to vote, there shall be only one (1) vote for each Condominium Unit in the Condominium to be established in such manner as may be provided in the By-Laws hereafter adopted by the Association. Should any member own more than one Condominium Unit, such member shall be entitled to exercise or cast as many votes as he owns Units in the manner provided by said By-Laws.

V.

The Corporation shall have perpetual existence.

VI.

The principal office of the Corporation shall initially be located at 1025

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Flamevine Lane, Vero Beach, Florida, but the Corporation may maintain offices and transact business in such other places within or without the State of Florida as may be designated from time to time by the Board of Directors.

VII.

The affairs of the Corporation shall be managed by the President of the Corporation, assisted by the Vice Presidents, if any, Secretary and Treasurer, the Assistant Secretaries and Assistant Treasurers, if any, subject to the directions of the Board of Directors. The Board of Directors or the President, with the approval of the Board of Directors, may employ a Managing Agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Corporation, and any such person or entity may be a member of the Corporation or a Director or officer of the Corporation, or may have Directors or officers in common with the Corporation, as the case may be.

VIII.

The number of members of the first Board of Directors of the Corporation shall be three (3). The number of members of succeeding Boards of Directors shall be as provided from time to time by the By-Laws of the Corporation. The members of the Board of Directors shall be elected by the members of the Corporation at the annual meeting of the membership as provided by the By-Laws of the Corporation. Notwithstanding the foregoing, when Unit owners other than the Developer own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association, the Unit owners other than the Developer

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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 shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association three (3) years after sales by the Developer have been closed of fifty percent (50%) of the Units that will be operated ultimately by the Association, three (3) months after sales have been closed by the Developer of ninety percent (90%) of the Units that will be operated ultimately by the Association, or when all of the Units that will be operated ultimately by the Association have been completed, some of them have been sold, and none of the others are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The Developer shall be entitled to elect not less than one (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business any Units in the Condominium operated by the Association. Whenever Developer shall be entitled to designate and select any person or persons to serve on any Board of Directors of Association, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation or By-Laws of Association, and Developer, or Developer's successors or assigns, shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and to replace such person or persons with another person or persons to act and serve in the place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. Any Director designated and selected by Developer need not be a resident in the Condominium or a member of Association.

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IX.

The Board of Directors shall elect a President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall determine. The President shall be elected from among the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible, provided, however, that the office of 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.

X.

The names and post office addresses of the first Board of Directors who, subject to the provisions of these Articles of Incorporation, the By-Laws and the laws of the State of Florida, shall hold office for the first year of the Corporation's existence, or until their successors are elected or appointed and have qualified, are as follows:

R. Jack Krovocheck	431 Indian Harbour Road Indian River Shores, Florida 32960
J. A. Clawson	6525 Glven Road Cincinnati, Ohio 45243
Hunter W. Clawson	910 East Causeway Blvd., Apt. 10 Vero Beach, Florida 32960

XI.

The subscribers to these Articles of Incorporation are the three (3) persons herein named to act and serve as members of the first Board of Directors

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of the Corporation, the names of which subscribers and their respective post office addresses are more particularly set forth in Article X above.

XII.

The original By-Laws of the Corporation shall be adopted by a majority vote of the members of the Corporation present at a meeting of members at which a majority of the membership is present, and, thereafter, such By-Laws may be altered or rescinded only in such manner as the By-Laws may provide.

XIII.

The officers of the Corporation who shall serve until the first annual election under these Articles of Incorporation shall be the following:

Hunter W. Clawson	President
J. A. Clawson	Vice President
R. Jack Krovocheck	Secretary-Treasurer

XIV.

Every Director and every officer of the Corporation shall be indemnified by the Corporation 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 Corporation, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement

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by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

XV.

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Corporation acting upon a vote of the majority of the Directors or by a majority of the members of the Corporation, whether a meeting as members or by instruments in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Corporation or other officer of the Corporation in the absence of the President, who shall thereupon call a special meeting of the members of the Corporation for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written notice or printed notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the

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member at his post office address as it appears on the records of the Corporation, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Corporation, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of a majority of the members, in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of the State of Florida, and upon the registration of such amendment or amendments with said Secretary of State, a certified copy thereof shall be recorded in the public records of Indian River County, Florida, within ten (10) days from the date on which the same are so registered. At any meeting held to consider such amendment or amendments of these Articles of Incorporation, the written vote of any member of the Corporation shall be recognized, if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Corporation at or prior to such meeting.

Notwithstanding the foregoing, so long as THE SPINDRIFT CORPORATION OF VERO BEACH shall have the right hereinabove provided to select a majority of the Board of Directors of the Corporation, an amendment or amendments to these Articles of Incorporation may be adopted and approved by an affirmative

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vote of a majority of the Board of Directors of the Corporation in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of the State of Florida, and, upon such registration, a certified copy thereof shall be recorded in the public records of Indian River County, Florida. Moreover, so long as The Spindrifft Corporation of Vero Beach shall have the right to select a majority of the Board of Directors of the Corporation, no amendment to these Articles of Incorporation shall be adopted or become effective without the affirmative vote of a majority of the Board of Directors.

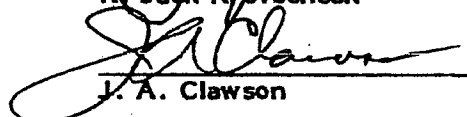
Notwithstanding the foregoing provisions of this Article XV, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of The Spindrifft Corporation of Vero Beach to designate and select members of each Board of Directors of the Corporation, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of The Spindrifft Corporation of Vero Beach.

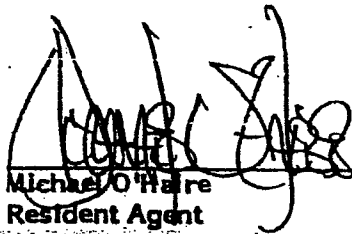
XVI.

The resident agent for the service of process within the State shall be MICHAEL O'HAIRE, 3103 Cardinal Drive, Vero Beach, Florida, 32960.

IN WITNESS WHEREOF, the subscribers have hereunto set their hands and seals, this 26th day of June, 1981, at Vero Beach, Florida.


R. Jack Krivocheck (SEAL)


J. A. Clawson (SEAL)


Michael O'Haire
Resident Agent (SEAL)


Hunter W. Clawson (SEAL)

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STATE OF FLORIDA

COUNTY OF INDIAN RIVER

BEFORE ME, the undersigned authority, personally appeared R. JACK KROVOCHECK, J. A. CLAWSON, HUNTER W. CLAWSON and MICHAEL O'HAIRE, who, being by me first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of Spindrift Condominium Association of Vero Beach, Inc., for the purposes therein expressed, this 26th day of June, 1981.

Patricia A. May
Notary Public, State of Florida at Large.
My commission expires: 5/14/82

