

ARTICLES OF INCORPORATION

BAYPORT BEACH AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC.

ARTICLE 1 NAME

The name of this corporation shall be BAYPORT BEACH AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC. (herein, "the Association"). The principal office of said corporation shall be located at 619 Bayport Way, Longboat Key, Sarasota County, Florida 34228. The Board of Directors of the Association may change the principal office of the Association from time to time. The Articles of Incorporation of the Association were originally filed with the Department of State on March 12, 1980, Charter Number 751532.

ARTICLE 2 PURPOSES

The purposes of this corporation shall be the operation and management of the affairs and property of a condominium known as BAYPORT BEACH AND TENNIS CLUB, A CONDOMINIUM (herein, "the Condominium") located in Sarasota County, Florida. The Association shall also perform all acts provided in the Declaration of Condominium, the Florida Not For Profit Corporation Act (Chapter 617, Florida Statutes), and the Florida Condominium Act (Chapter 718, Florida Statutes), all as amended from time to time.

ARTICLE 3 POWERS

3.1 POWERS. The Association's Board of Directors shall have all of the statutory and common law powers of a corporation not for profit and all of the powers and duties set forth in the Florida Not for Profit Corporation Act (Chapter 617, Florida Statutes), the Florida Condominium Act (Chapter 718, Florida Statutes), the Declaration of Condominium, the Articles of Incorporation, and Bylaws of the Association, all as amended from time to time, except as may be limited or otherwise provided by these Articles or by law.

3.2 SPECIFIC POWERS. The Association's Board of Directors shall have all of the powers and duties set forth in the Condominium Act, except as limited by these Articles of Incorporation and by the Declaration of Condominium of BAYPORT BEACH AND TENNIS CLUB, A CONDOMINIUM, and all of the powers and duties reasonably necessary to operate the Condominium pursuant to such Declaration, as it may be amended from time to time, including but not limited to the following:

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A. To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the Condominium or the Association and to levy special assessments against members for unpaid charges or for maintenance, repair or replacement which is the member's responsibility or for any other purposes authorized by state law, the Declaration of Condominium or the Bylaws.

B. To use the proceeds of assessments in the exercise of its powers and duties.

C. To maintain, repair, replace and operate the Condominium Property which shall include the irrevocable right to access each Unit from time to time during reasonable hours as may be necessary for such maintenance, repair or replacement of any of the common elements therein, or accessible therein or therefore, or for making an emergency repair therein, that may be necessary to prevent damage to the common elements, or to another Unit or Units.

D. To purchase insurance upon the Condominium Property, and insurance for the protection of the Association and its members as unit owners.

E. To reconstruct the improvements after casualty and to further improve the Condominium Property.

F. To make and amend reasonable regulations respecting the use of the Condominium Property and Units.

G. To approve or disapprove the transfer, mortgage, ownership and leasehold of Units in the Condominium, as provided by the Declaration of Condominium and the Bylaws of the Association.

H. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the Bylaws of the Association and the rules and regulations for the use of the Condominium Property and Units.

I. To levy fines for violations of condominium rules and regulations, or violations of the provisions of the Declaration, these Articles or the Bylaws.

J. To contract for the management, maintenance, and operation of the Condominium Property.

K. To employ personnel for reasonable compensation to perform the services required for the proper administration and operation of the purposes of the Association.

L. To pay taxes and assessments which are liens against any part of the Condominium, other than the individual Units, unless the individual Unit or Units are owned by the Association, and the appurtenances thereto, and to assess the same against the Unit and the owner of the Unit which is the subject to such liens.

M. To acquire title to (or fractional interest in title) and other possessory or use interests in lands or facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use benefits of the unit owners.

N. To purchase a Unit or Units in BAYPORT BEACH AND TENNIS CLUB, A CONDOMINIUM, and to hold, lease, mortgage and convey the same.

O. To borrow money and secure same by execution of mortgages encumbering the real or personal property of the Association and to acquire property or interests therein encumbered by mortgages which are to be assumed by the Association.

3.3 HELD IN TRUST. All funds and the title to all properties acquired by the Association, and their proceeds, shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws of the Association.

3.4 POWERS SUBJECT TO. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Condominium Act, the Declaration of Condominium, these Articles of Incorporation and the Bylaws of the Association.

ARTICLE 4 MEMBERS

4.1 MEMBERS. The members of the Association shall consist of all of the record owners of Units in BAYPORT BEACH AND TENNIS CLUB, A CONDOMINIUM, hereinafter referred to as "Units", and after termination of a Condominium shall consist of those who are members at the time of such termination, and their successors and assigns.

4.2 TRANSFER OF MEMBERSHIP. Membership shall be acquired by recording in the Public Records of Sarasota County, Florida, a deed or other instrument establishing record title to a Unit in BAYPORT BEACH AND TENNIS CLUB, A CONDOMINIUM, the owner designated by such instrument thus becoming a member of the Association, and the membership of the prior owner being thereby terminated; provided, however, any party who owns more than one Unit shall remain a member of the Association so long as he or she shall retain title to or a fee ownership interest in any Unit.

4.3 SHARE. 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 the member's Unit.

4.4 VOTING RIGHTS. On all matters upon which the membership shall be entitled to vote, there shall be one vote for each Unit, which vote may be exercised or cast in such manner as may be provided in the Bylaws of the Association. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit a member owns, except as otherwise provided in the Bylaws.

ARTICLE 5 INCOME DISTRIBUTION

No part of the income of the Association shall be distributable to its members. 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 the member's Unit.

ARTICLE 6 TERM

The term for which the corporation is to exist shall be perpetual, unless dissolved according to law.

ARTICLE 7 BOARD OF DIRECTORS

The affairs and operation of the Association shall be managed by a governing board called the Board of Directors, who shall be elected and serve in accordance with the Bylaws.

ARTICLE 8 BYLAWS

The Bylaws of this corporation may be amended as provided in the Bylaws.

ARTICLE 9 AMENDMENTS

These Articles of Incorporation may be amended in the following manner:

9.1 PROPOSAL AND NOTICE. An amendment to these Articles of Incorporation may be proposed either by a majority of the Board of Directors or by not less than ten percent (10%) of the voting interests of the Association. Notice of the subject matter of a proposed amendment

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shall be included in or with the notice of any membership meeting at which the proposed amendment is to be considered.

9.2 APPROVAL. A proposed amendment must be approved by not less than sixty-six and two-thirds percent (66-2/3%) of the entire membership of the Board of Directors and by not less than fifty-one percent (51%) of the votes of the entire voting interests of the Association. Such membership approval shall occur at a duly-noticed membership meeting called in whole or in part for that purpose.

9.3 EXECUTION AND RECORDING. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Articles of Incorporation, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed. An amendment to these Articles of Incorporation shall become effective upon filing with the Florida Secretary of State and recording a copy along with a Certificate of Amendment in the Public Records of Sarasota County, Florida. The Certificate of Amendment must state that the original Declaration of Condominium was recorded at Official Records Book 1362, Page 0155 et seq. of the Public Records of Sarasota County, Florida.

9.4 LIMITATIONS ON AMENDMENTS. No amendment shall make any changes in the qualifications for membership nor the voting rights of the members, nor any change in Article 3.3, without approval in writing by all members and the joinder of all record owners of mortgages on the Units. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

ARTICLE 10 INDEMNIFICATION

10.1 INDEMNIFICATION. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Director, officer or committee member of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceedings, unless: (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that the person did not act in good faith, nor in a manner reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that the person had reasonable cause to believe the conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceedings by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner reasonably believed to be in or

not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful. It is the intent of the membership, by the adoption of this provision, to provide the most comprehensive indemnification possible to their officers, directors and committee members as permitted by Florida law.

10.2 EXPENSES. To the extent that a Director, officer, or committee member of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Article 11.1 above, or in defense of any claim, issue or matter therein, the person shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred in connection therewith.

10.3 ADVANCES. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceedings upon receipt of an undertaking by or on behalf of the affected Director, officer, or committee member to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Association as authorized in this Article 10, or as otherwise permitted by law.

10.4 MISCELLANEOUS. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, or otherwise, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

10.5 INSURANCE. The Association shall have the power to purchase and maintain insurance with reasonable deductibles on behalf of any person who is or was a Director, officer, or committee member against any liability asserted against the person and incurred in any such capacity, or arising out of the person's status as such, whether or not the Association would have the power to indemnify the person against such liability under the provisions of this Article. Notwithstanding anything in this Article 11 to the contrary, the provisions herein provided for indemnification shall only be applicable to the extent insurance coverage does not apply or is insufficient.

ARTICLE 11 ORIGINAL INCORPORATORS

The names and addresses of the original incorporators of these Articles of Incorporation are:

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|-----------------|--|
| Richard Bennett | 1067 Wellington Road South London, Ontario Canada N6E 1W4 |
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Fred Ouseley

John Alguire

70 Cocoanut Avenue

Sarasota, Florida 33577

1067 Wellington Road South

London, Ontario Canada N6E 1W4

ARTICLE 12
REGISTERED AGENT AND OFFICE

The registered agent and office of the Association shall be Sally L. Graven, 731 Bayport Way, Longboat Key, Florida 34228. The Board may change the Association's registered office and registered agent from time to time as permitted by law.

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