



THE UNITED STATES
CORPORATION
COMPANY

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99 MAY 14 PM 1:37
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ACCOUNT NO. : 072100000032
REFERENCE : 240629 9955A

AUTHORIZATION : Patricia Pujato

COST LIMIT : \$ 78.75

ORDER DATE : May 14, 1999

ORDER TIME : 12:0 PM

ORDER NO. : 240629-005

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CUSTOMER NO: 9955A

CUSTOMER: Ms. Kristine M. Wolfe
CHIUMENTO BRAUNSTEIN & EMERY,
CHIUMENTO BRAUNSTEIN & EMERY,
Suite B
4 Old Kings Road North
Palm Coast, FL 32137

RECEIVED

99 MAY 14 PM 12:50

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DOMESTIC FILING

NAME: THE SANCTUARY AT PALM COAST
HOMEOWNERS' ASSOCIATION, INC.

EFFECTIVE DATE:

XX ARTICLES OF INCORPORATION
 CERTIFICATE OF LIMITED PARTNERSHIP

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY
 PLAIN STAMPED COPY
 CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Christine Lillich

EXAMINER'S INITIALS: PH 5/27/99/19

11987

WS



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

May 21, 1999

RESUBMIT

Please give original
submission date as file date.

CSC NETWORKS

SUBJECT: THE SANCTUARY AT PALM COAST HOMEOWNERS'
ASSOCIATION, INC.
Ref. Number: W99000011927

We have received your document for THE SANCTUARY AT PALM COAST HOMEOWNERS' ASSOCIATION, INC. and the authorization to debit your account in the amount of \$78.75. However, the document has not been filed and is being returned for the following:

Section 607.0120(6)(b), or 617.0120(6)(b), Florida Statutes, requires that articles of incorporation be executed by an incorporator.

The registered agent must sign accepting the designation.

Please return the original and one copy of your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6995.

Wanda Sampson
Document Specialist

Letter Number: 199A00028175

RECEIVED
99 MAY 27 AM 10:00
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF
THE SANCTUARY AT PALM COAST
HOMEOWNERS' ASSOCIATION, INC.**

(A Florida corporation not for profit)

FILED
99 MAY 14 PM 1:38
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned executes these Articles for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, and certifies as follows:

EXPLANATION OF TERMINOLOGY

A. The terms contained in these Articles of Incorporation shall have the meaning of such terms set forth in the Declaration and General Protective Covenants for The Sanctuary (the "Declaration").

B. "Association" as used herein shall mean and refer to The Sanctuary at Palm Coast Homeowners' Association, Inc., a Florida corporation not for profit, the corporation formed by these Articles, its successors or assigns.

**ARTICLE I
NAME/DURATION/PRINCIPAL OFFICE**

The name of the corporation is THE SANCTUARY AT PALM COAST HOMEOWNERS' ASSOCIATION, INC. Its duration shall be perpetual. The address of the principal office and mailing address shall be 21 Old Kings Road North, Suite B101, Palm Coast, Florida, 32137.

**ARTICLE II
PURPOSE AND POWERS**

The purpose of this corporation is to provide for a unified effort in protecting the value of the property of the Members of the Association in accordance with the Declaration to be recorded in the Public Records of Flagler County, Florida and any Supplemental Declaration filed in accordance therewith. The Association shall exercise all the powers and privileges and perform all of the duties and obligations of the corporation as defined and set forth in these Articles, the Bylaws and the Declaration. The Association shall also have all powers granted by statutory and common law not in conflict with the terms of the Declaration and these

Articles, and terms, conditions, covenants and restrictions wherever recorded that pertain to the Committed Property (as that term is defined in the Declaration), as are recorded in the Office of the Clerk of the Circuit Court in and for Flagler County, Florida. The powers of the Declaration include the establishment and enforcement of the payment of charges or assessments contained therein (including the assessment and collection of assessments adequate to defray the costs of maintenance and operation of the surface water and stormwater management system), the operation, maintenance and management of the surface water and stormwater management systems in the Committed Property and Common Areas in a manner consistent with St. Johns River Water Management District permits, requirements and applicable rules, and to assist in the enforcement of the restrictions and covenants contained therein, and the power to contract for the management of the Association and engagement in such other lawful activities as may be to the mutual benefit of the Members and their property.

The Association is not organized for profit and no part of the net earnings, if any, shall inure to the personal benefit of any Member or individual person, firm or corporation.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS
IN THE ASSOCIATION

Section 1. **Membership.** Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is or is at any time made subject to the Declaration shall be a Member of the Association. Membership shall be appurtenant to and inseparable from ownership of a Dwelling Unit or lot. When any one lot is owned by more than one person, firm, individual, corporation or other legal entity, the composite title holder shall be and constitute one Member of the Association. Any person, firm, individual, corporation or legal entity owning more than one lot shall be as many Members as the number of lots owned. Membership in the corporation and transfer thereof shall be upon such terms and conditions as provided in the Declaration and Bylaws.

Section 2. **Voting Rights.** The Association shall have two classes of voting membership:

Class A. **Class A** Members shall be all of those Owners as defined in Section 1, with the exception of Declarant. The Class A Members shall be entitled to one (1) membership interest and one (1) vote for each lot in which they hold the interests required for membership by Section 1.

Class B. **Class B** Members shall be Declarant or Declarant's subsidiaries or assignees. The Class B Member shall be entitled to ten (10) membership interests and ten (10) votes for each lot in which it holds the interest required for membership pursuant to Section 1. The Class B Member shall be entitled to elect a majority of the Board of

Directors until such time that the last lot within the Association owned by Declarant has been sold and conveyed by Declarant. Upon the transfer of title of any lot from Declarant to an Owner other than to one of Declarant's subsidiaries or assigns, the Class B membership interest for that lot shall automatically be converted to a Class A membership interest.

ARTICLE IV **BOARD OF DIRECTORS**

The affairs of the corporation shall be managed by the Board of Directors consisting of not less than three (3) nor more than seven (7) persons. Directors need not be Members of the corporation. The number of persons who are to serve initially on the Board of Directors until the first annual meeting thereof shall be three (3) and their names and addresses are as follows:

- 1) William Harkins
- 2) Gregory Robinson
- 3) Valerie Kaan

The method of election of the Board of Directors is as stated in Article II of the Bylaws.

ARTICLE V **OFFICERS**

Section 1. **Indemnity.** The Association shall indemnify any person who was or is a party to any pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a Director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. However, no indemnification shall be made in respect to any claim, issue or matter in which such person shall have been adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his or her duty to the Association. The termination of any action, suit or proceeding 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 which he reasonably believed to be in or not opposed to the best interests of the

Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Approval. Any indemnification under Section 1 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper under the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 above. Such determination shall be made (a) by the Board of Directors by a majority vote of the Directors who were not parties to such action, suit or proceeding, or (b) if a majority of disinterested Directors so directs, by independent legal counsel in a written opinion or by a majority vote of the members.

Section 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 said action if it is authorized by the Board of Directors in the specific case. Provided, the Board must first request an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article.

Section 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 Bylaw, agreement, vote of Members or otherwise.

Section 5. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, insuring against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

ARTICLE VII SUBSCRIBERS

The following person hereby subscribes to these Articles of Incorporation:

William Harkins

The office address of the subscriber is:

21 Old Kings Road North, Suite B101

Palm Coast, FL 32137

ARTICLE VIII
BYLAWS

The Bylaws shall be adopted by the Board of Directors. Prior to the first annual meeting, the Bylaws may be amended, altered or rescinded by the unanimous vote of all Directors. As set forth in the Bylaws, the Bylaws may thereafter be adopted, amended, altered or rescinded only with the approval of not less than eighty (80%) percent of all the Directors or not less than fifty-five (55%) percent of the Members of the Association. Provided, that no amendment shall be effective which would affect the rights of the Class B Member without the written approval of said Member.

The Bylaws shall include the time and place for annual meetings and for regular and special meetings, quorum requirements, the manner for electing directors and officers and voting requirements.

ARTICLE IX
AMENDMENT OF ARTICLES

Section 1. Before Recording Declaration. Prior to the recording of the Declaration in the Public Records of Flagler County, Florida, these Articles may be amended only by an instrument in writing signed by all of the Directors 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 a certified copy of each amendment shall be attached to any certified copy of these Articles and shall be an Exhibit to a Declaration upon recording of the Declaration.

Section 2. After Recording Declaration. When the Declaration has been recorded in the Public Records of Flagler County, Florida, these Articles may be amended by the following methods:

A. At a duly called meeting of the Board of Directors, which may be either the Annual Meeting, or a special meeting, by the affirmative vote of not less than eighty (80%) percent of all Directors;

B. At a duly called meeting of Members, which may be either the Annual Members Meeting, or a special meeting, by the affirmative vote of not less than seventy-five (75%) percent of the Members of the Association.

C. An Amendment may be adopted by a written statement signed by not less than eighty (80%) percent of all Directors or seventy-five (75%) percent of all Members setting forth their intention that an amendment to these Articles be adopted.

Section 3. Class B Approval. No amendment to these Articles shall be effective which would affect the rights of the Class B Member without the prior written approval of such Member.

Section 4. Conflict. In case of any conflict between these Articles of Incorporation and the Bylaws, these Articles shall control; and in case of any conflict between these Articles of Incorporation and Declaration, the Declaration shall control.

ARTICLE X
INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of this corporation is 21 Old Kings Road North, Suite B101, Palm Coast, Florida 32137, and the name of the initial registered agent of this corporation is Richard Braunstein.

ARTICLE XI
DISSOLUTION

The Association may be dissolved, consistent with the applicable provisions of Florida Statutes, upon petition having the assent given in writing and signed by not less than three-fourths (3/4) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be disposed of in accordance with the Declaration.

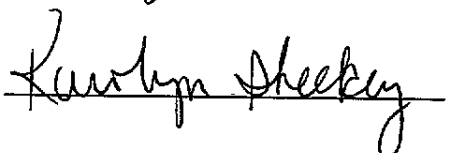
ARTICLE XII
NO STOCK OR DIVIDENDS

There shall be no dividends to any of the Members. This corporation shall not issue shares of stock of any kind or nature whatsoever.

The undersigned, being the subscriber hereto, does hereby subscribe to these Articles of Incorporation and in witness whereof has caused its duly qualified officers to execute this document and affix its corporate seal this 13th day of May 1999.

WITNESSES:







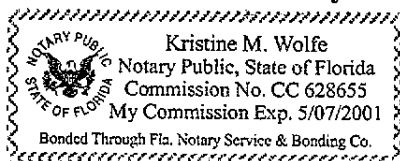
STATE OF FLORIDA
COUNTY OF FLAGLER

FILED
99 MAY 14 PM 1:38
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The foregoing instrument was acknowledged before me this 13th day of May, 1999 by William Harkins, on behalf of the corporation. He is personally known to me and did not take an oath.

Kristine M. Wolfe
Notary Public

My Commission Expires:



ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at place designated in this certificate, I hereby accept the appointment in this capacity, and agree to comply with the provision of said Act relative to keeping open said office. I am familiar with, and accept, the obligations of a registered agent provided for in Chapter 617, Florida Statutes.

By: [Signature]
Registered Agent

STATE OF FLORIDA)
)
COUNTY OF FLAGLER)

I HEREBY CERTIFY that on this day before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared Richard Braunstein to me known to be the person described therein, and he acknowledged before me that he executed the above Acceptance for the purposes therein expressed. He is personally known to me and did not take an oath.

WITNESS my hand and official seal in the County and State named above this 13th day of May, 1999.

Kristine M. Wolfe
NOTARY PUBLIC

My Commission Expires:

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