

NO 2000006339

JOHN MORGAN BRUNSON
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1474 JORDAN HILLS COURT
CLEARWATER, FLORIDA 33756

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August 19, 2002

VIA U.P.S. NEXT DAY

Secretary of State
State of Florida
Division of Corporations
Bureau of Corporate Records
409 East Gaines Street
Tallahassee, FL 32399

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2002 AUG 20 AM 10:21
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Re: Celtic Shores Condominium Association, Inc.

Dear Sirs:

Enclosed please find an original and one copy of the Articles of Incorporation to be filed for Celtic Shores Condominium Association, Inc. Also enclosed is a check payable to the Secretary of State in the amount of \$70.00 to cover the filing fee.

Please advise if you have any questions or comments.

Very truly yours,

John M. Brunson
John Morgan Brunson

Enclosures

08-21-02

ARTICLES OF INCORPORATION
OF
CELTIC SHORES CONDOMINIUM ASSOCIATION, INC.

a Florida Corporation Not for Profit

In order to form a corporation under the laws of the State of Florida for the formation of corporations not-for-profit, the undersigned hereby organizes a corporation for the purposes and with the powers herein specified; and to that end sets forth these Article of Incorporation.

I. NAME

The name of the corporation shall be **CELTIC SHORES CONDOMINIUM ASSOCIATION, INC.** ("Association").

II. REGISTERED AGENT AND REGISTERED OFFICE

The name and address of the Registered Agent for this Association is:

John Morgan Brunson, Esq.
1474 Jordan Hills Court
Clearwater, FL 33756

III. PRINCIPAL OFFICE

The principal office of the Association shall be located at 114 10TH Street East, Terre Verde, Florida 33715, but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

IV. PURPOSE

The purposes and objects of the Association shall be to administer the operation and management of **CELTIC SHORES CONDOMINIUM ASSOCIATION, INC.** ("Condominium") which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes ("Act") upon that certain real property situated in Pinellas County, Florida, described on Exhibit "A" of the Declaration of Condominium of **CELTIC SHORES CONDOMINIUM ASSOCIATION, INC.**, to be recorded in the public records of Pinellas County, Florida ("Declaration"), as such Declaration is amended from time to time, and to perform the acts and duties incident to the operation and management of the Condominium in accordance with the provisions of these Articles of Incorporation, the Bylaws of the Association which will be adopted ("Bylaws") pursuant hereto, and the Declaration, as and when the property described therein together with the improvements situated thereon are submitted to the condominium form of ownership; and to own, operate, encumber, lease, manage, sell, convey, exchange and otherwise deal with the lands submitted to the condominium form of ownership, the improvements thereon, and such other property, real and personal, as may be or become part of the Condominium ("Condominium Property") to the extent necessary or convenient in the administration of the Condominium as provided for in the Declaration. Upon designating the Association in a declaration of condominium creating a condominium, the Association shall have all the powers, duties and obligations as set forth in the declaration for such condominium and as set forth herein with respect to such condominium. The Association shall be conducted as a non-profit organization for the benefit of its members.

The Association is organized not for profit under the terms of the provisions of Chapter 617 of the Florida Statutes.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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The foregoing paragraph enumerates the specific purposes of the Association, but it is expressly provided hereby that such enumeration shall not be held to limit or restrict in any manner the purposes or powers of the Association otherwise permitted by law.

V. POWERS

The Association shall have the following powers:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the Declaration and Chapter 718 of the Florida Statutes (2001) (hereinafter referred to as the "Condominium Act").

B. The Association shall have all of the powers and duties set forth in the Condominium Act, as lawfully modified by these Articles of Incorporation, the Bylaws of the Association or the Declaration.

C. All of the powers and privileges granted to corporations not-for-profit under the law pursuant to which this corporation is chartered.

D. All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to:

1. Make, establish and amend reasonable rules and regulations governing use of the Units, Common Elements, and Limited Common Elements in and of the Condominium, as such terms will be defined in the Declaration.

2. Levy and collect assessments against members of the Association to defray the Common Expenses of the Condominium, as will be provided in the Declaration and the Bylaws, including the right to levy and collect assessments for the purpose of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Condominium Property, including Units, which may be necessary or convenient in the operation and management of the Condominium in accomplishing the purposes set forth in the Declaration.

3. Maintain, repair, replace, operate and manage the Condominium Property, Common Elements and Association Property, including the right to reconstruct improvements after casualty and to further improve and add to the Condominium Property.

4. Contract for the management of the Condominium and, in connection therewith, delegate any and all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration and the Bylaws.

5. Employ personnel to perform the services required for the proper operation of the Condominium.

6. Enforce the provisions of these Articles of Incorporation, the Declaration, the Bylaws, and all rules and regulations governing use of the Condominium which may hereafter be established.

7. Buy, own, operate, lease, sell, trade and mortgage both real and personal property.

8. Purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners.

9. Exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association in the Declaration and the Act.

10. Grant permits, licenses and easements over the Common Elements and Association Property for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

E. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and the Declaration, the Bylaws and the Act.

VI. LIMITATIONS ON ACTIVITIES

No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, any member, director or officer of the Association; provided, however, the Association may pay compensation in a reasonable amount for services rendered.

VII. MEMBERS

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

A. The owners of all Units in the Condominium shall be members of the Association.

B. Membership shall be established by the acquisition of fee simple title to a Unit in the Condominium, or by acquisition of a fee ownership interest therein, by voluntary conveyance or operation of law, and the membership of any person or entity shall be automatically terminated when such person or entity is divested of all title or his entire fee ownership in such Unit; provided, that nothing herein contained shall be construed as terminating the membership of any person or entity owning fee title to or a fee ownership interest in two or more Units at any time while such person or entity shall retain fee title to or a fee ownership interest in any Unit.

C. The interest 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 Unit(s) owned by such member. The funds and assets of the Association shall be expended, held and used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the Bylaws.

D. On all matters upon which the membership is entitled to vote, as hereinafter provided, there shall be one, and only one vote for each Unit in the Condominium, which vote may be exercised or cast by the Owner(s) of each Unit as provided for in the Bylaws. Should any member own more than one Unit, such member shall be entitled to exercise or cast one vote for each such Unit, in the manner provided for in the Bylaws.

E. Until such time as the Declaration is recorded in the public records of Pinellas County, Florida, the membership of the Association shall be comprised of the subscribers to these Articles, each of whom shall be entitled to cast one (1) vote on all matters upon which the membership would be entitled to vote.

VIII. EXISTENCE

The Association shall have perpetual existence.

IX. MANAGEMENT

The affairs of the Association shall be managed by the President of the Association assisted by the Vice President, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, who shall perform the duties of such offices customarily performed by like officers of corporations in the State of Florida subject to the direction of the Board of Directors. The officers of the Association may be compensated in the manner to be provided in the Bylaws. The Board of Directors, or the President, with the

approval of the Board of Directors, may employ a managing agent, agency, or other managerial and supervisory person or entity to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Association, and any and all such persons or entities may be so employed without regard to whether any such person or entity is a member of the Association or a Director or officer of the Association, as the case may be.

X. BOARD OF DIRECTORS

As more fully set forth in the Declaration and the Bylaws, there will be no less than three (3) members in the Board of Directors (the "Board"). Unit Owners other than Ballingearly Shores Development Company, Inc., the Developer under the Declaration, shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors upon the sale of twenty five percent (25 %) or more of the Units in the Condominium. Unit Owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors upon the following time: (a) three (3) years after at least fifty percent (50%) but less than seventy five percent (75%) of the Units to be ultimately operated by the Association have been conveyed to Owners; (b) three (3) months after seventy five percent (75%) of the Units that will be ultimately operated by the Association have been conveyed to Owners; (c) when all the Units have been completed, some have been conveyed to Owners, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the Units have been conveyed to Owners and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) seven (7) years after recordation of the Declaration, whichever shall first occur. The Developer reserves the right to elect at least one (1) Director of the Association so long as it holds for sale in the ordinary course of business at least twenty five percent (25%) of the Units.

XI. OFFICERS

The Board of Directors shall elect at the annual meeting of members each year, a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall deem advisable from time to time. The President shall be elected from 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.

XII. FIRST BOARD OF DIRECTORS

The name and addresses of the members of the first Board of Directors who, subject to the provisions of the laws of the State of Florida, these Articles of Incorporation and the Bylaws, shall hold office for the first year of the Association's corporate existence, and thereafter until their successors are selected and have qualified, are as follows:

Yvonne Hodge	114 10 th Street East, Terre Verde, Florida 33715
Lloyd Hodge	114 10 th Street East, Terre Verde, Florida 33715
Alexandrine L. Boswell	3914 Weber Street, Sarasota, Florida 34232

XIII. FIRST OFFICERS

The officers of the Corporation, who shall hold office until their successors are elected pursuant to these Articles of Incorporation and the Bylaws, and have qualified, shall be the following:

President	Yvonne Hodge
Secretary	Lloyd W. Hodge
Treasurer	Alexandrine L. Boswell

XIV. BYLAWS

The original Bylaws of the Association shall be adopted by a majority vote of the subscribers to these Articles of Incorporation at a meeting at which a majority of the subscribers is present, and, thereafter, the Bylaws may be amended, altered or rescinded by affirmative vote of the majority of the Board of Directors.

XV. INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's 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, 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 the performance his duties; provided, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. 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.

XVI. AMENDMENTS TO ARTICLES OF INCORPORATION

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning fifty percent (50%) of the Units in the Condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than fourteen (14) days or 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 each member written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his post office address as it appears on the records of the Association, with 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 Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting or by written approval, the amendment or amendments proposed must be approved by an affirmative vote of the members owning not less than three-fourths (3/4) of the Units of the Condominium 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 file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the public records of Pinellas County, Florida, within thirty (30) days from the date on which the same is filed in the office of the Secretary of State. Notwithstanding the foregoing provisions of this Article, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right

of Developer to designate and select members of the Board of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of Developer.

XVII. FIDELITY BONDING

In addition to the indemnification provisions hereof, the Association shall obtain and maintain blanket fidelity bonds on each Director, officer and employee of the Association and of any management firm or any person who controls or disburses funds of the Association. The total amount of fidelity bond coverage shall be based upon the best business judgment of the Board of Directors, but in no event less than the amount required under the Condominium Act. The fidelity bond shall name the Association as an obligee and shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all bonds shall be paid by the Association as a common expense (except for the premiums on fidelity bonds maintained by the management firm, if any). The bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least fourteen (14) days' prior written notice to the Association.

IN WITNESS WHEREOF, the subscriber hereto has set his hand and seal this 16th day of August, 2002.

Yvonne L. Hodge *Yvonne L. Hodge*

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this 16th day of August, 2002, by Yvonne L. Hodge who is personally known to me or who produced FL drivers license as identification.

Linda Wint
Notary Public, State of Florida

(Print or type name)
My Commission Expires:
Commission Number:



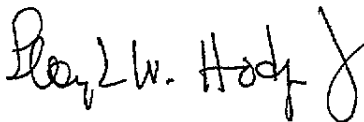
Linda Wint
MY COMMISSION # CC792014 EXPIRES
November 21, 2002
BONDED THRU TROY FAIN INSURANCE, INC.

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

IN COMPLIANCE WITH SECTION 48.091, FLORIDA STATUTES, THE
FOLLOWING IS SUBMITTED:

CELTIC SHORES CONDOMINIUM ASSOCIATION, INC., DESIRING TO
ORGANIZE OR QUALIFY UNDER THE LAWS OF THE STATE OF FLORIDA, WITH ITS
PRINCIPAL PLACE OF BUSINESS AT 114 10TH STREET EAST, TIERRE VERDE,
FLORIDA 33715, PINELLAS COUNTY, FLORIDA, HAS NAMED JOHN MORGAN
BRUNSON, ESQ., LOCATED AT 1474 JORDAN HILLS COURT, CLEARWATER,
FLORIDA 33756, PINELLAS COUNTY, AS ITS AGENT TO ACCEPT SERVICE OF
PROCESS WITHIN THE STATE OF FLORIDA.

CELTIC SHORES CONDOMINIUM ASSOCIATION, INC.

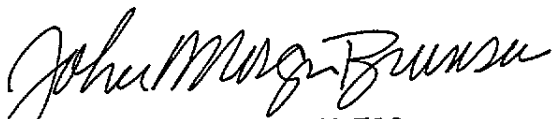
By: 
Its Secretary -

Dated: 8-16-02

2002 AUG 20 AM 10: 21
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED
CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN
THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES
RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.


JOHN MORGAN BRUNSON, ESQ.

Dated: 8/16/02