

N-98000002922

The Law Offices of
**MOYLE
FLANIGAN
KATZ
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& SHEEHAN
P.A.**

POST OFFICE BOX 3888 (ZIP 33402-3888)
625 NORTH FLAGLER DRIVE, 9TH FLOOR
WEST PALM BEACH, FLORIDA 33401-4025

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FACSIMILE (561) 659-1789

OTHER OFFICES:
TALLAHASSEE
*PALM BEACH GARDENS

WRITER'S DIRECT LINE:
(561) 822-0305

PETER L. BREYON
JOHN R. EUBANKS, JR.
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MYRA GENDEL
MARTIN V. KATZ
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MARTA M. SUAREZ-MURIAS
WILTON L. WHITE
BRIAN L. WOLINETZ

OF COUNSEL:
*WILLIAM J. PAYNE

May 7, 1998

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

600002518686-- J
-05/11/98--01084--006
****122.50 ****122.50

Re: The Pavilion Palms Condominium Association, Inc.

Dear Sir/Madam:

Enclosed herewith please find an original and one (1) copy of the Articles of Incorporation for the above-referenced entity, together with a check in the amount of \$122.50 to cover the costs of Florida incorporation. Please furnish the undersigned with a certified copy of the Articles of Incorporation subsequent to filing same.

Thank you for your prompt attention to this matter.

Very truly yours,


John F. Flanigan

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98 MAY 21 PM 1:31
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

JFF/sc
Enclosures

cc: C. LeDon Anchors, Esq.

TS 5/21

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**OF COUNSEL:
*WILLIAM J. PAYNE**

May 18, 1998

Ms. Tracy Smith
Document Specialist
Florida Department of State
Division of Corporations
P. O. Box 6327
Tallahassee, Florida 32314

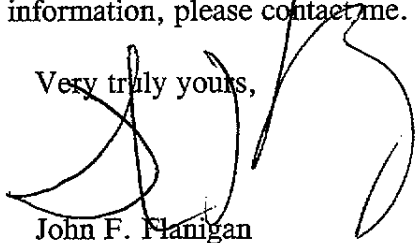
Re: The Pavilion Palms Condominium Association, Inc.
Ref. Number: W98000010949

Dear Ms. Smith:

Pursuant to your letter dated May 14, 1998, enclosed herewith please find the original and one copy of the Articles of Incorporation of The Pavilion Palms Condominium Association, Inc. containing the Corporation's mailing address. Also enclosed is a copy of your letter.

If you have any questions or need further information, please contact me.

Very truly yours,


John F. Flanigan

JFF/st
Enclosures



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

May 14, 1998

JOHN F. FLANIGAN, P.A.
P.O. BOX 3888
WEST PALM BEACH, FL 33401-4025

SUBJECT: THE PAVILION PALMS CONDOMINIUM ASSOCIATION, INC.
Ref. Number: W98000010949

We have received your document for THE PAVILION PALMS CONDOMINIUM ASSOCIATION, INC. and your check(s) totaling \$122.50. However, the enclosed document has not been filed and is being returned for the following correction(s):

You must list the corporation's principal office and/or a mailing address in the document.

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) 487-6927.

Tracy Smith
Document Specialist

Letter Number: 698A00026812

ARTICLES OF INCORPORATION
OF
THE PAVILION PALMS CONDOMINIUM ASSOCIATION, INC.

The undersigned hereby establishes the following for the purpose of becoming a nonprofit corporation under the laws of the State of Florida, by and under the provisions of the Statutes of the State of Florida providing for the formation, liability, rights, privileges and immunities of a corporation not for profit.

ARTICLE I
NAME AND ADDRESS OF CORPORATION

The name and address of this Corporation (the "Corporation") shall be THE PAVILION PALMS CONDOMINIUM ASSOCIATION, INC., 1100 E. Highway 98, Unit 702A, Destin, Florida 32541.

ARTICLE II
PURPOSE

The purpose for which the Corporation is organized is to be the "Association" for the purpose of operating, managing and administering THE PAVILION PALMS, A CONDOMINIUM (hereinafter the "Condominium"), for the use and benefit of the owners of the Condominium Units and to acquire, construct, manage, administer, maintain and care for Corporation property. Said Condominium will be constructed in Walton County, Florida.

ARTICLE III
POWERS

The Corporation shall have the powers:

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

1. To operate, manage, and administer a condominium consisting of one or more buildings and other facilities for the use and benefit of the record owners of legal title to the Condominium Parcels as the agent of said Unit Owners.

2. To carry out all of the powers and duties vested in it pursuant to the Declaration of Condominium, the Bylaws, these Articles, the Rules and Regulations, respectively, of the Condominium, and the Exhibits thereto (the "Condominium Documents").

3. To enter into management contracts for the operation, management, and administration of the Condominium Property, to the extent allowed by law.

4. The Corporation shall be authorized to exercise and enjoy all of the powers, rights and privileges granted to or conferred upon corporations of similar character by the provisions of Chapter 718, Florida Statutes, and Chapters 607 and 617, Florida Statutes, as applicable, if not inconsistent with Chapter 718, and to do any and all of the things necessary to carry out its operations as a natural person might or could do.

5. No part of the net earnings of this Corporation may inure to the benefit of any private individual within the meaning of §528 of the Internal Revenue Code of the United States.

6. All funds and title to all interests in property acquired by this Corporation, and the proceeds thereof, shall be held in trust by the Corporation for the owners of the Condominium Units in accordance with the provisions of the Declaration of Condominium and the Exhibits thereto.

7. All of the powers of this Corporation shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Exhibits thereto which govern the use of the land to be operated, managed and administered by this Corporation.

8. The Corporation has the irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any Common Element or of any portion of a Unit to be maintained by the Corporation pursuant to the Declaration of Condominium or as necessary to prevent damage to the Common Elements or to a Unit or Units. The Corporation shall reimburse the Owners of said Unit for damages caused by the Corporation under this provision, unless the Unit Owner's actions necessitated the Corporation's entry hereunder.

9. The Corporation has the right, without the approval or joinder of any or all Unit Owners, to grant, modify or move exclusive and non-exclusive licenses, easements, permits, leases or privileges to any individual or entity, including non-unit owners, over, under, across, and/or through the Common Elements, in its own name, as deemed necessary by the Board of Directors, provided that said action(s) shall not materially and permanently interfere with the uses for which the Units, the Common or Limited Common Elements or any portion thereof is intended.

ARTICLE IV

MEMBERSHIP AND VOTING

The qualification and rights of members, the manner of their admission and voting by members shall be as follows:

1. This Corporation shall be organized without capital stock and the Corporation shall not thereafter have or issue shares of stock. No dividends shall be paid, and no part of the income of the Corporation shall be distributed to its members, directors or officers; provided, however,

that the Corporation may pay reasonable compensation for services rendered as elsewhere herein provided, and may make proper distribution of its assets if the Condominium is ever terminated.

2. All record owners of legal title to a Condominium Parcel in the Condominium shall be members of the Corporation and no other persons or legal entities shall be entitled to membership, subject, however, to the provisions of the Declaration of Condominium of the Condominium.

3. Membership in the Corporation shall be established by one of the following methods:

- a. The Declarant shall be a member of this Corporation as long as it owns any Units in the Condominium.
- b. Other persons shall become members of this Corporation by, after receiving approval of the Corporation as required by the Condominium Documents, the recording in the Public Records of Walton County, Florida, of a deed or other instrument establishing a change of record of legal title to a Condominium Parcel whereby such person becomes the owner of the fee simple title to said Condominium Parcel. Upon the delivery to the Secretary of the Corporation of a copy of such recorded instrument, the new owner designated by said instrument shall become a member of the Corporation and the membership of the prior owner shall terminate. Anything to the contrary herein notwithstanding, a person cannot become a member of the Corporation unless all provisions of the Declaration of Condominium have been complied with by said member.

4. The interest of any member in any part of the real property or in the funds and assets of the Corporation cannot be conveyed, assigned, mortgaged, hypothecated or transferred in any manner, except as an appurtenance to and together with the Condominium Unit in the Condominium.

5. Voting by the members of this Corporation, in the affairs of this Corporation, shall be as set forth in the Declaration of Condominium establishing said Condominium and in the Bylaws of the Corporation.

ARTICLE V

CORPORATE EXISTENCE

The Corporation shall have perpetual existence unless sooner dissolved by law.

ARTICLE VI

DIRECTORS

1. The business of this Corporation shall be conducted by a Board of Directors of not less than three (3) nor more than five (5), the exact number of directors to be fixed by the Bylaws of the Corporation. There shall be five (5) Directors initially.

2. The election of Directors, their removal and the filling of vacancies on the Board of Directors shall be in accordance with the Bylaws of the Corporation.

3. Directors need not be members of this Corporation.

4. No compensation shall be paid to Directors for their services as Directors. Compensation may be paid to a Director in his or her capacity as an officer or employee or for other services rendered to the Corporation other than in the capacity of a Director, if and to the extent approved, in advance, by the Board of Directors. The Directors to receive such compensation shall not be permitted to vote thereon. The Directors shall have the right to set and pay all salaries or compensation to be paid to officers, employees, agents and attorneys for services rendered to the Corporation.

5. Directors shall not vote by proxy or secret ballot except that officers of the Corporation may be elected by secret ballot. Any Director present at a meeting of the Board of Directors at which

official action is taken shall be presumed to have voted for such action unless such Director votes against such action or abstains because of an asserted conflict of interest.

ARTICLE VII

OFFICERS

The affairs of the Corporation shall be managed by a President, a Vice President, a Secretary, a Treasurer, and such Assistant Secretaries, Assistant Treasurers and other officers as may be authorized by the Board of Directors. A person may hold more than one office simultaneously except that the offices of President and Secretary may not be so held. The President and the Vice President shall be elected from among the members of the Board of Directors. The officers of the Corporation shall be elected annually by the Board of Directors at the annual meeting of each new Board and shall hold office until their successors shall be duly elected and qualified, or until they are removed, or until they resign, whichever first occurs. The first officers of the Corporation, who shall serve until such time as they resign, are removed, or their successors are elected or appointed and have qualified, shall be:

PRESIDENT	Hugh E. Norton
VICE PRESIDENT	C.B. Hewitt
SECRETARY	C.B. Hewitt
ASSISTANT SECRETARY	Betsy Hewitt
TREASURER	Ruth Norton

ARTICLE VIII

NAMES AND POST OFFICE ADDRESSES OF DIRECTORS

The names and post office addresses of the members of the first Board of Directors, who shall hold office pursuant to the terms and provisions of these Articles of Incorporation and the Bylaws of

the Corporation and until they resign, are removed, or their successors are elected or appointed and have qualified, shall be:

1. Hugh E. Norton 830 Gulf Shore Drive, Unit 5121
Destin, Florida 32541
2. C.B. Hewitt 1100 E. Highway 98, Unit 702A
Destin, Florida 32541
3. Ruth Norton 830 Gulf Shore Drive, Unit 5121
Destin, Florida 32541
4. Betsy Hewitt 1100 E. Highway 98, Unit 702A
Destin, Florida 32541
5. Alfred W. Seier 7092 Bethel Road
Dora, Alabama 35062

ARTICLE IX

BYLAWS

The Bylaws of the Corporation shall be adopted by a majority vote of the Board of Directors. The Bylaws may be amended, altered or rescinded at a duly constituted membership meeting for such purpose; provided, however, that no amendment shall take effect unless approved by an affirmative vote of at least fifty percent (50%) of the votes of Voting Representatives of all Units in the Condominium. In addition, said amendment shall conform to the requirements of the Declaration of Condominium.

ARTICLE X

ASSESSMENTS AND REFUNDS

All assessments paid by the owners of Condominium Units for the maintenance, administration, and operation of the Condominium shall be utilized by the Corporation only to pay for the cost of said

maintenance, administration, and operation, and for reserves relating thereto, and as otherwise provided in the Declaration of Condominium and Exhibits thereto. The Corporation shall have no interest in any funds received by it through assessments from the Unit Owners of Condominium Units or otherwise except to the extent necessary to carry out the powers vested in it as agent for said members.

The Corporation shall make no distribution of income to its members, directors or officers, except as salaries for services rendered and reimbursement of expenses as provided for herein and in the Bylaws of the Corporation. The Corporation shall be conducted as a nonprofit corporation.

Any Common Surplus shall be held for the use and benefit of the Corporation's members in proportion to the percentage of their ownership in the Common Surplus of the Corporation as provided in the Declaration of Condominium.

Upon termination of the Condominium and dissolution or final liquidation of this Corporation, the distribution to the members of this Corporation of the Common Surplus in proportion to the percentages of their ownership in the Common Surplus shall not constitute or be deemed to be a dividend or distribution of income.

ARTICLE XI

INDEMNIFICATION

1. The Corporation shall indemnify any Director or Officer made a party or threatened to be made a party to any action, suit or proceeding as follows. This indemnification shall extend to any action of a judicial, administrative, criminal, or investigative nature (including but not limited to, an action by the Corporation), brought by or against such Director or Officer, based on an act, or acts, alleged to have been committed by such Director or Officer of the Corporation, in his capacity as such

or in his capacity as Director, Officer, employee or agent of any other corporation, partnership, association, joint venture, trust, or other enterprise which he served at the request of the Corporation. In any such action, the Director or Officer shall be indemnified by the Corporation against judgments, losses, liabilities, costs, fines, amounts paid in settlement, and reasonable expenses, including, but not limited to, attorneys' fees, incurred by such Director or Officer as a result of such action, suit, or proceeding or any appeal therein, provided such Director or Officer did not act with gross negligence or willful misconduct. The termination of any such action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not, in itself, create a presumption that any such Director or Officer acted with gross negligence or willful misconduct.

2. Indemnification as provided in this Article shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of the heirs, executors, and administrators of such person. References herein to Directors and Officers shall include not only current Directors and Officers, but former Directors and former Officers as well.

3. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is a Director or Officer of the Corporation 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 Corporation would have the power to indemnify him against such liability under the provisions of this Article.

4. The aforementioned rights shall be in addition to, and not exclusive of, all other indemnification and cost advancement rights to which each such Director or Officer may be entitled. In particular, the Corporation shall also indemnify (and advance costs to) each such Director and

Officer to the full extent allowed under any applicable statute (including, but not limited to, §607.014, Fla. Stats.).

ARTICLE XII

AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

1. Upon any amendment or amendments to these Articles being proposed by at least twenty-five percent (25%) of the Voting Representatives of all Units in the Condominium, or at least three (3) of the Directors, 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 membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such Officer of the proposed amendment or amendments. It shall be the duty of the Secretary to give to each member written or printed notice of such meeting, and to post such notice at a conspicuous place on the Condominium Property, in the same form and in the same manner as provided in the Bylaws.

2. In order for such amendment or amendments to become effective, the same must be approved by the affirmative vote of at least fifty percent (50%) of the votes of Voting Representatives of all Units in the Condominium, shall be filed with the Office of the Secretary of State of Florida, and shall be recorded in the Public Records of Walton County, Florida.

ARTICLE XIII

DEFINITIONS

Unless otherwise specifically provided herein, any capitalized term used herein and not defined herein shall have the meaning given to such term, if any, in the Condominium Documents.

ARTICLE XIV

INITIAL REGISTERED OFFICE AND AGENT

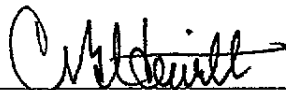
The street address of the initial registered office of this Corporation is 909 Mar Walt Drive, Suite 1014, Fort Walton Beach, Florida 32547, and the name of the initial registered agent of this Corporation is C. LeDON ANCHORS, ESQ.

ARTICLE XV

INCORPORATOR

The name and post office address of the Incorporator of these Articles of Incorporation is C.B. HEWITT, 1100 E. Highway 98, Unit 702A, Destin, Florida 32541.

IN WITNESS OF THE FOREGOING, the undersigned Incorporator has hereunto set his hand and seal to the foregoing Articles of Incorporation, this 6th day of May, 1998.

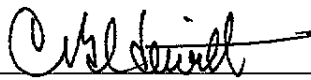


C.B. HEWITT

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

PURSUANT TO SECTIONS 48.091 AND 617.0501, FLORIDA STATUTES, THE
FOLLOWING IS SUBMITTED:

THAT PAVILION PALMS CONDOMINIUM ASSOCIATION, INC., A FLORIDA
CORPORATION NOT FOR PROFIT, DESIRING TO ORGANIZE UNDER THE LAWS OF THE
STATE OF FLORIDA, WITH ITS INITIAL PRINCIPAL OFFICES AT 1100 E. HIGHWAY 98,
UNIT 702A, DESTIN, FLORIDA 32541, HAS NAMED C. LeDON ANCHORS, ESQ., WHOSE
ADDRESS IS 909 MAR WALT DRIVE, SUITE 1014, FORT WALTON BEACH, FLORIDA 32547
AS ITS DULY AUTHORIZED AGENT TO ACCEPT SERVICE OF PROCESS WITHIN THE
STATE OF FLORIDA.


C.B. HEWITT

Incorporator _____
(Title)

May 6, 1998 _____
(Date)

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

HAVING BEEN NAMED AS REGISTERED AGENT 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 AM FAMILIAR WITH
AND AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE
PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, INCLUDING THE PROVISIONS
OF SECTION 617.0503, FLORIDA STATUTES.


C. LeDON ANCHORS, Registered Agent

May 6, 1998 _____
(Date)