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ST JOE CORP

NO. 3696

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**BASIC AMENDMENT**

**ST. JOE FINANCE COMPANY**

Certificate of Status	0
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**CERTIFICATE FOR  
AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
ST. JOE FINANCE COMPANY**

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TALLAHASSEE, FLORIDA

Pursuant to the provisions of Sections 607.1006 and 607.1007, Florida Statutes, St. Joe Finance Company, a Florida profit corporation (the "Company"), hereby certifies that:

1. The Amended and Restated Articles of Incorporation attached hereto were adopted by the written consent of the shareholders of the Company on July 13, 2001. The number of votes cast for the amendment was sufficient for approval.
2. The Articles of Incorporation in effect as of this date are amended as attached hereto in the following respects: Section 6.5 regarding the voting rights of holders of the Preferred Stock has been amended in certain respects.
3. There are no discrepancies between the provisions of the Articles of Incorporation in effect prior hereto and the provisions of the Amended and Restated Articles of Incorporation attached hereto, other than the inclusion of the foregoing amendment.
4. The attached amended and restated articles of incorporation shall supersede the original articles of incorporation originally filed on May 24<sup>th</sup>, 2001 with the Florida Secretary of State.

IN WITNESS WHEREOF, for the purposes of amending and restating the Articles of Incorporation of this profit corporation under the laws of the State of Florida, the undersigned has executed this Certificate for Amended and Restated Articles of Incorporation, effective as of the 18<sup>th</sup> day of July 2001.

  
Alison K. Henderson, Secretary

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**AMENDED AND RESTATED**  
**ARTICLES OF INCORPORATION**  
**OF**  
**ST. JOE FINANCE COMPANY**

Pursuant to Section 607.1007, Florida Statutes, the Articles of Incorporation of St. Joe Finance Company, a Florida corporation, are hereby amended and restated as follows:

**FIRST:**       **Name.** The name of the corporation is St. Joe Finance Company (the "Company").

**SECOND:**   **Purpose.** The purpose of the Company is to engage in any lawful act or activity for which corporations may be organized under the Florida Business Corporation Act of the State of Florida; provided that the Company's activities shall be limited in such manner to qualify for and maintain status as a real estate investment trust under Section 856 of the Internal Revenue Code of 1986, as amended.

**THIRD:**      **Principal and Registered Office and Registered Agent.** The principal and registered office of the Company in the State of Florida is located at 1650 Prudential Drive, Suite 400, Jacksonville, Florida 32207. The registered agent of the Company at that address is Lawrence Paine.

**FOURTH:**   **Authorized Shares.** The aggregate number of shares that the Company shall have authority to issue is Twenty-Two Thousand Five Hundred (22,500) shares, divided into two classes. The Company shall have authority to issue Ten Thousand (10,000) shares of common stock, having a par value of One Cent (\$0.01) per share (the "Common Stock"), and Twelve Thousand Five Hundred (12,500) shares of preferred stock, having a par value of One Cent (\$0.01) per share (the "Preferred Stock").

**FIFTH:**      **Common Stock.** Except as otherwise provided in Article 6 hereof, the holders of the Common Stock shall be entitled to all rights and privileges provided to stockholders under the Florida Business Corporation Act of the State of Florida.

**SIXTH:**      **Preferred Stock.**

**6.1 Definitions.** The following terms have the following meanings:

"Liquidation Value" means, with respect to each share of Preferred Stock, the sum of One Thousand Dollars (\$1,000) (that is, \$1,000 per share) plus the amount of any accumulated and unpaid dividends.

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"Redemption Price" means, with respect to each share of Preferred Stock, the Liquidation Value plus the Redemption Premium as herein provided to the date fixed for payment. Redemption Premium means, with respect to each share of Preferred Stock, that percentage of the Liquidation Value determined in accordance with the following schedule: 20% of Liquidation Value for redemptions paid during the period beginning on the date of issuance of such share of Preferred Stock and ending on December 31, 2002; and reducing by an amount equal to 2.5% each calendar year thereafter, with the resultant 17.5% of Liquidation Value for redemptions paid during the year 2003, 15% of Liquidation Value for redemptions paid during the year 2004, and so on.

**6.2 Dividend Rights.** Subject to the provisions of this Section 6.2, with respect to each share of Preferred Stock, the holder of such share shall be entitled to cash dividends on a cumulative basis at the annual rate of fifteen percent (15%) of the Liquidation Value, payable semiannually on June 30 and December 31 of each year. No dividends shall be paid or set apart for payment on the Common Stock, no distribution shall be made on the Common Stock, and no shares of Common Stock shall be redeemed, retired or otherwise acquired for value unless (i) full cumulative dividends on Preferred Stock for all past years have been declared and paid, (ii) dividends for the current year have been declared and paid or unless funds have been set aside therefor until legally permissible for declaration and payment in accordance with the provisions hereof, and (iii) the ability of the Company to pay the Liquidation Value and the Redemption Premium is not impaired thereby.

(a) If and as declared by the Board of Directors, the dividends shall be declared to holders of Preferred Stock of record only as of June 1 and December 1 of each year.

(b) During the calendar year of the initial issuance of each share of Preferred Stock, the dividends shall be calculated with respect to such shares on a pro rata basis, based on the actual number of days elapsed from the date of issuance through December 31 of such year, divided by 365, and shall be payable as provided above.

(c) If the aggregate of the dividends declared for any given year would result in less than fifteen percent (15%) of such Liquidation Value per share of Preferred Stock, each holder of Preferred Stock shall be entitled to receive a pro rata share of the aggregate of the dividends declared.

**6.3 Liquidation Rights.** In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, or of any reduction in the capital of the Company resulting in any distribution of assets to its stockholders, with respect to each share of Preferred Stock, the holder of such share shall be entitled to receive in cash out of the assets of the Company, whether from capital, surplus, earnings or otherwise, available for distribution to the stockholders of the Company, before any amount is paid to the holders of the Common Stock, the Liquidation Value plus the Redemption Premium to the date fixed for the payment of the distribution on the shares of Preferred Stock. In the event that assets are not available to pay each stockholder in full, the

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holders of Preferred Stock shall be entitled to receive a pro rata share of the assets available to pay stockholders in preference to the holders of Common Stock.

**6.4 Redemption Rights.** Each share of Preferred Stock shall be redeemable by the Company upon fifteen (15) days written notice to the holder thereof, at which time the Company shall pay in cash to such holder the Redemption Price, as payment in full of the redemption of such share of Preferred Stock. Subject to the provisions and limitations contained in these Articles of Incorporation, the Board of Directors shall have full power and authority to prescribe the timing in which Preferred Stock represented by these Articles of Incorporation shall from time to time be redeemable. On or after the date of redemption specified in the notice, each holder of Preferred Stock called for redemption shall be entitled to receive for Preferred Stock called for redemption the Redemption Price of such stock, upon presentation and surrender at the place and manner designated in the notice of the certificate or certificates for Preferred Stock held by the holder, properly endorsed in blank for transfer or accompanied by proper instruments of assignment in blank and bearing all necessary stock transfer stamps affixed and canceled.

**6.5 No Voting Rights.** Except as required by law, the holders of shares of the Preferred Stock shall not have the right to notice of stockholders meetings and shall have no vote at stockholders meetings; provided, however, that so long as any shares of the Preferred Stock shall be outstanding, the Company shall not, without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least fifty percent (50%) of the shares of the Preferred Stock, other than shares of Preferred Stock owned by The St. Joe Company, Arvida Housing L.P., Inc., St. Joe Residential Acquisitions, Inc. and each of their respective affiliates (as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended), alter or change the powers, designations, preferences and other rights and qualifications, limitations or restrictions of the shares of the Preferred Stock so as to adversely affect the holders of the Preferred Stock, except as required to maintain status as a REIT (as defined in Section 7.1).

**6.6 Transferability.** The Preferred Stock is freely transferable except as provided in Article 7, which relates to the requirements for real estate investment trusts.

**6.7 No Registration Rights.** The holders of shares of the Preferred Stock shall have no registration rights.

**6.8 No Pre-Emptive Rights.** No holder of Preferred Stock shall be entitled, as of right, to purchase or subscribe for any part of the unissued stock of the Company, or of any stock of the Company to be issued by reason of an increase of the authorized stock of the Company, to purchase or subscribe for any debentures, bonds, certificates of indebtedness or other securities convertible into or carrying options or warrants to purchase stock or other securities of the Company, to purchase or subscribe for any stock of the Company purchased by the Company, or to have any other pre-emptive rights now or hereafter defined by the laws of the State of Florida.

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**H010000818483****SEVENTH: Restrictions.****7.1 Definitions.** The following terms have the following meanings:

**"Beneficial Ownership"** means ownership of Equity Stock by an Individual who (i) either would own such shares directly or would have beneficial ownership under a nominee or custodial arrangement (in either case without taking into account the application of Section 544 of the Code, as modified by Section 856(h)(1)(B)) or (ii) would be treated as the indirect or constructive owner of such shares through the application of Section 856(h)(3)(A)(i) of the Code or Section 544 of the Code, as modified by Section 856(h)(1)(B) of the Code. The terms Beneficial Owner, Beneficially Owns, and Beneficially Owned have correlative meanings.

**"Beneficiary"** means, with respect to any Trust, one or more organizations that are exempt from federal income tax under Section 501(c)(3) of the Code and that are described in each of Section 170(b)(1)(A) and Section 170(c) of the Code that are named by the Company as the beneficiary or beneficiaries of such Trust, in accordance with the provisions of Section 7.8(a) hereof.

**"Board of Directors"** means the Board of Directors of the Company.

**"Closing Price"** on any date means with respect to the Equity Stock the last sale price, regular way, or in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Equity Stock is not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Equity Stock is listed or admitted to trading or, if the Equity Stock is not listed or admitted to trading on any national securities exchange, the last quoted price, or if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotation System or, if such system is no longer in use, such other reliable automated quotations system as is selected by the Company, or, if the Equity Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Equity Stock selected by the Company or, if there is no such professional market maker, such amount as an independent investment banking firm selected by the Company determines to be the value of a share of Equity Stock.

**"Code"** means the Internal Revenue Code of 1986, as amended from time to time.

**"Equity Stock"** means, as of any particular time, all of the outstanding shares of Common Stock and Preferred Stock, including all shares of Common Stock and

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Preferred Stock that are held as Shares-in-Trust at such time in accordance with the provisions of Section 7.8 hereof.

"Individual" means any natural person and any entity that is included in the definition of individual in Section 542(a)(2) of the Code, but does not include a pension trust described in Section 401(a) of the Code which qualifies for lookthrough treatment under Section 856(h)(3)(A)(i) of the Code.

"Market Price" on any date means the average of the Closing Price for the ten consecutive Trading Days ending on such date.

"Ownership Limit" means, for any Person, other than The St. Joe Company and its affiliates, Beneficial Ownership of nine and eight-tenths percent (9.8%), in number of shares or value, of the outstanding shares of Equity Stock of the Company. The value of the outstanding shares of any class or series of Preferred Stock of the Company shall be determined by the Board of Directors in good faith, which determination shall be conclusive for all purposes hereof.

"Non-Transfer Event" means an event, other than a purported Transfer, that would cause (i) any Individual to Beneficially Own shares of Equity Stock in excess of the Ownership Limit, (ii) the Company to become closely held within the meaning of Section 856(h) of the Code and/or (iii) the Company to otherwise fail to qualify as a REIT (other than as a result of a violation of the 100-shareholder requirements of Section 856(a)(5) of the Code); in each case including, but not limited to, the granting of any option or entering into any agreement for the sale, transfer or other disposition of Equity Stock or the sale, transfer, assignment or other disposition of any securities or rights convertible into or exchangeable for Equity Stock.

"Permitted Transferee" means any Person designated as a Permitted Transferee in accordance with the provisions of Section 7.8(e) hereof.

"Person" means an individual, corporation, limited liability company, partnership, estate, trust, association, joint stock company, government or agency or political subdivision thereof, charitable organization, or other entity.

"Prohibited Owner" means, with respect to any purported Transfer or Non-Transfer Event, any Person who, but for the provisions of Section 7.3 hereof, would own record title to shares of Equity Stock.

"REIT" means a real estate investment trust as defined in Section 856 of the Code.

"Restriction Termination Date" means the date on which the Board of Directors and the shareholders of the Company determine that it is no longer in the best interests of the Company to attempt to, or continue to, qualify as a REIT.

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"Trading Day" means a day on which the principal national securities exchange on which the Equity Stock is listed or admitted to trading is open for the transaction of business or, if the Equity Stock is not listed or admitted to trading on any national securities exchange, means any day other than a Saturday, a Sunday, or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

"Transfer" means any sale, transfer, gift, assignment, devise or other disposition of Equity Stock, whether voluntary or involuntary, whether of record, constructively or beneficially and whether by operation of law or otherwise.

"Trust" means any separate trust created pursuant to Section 7.3 hereof and administered in accordance with the terms of Section 7.8 hereof, for the exclusive benefit of any Beneficiary.

"Trustee" means any person or entity unaffiliated with both the Company and any Prohibited Owner, such Trustee to be designated by the Company to act as trustee of any Trust, or any successor trustee thereof.

## 7.2 Restrictions on Transfers.

(a) Except as provided in Section 7.7 hereof, from the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, no Individual shall Beneficially Own shares of the outstanding Equity Stock in excess of the Ownership Limit.

(b) Except as provided in Section 7.7 hereof, from the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, any Transfer that, if effective, would result in any Individual Beneficially Owning Equity Stock in excess of the Ownership Limit would be void ab initio as to the Transfer of that number of shares of Equity Stock that would be otherwise Beneficially Owned by such Individual in excess of the Ownership Limit; and the intended transferee shall acquire no rights in such excess shares of Equity Stock.

(c) Notwithstanding any other provision herein, from the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, any Transfer that, if effective, would result in the Equity Stock being directly or indirectly owned by fewer than 100 Persons (determined without reference to any constructive ownership rules) shall be void ab initio in its entirety; and the intended transferee shall acquire no rights in any of such shares of Equity Stock intended to be transferred.

(d) Notwithstanding any other provision herein, from the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, any Transfer of shares of Equity Stock that, if effective, would result in the Company being closely held within the meaning of Section 856(h) of the Code shall be void ab initio as to the Transfer of that number of shares of Equity Stock that would cause the Company to

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be closely held within the meaning of Section 856(h) of the Code; and the intended transferee shall acquire no rights in such excess shares of Equity Stock.

(e) Notwithstanding any other provision herein, from the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, any Transfer of shares of Equity Stock that, if effective, would cause the Company to fail to qualify as a REIT shall be void ab initio as to the Transfer of that number of shares of Equity Stock in excess of the number that could have been Transferred without such result; and the intended transferee shall acquire no rights in such excess shares of Equity Stock.

### **7.3 Transfer in Trust.**

(a) If, notwithstanding the other provisions contained in this Article 7, at any time after the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, there is a purported Transfer or Non-Transfer Event such that any Individual would Beneficially Own Equity Stock in excess of the Ownership Limit, then, (i) except as otherwise provided in Section 7.7, the purported transferee shall acquire no right or interest (or, in the case of a Non-Transfer Event, the Person holding record title to the Equity Stock Beneficially Owned by such Beneficial Owner shall cease to own any right or interest) in such number of shares of Equity Stock that would cause such Beneficial Owner to Beneficially Own shares of Equity Stock in excess of the Ownership Limit; and (ii) such number of shares of Equity Stock in excess of the Ownership Limit (rounded up to the nearest whole share) shall be designated Shares-in-Trust and, in accordance with Section 7.8 hereof, transferred automatically and by operation of law to a Trust. Such transfer to a Trust and the designation of the shares as Shares-in-Trust shall be effective as of the close of business on the business day prior to the date of the purported Transfer or Non-Transfer Event, as the case may be.

(b) If, notwithstanding the other provisions contained in this Article 7, at any time after the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date, there is a purported Transfer or Non-Transfer Event that, if effective, would cause the Company to become closely held within the meaning of Section 856(h) of the Code or to otherwise fail to qualify as a REIT (other than as a result of a violation of the 100-shareholder requirement of Section 856(a)(5) of the Code), then (i) the purported transferee shall not acquire any right or interest (or, in the case of a Non-Transfer Event, the Person holding record title to the Equity Stock with respect to which such Non-Transfer Event occurred shall cease to own any right or interest) in such number of shares of Equity Stock, the ownership of which by such purported transferee or record holder would cause the Company to be closely held within the meaning of Section 856(h) of the Code or to otherwise fail to qualify as a REIT (other than as a result of a violation of the 100-shareholder requirement of Section 856(a)(5) of the Code); and (ii) such number of shares of Equity Stock (rounded up to the nearest whole share) shall be designated Shares-in-Trust and, in accordance with the provisions of Section 7.8 hereof, transferred automatically and by operation of law to the Trust to be held in accordance with that Section 7.8. Such transfer to a Trust and the Designation of shares

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as Shares-in-Trust shall be effective as of the close of business on the business day prior to the date of the purported Transfer or Non-Transfer Event, as the case may be.

**7.4 Remedies for Breach.** If the Company or its designees shall at any time determine in good faith that a Transfer has taken place in violation of Section 7.2 hereof, or that an Individual intends to acquire or has attempted to acquire Beneficial Ownership of any shares of Equity Stock in violation of Section 7.2 hereof, the Company shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or acquisition, including, but not limited to, refusing to give effect to such Transfer on the books of the Company or instituting proceedings to enjoin such Transfer or acquisition.

**7.5 Notice of Transfer.** Any Person who acquires or attempts to acquire shares of Equity Stock in violation of Section 7.2 hereof, or any Person who owned shares of Equity Stock that were transferred to the Trust pursuant to the provisions of Section 7.3 hereof, shall immediately give written notice to the Company of such event and shall provide to the Company such other information as the Company may request in order to determine the effect, if any, of such Transfer or the Non-Transfer Event, as the case may be, on the Company's status as a REIT. Any other Transfer shall require written notification within thirty days after such Transfer.

**7.6 Owners Required to Provide Information.** From the date of the issuance of the Preferred Stock and prior to the Restriction Termination Date:

(a) Every shareholder of record owning one-half of one percent or more of the outstanding Equity Stock shall, within a reasonable period following a written request from the Company, give written notice to the Company stating the name and address of such record owner, the actual owners of such Equity Stock, and such information regarding the Beneficial Owners of such Equity Stock as the Company shall request in order to determine the effect, if any, of such Beneficial Ownership on the Company's status as a REIT and to ensure compliance with the Ownership Limit.

(b) Each Individual that Beneficially Owns Equity Stock and each Person (including the shareholder of record) through whom an Individual Beneficially Owns Equity Stock shall provide the Company such information as the Company may request in order to determine the Company's status as a REIT, to ensure compliance with the Ownership Limit, and to determine whether the Company is a pension-held REIT within the meaning of Section 856(h)(3)(D) of the Code.

**7.7 Exception.** The restrictions on ownership and transfers set forth in Sections 7.2(a), 7.2(b), and 7.3(a) hereof shall not apply to the acquisition of shares of Equity Stock of the Company by an underwriter in a public offering of those shares or in any transaction involving the issuance of shares of Equity Stock by the Company in which the Board of Directors determines that the underwriter or other Person initially acquiring those shares will timely distribute those shares to or among others so that, following such distribution, the ownership of those shares will not be in violation of

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Section 7.2 hereof. The Board of Directors, in the exercise of its sole and absolute discretion, may exempt from the operation of this Article 7 certain specified shares of Equity Stock which are Beneficially Owned by any Person which it deems appropriate. The Board of Directors, in the exercise of its sole and absolute discretion, may also exempt from the operation of Sections 7.2(a), 7.2(b), and 7.3(a) hereof certain specified shares of Equity Stock of the Company proposed to be transferred to, and/or Beneficially Owned by, a Person who has provided the Board of Directors with such evidence, undertakings and assurances as the Board of Directors may require that such Transfer to, and/or Beneficial Ownership by, such Person of the specified shares will not prevent the continued qualification of the Company as a REIT under the Code and the regulations thereunder. The Board of Directors may, but shall not be required to, condition the grant of any such exemption upon the obtaining of an opinion of counsel, a ruling from the Internal Revenue Service, or such other assurances as the Board of Directors may deem to be satisfactory.

#### **7.8 Shares-in-Trust.**

(a) Trust. Any shares of Equity Stock transferred to a Trust and designated Shares-in-Trust pursuant to Section 7.3 of this Article 7 shall be held for the exclusive benefit of the Beneficiary. The Company shall name a beneficiary of each Trust within five (5) days after discovery of the existence thereof. Any transfer to a Trust, and subsequent designation of shares of Equity Stock as Shares-in-Trust, pursuant to Section 7.3 of this Article 7 shall be effective as of the close of business on the business day prior to the date of the Transfer or Non-Transfer Event that results in the transfer to the Trust. Shares-in-Trust shall remain issued and outstanding shares of Equity Stock of the Company and shall be entitled to the same rights and privileges on identical terms and conditions as are all other issued and outstanding shares of Equity Stock of the same class and series. When transferred to the Permitted Transferee in accordance with the provisions of Section 7.8(e) of this Article 7, such Shares-in-Trust shall cease to be designated as Shares-in-Trust.

(b) Dividend Rights. The Trustee, as record holder of Shares-in-Trust, shall be entitled to receive all dividends and distributions as may be declared by the Board of Directors of the Company on such shares of Equity Stock and shall hold such dividends or distributions in trust for the benefit of the Beneficiary. The Prohibited Owner with respect to Shares-in-Trust shall repay to the Trustee the amount of any dividends or distributions received by it that (i) are attributable to any shares of Equity Stock designated Shares-in-Trust and (ii) the record date of which is on or after the date that such shares became Shares-in-Trust. The Company shall take all measures that it determines reasonably necessary to recover the amount of any such dividend or distribution paid to a Prohibited Owner, including, if necessary, withholding any portion of future dividends or distributions payable on shares of Equity Stock Beneficially Owned by the Individual who, but for the provisions of Section 7.3 hereof, would Beneficially Own the Shares-in-Trust; and, as soon as reasonably practicable following the Company's receipt or withholding thereof, shall pay over to the Trustee for the benefit of the Beneficiary the dividends so received or withheld, as the case may be.

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(c) Rights Upon Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of, or any distribution of the assets of, the Company, each Trustee of Shares-in-Trust shall be entitled to receive, ratably with each other holder of Equity Stock of the same class or series, that portion of the assets of the Company that is available for distribution to the holders of such class and series of Equity Stock. The Trustee shall distribute to the Prohibited Owner the amounts received upon such liquidation, dissolution, or winding up, or distribution; provided, however, that the Prohibited Owner shall not be entitled to receive amounts pursuant to this Section 7.8(c) in excess of, in the case of a purported Transfer in which the Prohibited Owner gave value for shares of Equity Stock and which Transfer resulted in the transfer of the shares to the Trust, the price per share, if any, such Prohibited Owner paid for the Equity Stock and, in the case of a Non-Transfer Event or Transfer in which the Prohibited Owner did not give value for such shares (e.g., if the shares were received through a gift or devise) and which Non-Transfer Event or Transfer, as the case may be, resulted in the transfer of shares to the Trust, the price per share equal to the Market Price on the date of such Non-Transfer Event or Transfer. Any remaining amount in such Trust shall be distributed to the Beneficiary.

(d) Voting Rights. The Trustee shall be entitled to exercise all voting rights with respect to all Shares-in-Trust. Any vote by a Prohibited Owner as a holder of shares of Equity Stock prior to the discovery by the Company that the shares of Equity Stock are Shares-in-Trust shall, subject to applicable law and only to the extent that no Person other than the Company and/or the Prohibited Owner is materially and adversely affected, be rescinded and shall be void ab initio with respect to such Shares-in-Trust and the Prohibited Owner shall be deemed to have given, as of the close of business on the business day prior to the date of the purported Transfer or Non-Transfer Event that results in the transfer to the Trust of the shares of Equity Stock under Section 7.3 hereof, an irrevocable proxy to the Trustee to vote the Shares-in-Trust in the manner in which the Trustee, in its sole and absolute discretion, desires.

(e) Designation of Permitted Transferee. Subject to Section 7.8(g), the Trustee shall have the exclusive and absolute right to designate a Permitted Transferee of any and all Shares-in-Trust. Subject to Section 7.8(g), as soon as reasonably practicable, in an orderly fashion so as not to materially adversely affect the Market Price of the Shares-in-Trust, the Trustee shall designate any Person as Permitted Transferee, provided, however, that (i) the Permitted Transferee so designated purchases for valuable consideration (whether in a public or private sale) the Shares-in-Trust and (ii) the Permitted Transferee so designated may acquire such Shares-in-Trust without such acquisition resulting in a transfer to a Trust and the redesignation of such shares of the Equity Stock so acquired as Shares-in-Trust under Section 7.3 hereof. Subject to Section 7.8(g), upon the designation by the Trustee of a Permitted Transferee in accordance with the provisions of this paragraph, the Trustee of a Trust shall (i) cause to be transferred to the Permitted Transferee that number of Shares-in-Trust acquired by the Permitted Transferee; (ii) cause to be recorded on the books of the Company that the Permitted Transferee is the holder of record of such number of shares of Equity Stock; and (iii)

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distribute to the Beneficiary any and all amounts held with respect to the Shares-in-Trust after making that payment to the Prohibited Owner pursuant to Section 7.8(f) hereof.

(f) Compensation to Record Holder of Shares of Equity Stock that Become Shares-in-Trust. Any Prohibited Owner shall be entitled (following discovery of the Shares-in-Trust and subsequent designation of the Permitted Transferee in accordance with Section 7.8 hereof) to receive from the Trustee the lesser of (i) in the case of (a) a purported Transfer in which the Prohibited Owner gave value for shares of Equity Stock and which Transfer resulted in the transfer of the shares to the Trust, the price per share, if any, such Prohibited Owner paid for the Equity Stock, or (b) a Non-Transfer Event or Transfer in which the Prohibited Owner did not give value for such shares (e.g., if the shares were received through a gift or devise) and which Non-Transfer Event or Transfer, as the case may be, resulted in the transfer of the shares to the Trust, the price per share equal to the Market Price on the date of such Non-Transfer Event or Transfer, and (ii) the price per share received by the Trustee of the Trust from the sale or other disposition of such Shares-in-Trust in accordance with Section 7.8(e) hereof. Any amounts received by the Trustee in respect of such Shares-in-Trust in excess of such amounts to be paid the Prohibited Owner pursuant to this Section 7.8(f) hereof shall be distributed to the Beneficiary in accordance with the provisions of Section 7.8(e) hereof. Each Beneficiary and Prohibited Owner waives any and all claims that they may have against the Trustee and the Company arising out of the disposition of Shares-in-Trust, except for claims arising out of the gross negligence or willful misconduct of, or any failure to make payments in accordance with this Section 7.8 by, such Trustee or the Company.

(g) Company Purchase Right in Shares-in-Trust. Shares-in-Trust shall be deemed to have been offered for sale to the Company, or its designee, at a price per share equal to the lesser of (i) the price per share in the transaction that created such Shares-in-Trust (or, in the case of devise, gift or Non-Transfer Event, the Market Price at the time of such devise, gift or Non-Transfer Event) and (ii) the Market Price on the date the Company, or its designee, accepts such offer. The Company shall have the right to accept such offer until the Trustee has sold the Shares-in-Trust pursuant to Section 7.8(e). Upon such a sale to the Company, the interest of the Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner.

**7.9 Remedies Not Limited.** Nothing contained in this Article 7 shall limit the authority of the Company to take such other action as it deems necessary or advisable to protect the Company and the interests of its shareholders by preservation of the Company's status as a REIT and to ensure compliance with the Ownership Limit.

**7.10 Ambiguity.** In the case of an ambiguity in the application of any of the provisions of this Article 7, including any definition contained in Section 7.1, the Board of Directors shall have the power to determine, in good faith, the application of the provisions of this Article 7 with respect to any situation, based on the facts known to it.

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**7.11 Legend.** Each certificate for Equity Stock shall bear the following legend:

"The shares of [Common/Preferred] Stock represented by this certificate are subject to restrictions on transfer for the purpose of the Company's maintenance of its status as a real estate investment trust (a REIT) under the Internal Revenue Code of 1986, as amended (the Code). No individual may at any time (1) Beneficially Own shares of all classes of Equity Stock in excess of 9.8% of the total value of all classes of Equity Stock outstanding as of such time; or (2) Beneficially Own Equity Stock that would result in the Corporation being closely held under Section 856(h) of the Code or otherwise failing to qualify as a REIT. Any individual who attempts to Beneficially Own shares of Equity Stock in excess of the above limitations must immediately notify the Company in writing. If the restrictions above are violated, the shares of Equity Stock represented hereby will be transferred automatically and by operation of law to a Trust and shall be designated Shares-in-Trust. Any transfer that would result in the Equity Stock of the Company being owned by fewer than 100 Persons (determined without reference to any constructive ownership rules) shall be void ab initio in its entirety. All capitalized terms in this legend have the meanings defined in the Company's Articles of Incorporation, as the same may be amended from time to time, a copy of which, including the restrictions on transfer, will be sent without charge to each shareholder who so requests.

**7.12 Severability.** If any provision of this Article 7 or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.

**7.13 Enforcement.** The Company is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Article 7.

**EIGHTH: Board of Directors.** The business and affairs of the Company shall be managed by or under the direction of the Board of Directors. The number of Directors of the Company initially shall be two, which number may be increased or decreased pursuant to the By-laws of the Company. The Directors need not be elected by ballot unless required by the bylaws of the Company.

**NINTH: Indemnification.** The Company shall indemnify Directors and officers of the Company to the fullest extent permitted by law.

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**TENTH: Limitation on Director Liability.** In discharging the duties of their respective positions, the Board of Directors, committees of the Board, individual Directors and individual officers may, in considering the best interest of the Company, consider the effects of any action upon employees, suppliers and customers of the Company, communities in which offices or other establishments of the Company are located, and all other pertinent factors. In addition, the personal liability of Directors shall further be limited or eliminated to the fullest extent permitted by Florida law, as in effect from time to time.

**ELEVENTH: General.** Meetings of the stockholders shall be held in such place as shall be designated by the Board of Directors or in the Bylaws of the Company. The books of the Company will be kept at such place or places as may be designated from time to time by the Board of Directors or in the bylaws of the Company.

**TWELFTH: Additional Limitation on Powers.** Unless approved by a vote of holders of Common Stock, the Company shall have no power and may not be authorized by its stockholders or Directors to perform or fail to perform any act that would prevent or inhibit the Company from qualifying and maintaining, or cause the Company to lose its status, as a real estate investment trust under Section 856 of the Internal Revenue Code of 1986, as amended.

**THIRTEENTH: Affiliated Transactions.** The Company shall not be subject to the provisions of Florida Statutes, Section 607.0901, governing affiliated transactions between interested shareholders and the Company.

**FOURTEENTH: Control-Share Acquisitions.** The Company shall not be subject to the provisions of Florida Statutes, Section 607.0902, governing the acquisition of control shares in the Company.

**FIFTEENTH: Incorporator.** The name and mailing address of the Incorporator is Alison K. Henderson at 1650 Prudential Drive, Suite 400, Jacksonville, Florida 32207.

**SIXTEENTH: Termination of the Powers of the Incorporator.** The powers of the Incorporator shall terminate upon the election of the Directors.

**SEVENTEENTH: Amendment; Miscellaneous.** The Company reserves the right, subject to Section 6.5, to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner now or hereafter prescribed by law, and all rights conferred upon the stockholders, Directors or any other persons by and pursuant to these Articles of Incorporation, in their present form or as hereafter amended, are granted subject to this reservation. The section headings set forth herein are for convenience of reference only and shall not be used in interpreting these Articles of Incorporation.

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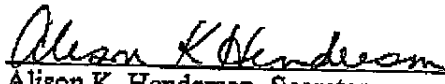
ST JOE CORP

NO. 3696 P. 16

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\* \* \*

IN WITNESS WHEREOF, for the purposes of amending and restating the Articles of Incorporation of this profit corporation under the laws of the State of Florida, the undersigned has executed these Amended and Restated Articles of Incorporation, effective as of the 18<sup>th</sup> day of July 2001.

  
Alison K. Henderson, Secretary

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ST JOE CORP

NO. 3696 P. 17

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**ACCEPTANCE OF REGISTERED AGENT**

Having been named to accept service of process for St. Joe Finance Company at the place designated in the articles of incorporation, the undersigned is familiar with and accepts the obligations of that position pursuant to Section 607.0501(3), Florida Statutes.

Date: July 18<sup>th</sup>, 2001

  
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Lawrence Paine

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