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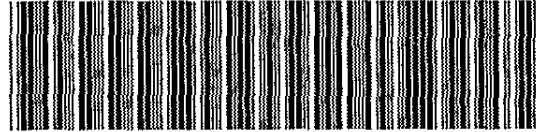
(Business Entity Name)

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VH

**Palm Castle Resort, Inc.**  
1425 Langham Terrace  
Heathrow, FL 32746

**VIA FIRST-CLASS MAIL**

August 1, 2006

Department of State  
Division of Corporations  
Corporate Filings  
P.O. Box 6327  
Tallahassee, FL 32314

Re: *Articles of Incorporation*

Dear Sir/Madam:

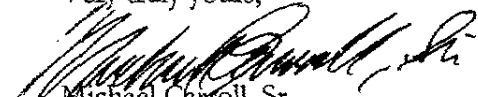
Please find enclosed the following items:

1. Articles of Incorporation for Palm Castle Resort, Inc.;
2. Filing Fee in the amount of \$78.75 representing \$35.00 for filing, \$35.00 for designation of Resident Agent, and \$8.75 for Certified Copy of Articles.
3. A self-addressed, stamped envelope for return of certified copy.

Please forward the certified copy of the Articles for the Corporation in the self-addressed, stamped envelope once filing is completed.

Thank you for your kindly assistance in this matter. \_

Very truly yours,

  
Michael Carroll, Sr.  
President, Palm Castle Resort, Inc.

MCS

w/encl.

**ARTICLES OF INCORPORATION**

**FOR**

**PALM CASTLE RESORT, INC.  
(A Stock Corporation)**

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Under the Laws of the State of Florida

The undersigned, being a natural person of at least eighteen (18) years of age and acting for the purposes of forming a corporation under the Laws of the State of Florida, hereby Certifies as follows:

- FIRST:** The name of the corporation is **PALM CASTLE RESORT, INC.**
- SECOND:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the Laws of the State of Florida.
- THIRD:** The principal office of the corporation is located at 1425 Langham Terrace, Heathrow, Florida 32746.
- FOURTH:**
- 4.1 The authorized shares of stock of the corporation shall be one class of common shares. The shares the corporation is authorized to issue shall consist of 25,000,000 shares of common stock with a par value of .001 per share.
- 4.2 In addition to any requirements imposed by Florida Corporation Law, and except as otherwise provided in these Articles of Incorporation, any action which requires the vote of the shareholders of the corporation and any other action on which the shareholders of the corporation may vote must be authorized by the voters of 51% of the outstanding Common Share Holders.
- 4.3 The Common Share Holders shall be entitled to elect the directors of the corporation, and the number of directors of the corporation shall be three (3), which number may be increased or decreased pursuant to the bylaws of the corporation, and so long as there are less than three (3) stockholders, the number of directors may be less than three (3) but not less than the number of stockholder, and the name(s) of the directors(s) who shall act until the first meeting or until the first meeting or until their successors are duly chosen and qualified is/are: Michael Carroll, Sr. and Michael Carroll, Jr.
- 4.4 The Bylaws of the corporation may contain additional provisions with respect to the shareholders and directors of the corporation not inconsistent with this Article FOURTH.

**FIFTH: Restrictions on Transfers of Shares:**

- 5.1 As used in this Article FIFTH, the term "shareholder" means any individual, corporation, partnership, joint venture, trust, estate or other entity, or any executor, administrator, trustee, receiver or other legal representative owning or holding stock in the corporation or having any rights to any stock in the corporation, including, without limitation, a pledgee or person having a security interest.
- 5.2 Except as hereinafter provided, no shareholder may sell, assign, transfer, pledge, encumber, grant any right to acquire or in any other manner dispose of all or any portion of the stock of the corporation which it owns and any such sale, assignment, transfer, pledge, encumbrance, grant or other disposition which is not in accordance with the provisions of this Article, including any attempt thereat, shall be null and void.
- 5.3 **Permitted and Restricted Transfers:** No stock of the corporation shall be sold or otherwise transferred by any shareholder for a period of two (2) years from acquisition of those shares as further reflected in the books of the Corporation. Further, no stock of the corporation shall be sold or otherwise transferred after the two (2) year period described above unless all governmental requirements, if any, have been satisfied and then only: (a) to the corporation or to the executor or administrator of the estate of a deceased shareholder or to a trustee, receiver, debtor in possession or other representative appointed under any bankruptcy or insolvency law, or (b) as permitted under article 5.9, or (c.) upon the occurrence of any of the following events (hereinafter any one of such events called an "Event"), and upon occurrence of an Event, such sale or transfer shall be made only as provided in this Article FIFTH:
- (i.) Receipt by a shareholder of a *bona fide* offer in writing to purchase for cash payable within the period specified in Article 5.5(d)(i) all or any portion of such shareholder's stock in the corporation from a person to whom such shareholder desires to sell its stock ("Bona Fide Offer"), or
  - (ii.) Proposed transfer upon the dissolution, liquidation or death of a shareholder, or
  - (iii.) Any change, either in a single transaction or in two or more transactions occurring simultaneously or from time to time, in the control of a shareholder or in the control of any entity

which either directly or indirectly through one or more entities controls a shareholder.

- (iv.) In the event any shareholder ceases to be a citizen or resident alien of the United States, then ownership of such shareholder's shares must be transferred to a designated agent appointed by the shareholder. Said agent must be a U.S. citizen and the shares transferred will be governed by the terms of these Articles. Furthermore, said transfer does not relieve the affected shareholder of any duties or responsibilities as herein stated. If such ownership transfer does not take place prior to the shareholder losing U.S. citizenship or resident alien status, then the shares of the affected shareholder will automatically revert back to Palm Castle Resort, Inc. effective 2 minutes prior to said shareholder losing U.S. citizenship or resident alien status.

For purposes of item (iii.) above, control means the ability, either directly or through one or more entities, to control or determine the management of an entity (which term includes a shareholder), whether by election of those members who can determine the decisions of the board of directors or other governing body or by contract or any other means: and after a change in control under item (iii.) Above occurs (a "Prior Change"), another change in control shall not occur until there is a change in control within the meaning of item (iii.) above with respect to the persons in control immediately after the Prior Change. Also for purposes of (iii.) above, a transaction includes, without limitation, a merger, consolidation or reorganization.

- 5.4 (a) Upon the occurrence of an Event, the shareholder proposing to make the transfer or the shareholder with respect to which a change in control has occurred under Article 5.3(iii) above (the "Transferor") shall give notice of the Event to the corporation and to each other shareholder ("Notice"). Notice of a Bona Fide Offer shall be accompanied by a true copy of the Offer and the name and address of the offeror, and notice of any other Event shall contain, as the case may be, the names and addresses of the proposed transferees and a full description of the terms of the proposed transfer or the names and addresses of the new persons in control. Each Notice shall also contain the address of the Transferor. Notice shall not be deemed to be given unless it contains all the information required by this Article 5.4(a).
- (b) Upon the occurrence of an Event, the corporation and each other shareholder shall have the option, exercisable as provided in Article 5.5, to purchase, as the case may be, (i) all of the stock subject to the Bona Fide

Offer, or (ii) all of the stock of the corporation owned by the Transferor, *provided, however*, that in the case of the distribution of stock by a shareholder that is a corporation or partnership, there shall be no option to purchase any stock of the corporation which, upon such distribution, will pass (and such stock may so pass) to any person that (A) has owned stock or been a partner in such shareholder without interruption from December 31, 2006 until such distribution, or (B) has owned stock or been a partner in such shareholder without interruption from the date of a change in control of such shareholder under Article 5.3(iii) until such distribution. Any person to which stock of the corporation may pass pursuant to the *proviso* clause of the preceding sentence shall be deemed to be a shareholder (as defined in Article 5.1) and shall have, on the same terms as the other shareholders, an option based on such stock (which for purposes of Article 5.5(b) shall be deemed to be owned at the time of the distribution), to purchase any stock which becomes subject to options as a result of such distribution. As used in this Article 5.4(b), the term "person" means any individual, corporation, partnership, joint venture, trust, estate or other entity.

5.5 (a) The corporation and each shareholder shall have a period of 60 days after receipt of Notice to exercise its option. Options shall be exercised by giving notice of exercise to the Transferor. If the corporation and one or more shareholders exercise options, all of the shares subject to the options will be purchased by the corporation. If the corporation does not exercise its option and one or more holders of one Class and one or more holders of another Class of stock exercise options, then the shares subject to the options will be purchased only by those exercising options who are holders of shares of the Class of the shares to be purchased. Any option exercisable under this Article FIFTH shall be exercised only as to all shares subject thereto and not as to a portion of such shares.

(b) If two or more shareholders owning shares of the Class of shares to be purchased exercise options pursuant to the provisions of this Article 5.5, then each such shareholder shall be deemed to have exercised its option to purchase that number of shares bearing the same ratio to the number of shares subject to its option as the number of shares of the Class of stock subject to the option owned at the time of the Event by such shareholder bears to the total number of shares of that Class owned at such time by all shareholders of that Class exercising options. If two or more shareholders who do not own shares of the Class of shares to be purchased exercise options pursuant to the provisions of this Article 5.5, then each such shareholder shall be deemed to have exercised its option to purchase that number of shares bearing the same ratio to the number of shares subject to its option as the number of shares of stock of the corporation owned at the time of the Event by such shareholder bears to the total number of shares of stock of the corporation owned at such time by

all shareholders exercising options who do not own shares of that Class.

**Determination of Price**

(c.) The price to be paid for each share of stock purchased pursuant to the provisions of this Article 5.5 shall be the price per share under the *Bona Fide* Offer, or, in the case of any other Event, the book value of each such share at the end of the corporation's last fiscal year prior to the occurrence of such Event. Book value shall be determined by the corporation's independent auditors in accordance with generally accepted accounting principles consistently applied, and the determination of such auditors shall be final, binding and conclusive on all parties. To determine the book value of each share of the corporation's stock, the corporation's assets shall be valued at their fair market value at the end of such fiscal year. The assets and liabilities of the corporation shall include contracts of the corporation in existence at the time of the occurrence of the Event provided they are also in existence at the end of such fiscal year, and each such contract shall be valued at the end of such fiscal year. Such fair market value and the value of any contract shall be determined by the corporation's independent auditors or by an appraiser or appraisers appointed by such auditors, and the determination of such auditors, appraiser or appraisers shall be final, binding and conclusive on all parties. If a valuation is required under this Article FIFTH and if the corporation does not have independent auditors, it shall appoint them. The corporation shall pay the cost of any such valuation.

(d) With respect to shares as to which options are not exercised under this Article 5.5, then (i) if the Event was a *Bona Fide* Offer, the Transferor may sell the shares which are the subject of the Offer in accordance with that Offer not later than 60 days after the expiration of the 60-day period specified in Article 5.5(a) for the corporation to exercise its option, and (ii) in the case of any other Event, the shares subject to options under this Article FIFTH may be transferred as set forth in the Notice or retained by the Transferor, as the case may be.

5.6 **Non-Assignability of Rights:** None of the options created pursuant to the provisions of this Article FIFTH may be assigned and any assignment of any such option or any attempt thereat shall be null and void.

5.7 **Payment:** The purchaser shall make full payment for any shares which it purchases pursuant to the provisions of Article 5.5 not later than ninety (90) days after the date on which it exercises its option, but, if the purchase price is determined other than by the price per share under a *Bona Fide* Offer, then such payment shall be made not later than the later of (i) the end of the aforesaid three-month period, or (ii) thirty (30) days after the corporation

notifies the purchaser of the purchase price. Such payment shall be without interest.

- 5.8 **Rights Until Transfer:** Any shares of stock purchased pursuant to the provisions of Article 5.5 shall be duly endorsed and surrendered to the purchaser on the date full payment for the shares is made. Prior to said date, the seller of any shares purchased pursuant to this Article FIFTH shall be entitled to all rights of a record owner of such shares except that any option arising with respect to such shares shall accrue to and be exercisable only by the purchaser. Thereafter, the rights of the seller with respect to such shares shall terminate and such rights shall vest in the purchaser.
- 5.9 **Permission Required for Other Transfers:** If a shareholder wishes to transfer any of its stock other than upon the occurrence of an Event or other than as permitted under Article 5.3, such transfer may be made *but only if* (A) it is on such terms that if any of the shares of stock involved are acquired upon the exercise of an option under this Article FIFTH, they will be acquired free from any encumbrance, claim or other right, and (B) it is authorized by the vote of the holders (excluding the transferor) of 51% of all of the outstanding shares of stock of the corporation (excluding those shares owned by the transferor). For purposes of this Article 5.9, transfer includes, without limitation, any sale, assignment, pledge, encumbrance, grant of right or other disposition.
- 5.10 **Legend on Stock Certificates:** All certificates representing shares of the corporation shall bear conspicuously on their front a legend.
- The shares of stock represented by this certificate are subject to provisions restricting their transfer contained in the corporation's Certificate of Incorporation, a copy of which may be obtained at the office of the corporation.
- 5.11 **Registration of Transfers:** No shares of stock shall be transferred on the books of the corporation unless the provisions of this Article FIFTH are satisfied.
- 5.12 **Shareholder List:** The corporation will provide a shareholder upon request with the names and addresses of the other shareholders according to the corporation's records.
- 5.13 **Amendment of Article Fifth:** In addition to any other requirements imposed by the Florida Corporation Law, any amendment to or repeal of this Article FIFTH must be authorized by the vote of the holders of 51% of the outstanding common shares.



- SIXTH:** The holders of 51% of the common shares may require the dissolution of the corporation at will. The foregoing provision shall be noted conspicuously on the front and back of all certificates representing shares of the corporation.
- SEVENTH:** **Resident Agent:** The name of the resident agent of the corporation in Florida is: Michael Carroll, Sr., whose address is 1425 Langham Terrace, Heathrow, Florida 32746.
- EIGHTH:** **Limitation of Liability:** To the maximum extent permitted by law, any director or the corporation will not have personal liability to the corporation or to any of its stockholders for monetary damages for breach of fiduciary duty as a director of the corporation.
- NINTH:** **Indemnification:**
- (a) To the maximum extent permitted by law, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.
- (b) To the maximum extent permitted by law, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses actually and reasonably incurred by such person in connection with defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation.
- (c.) To the maximum extent permitted by law, expenses (including attorneys'

fees) incurred by any officer or director in defending any civil, criminal, administrative, or investigative action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of any undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such director or officer is not entitled to be indemnified by the corporation. The board of directors may authorize a similar arrangement for other persons.

IN WITNESS WHEREOF, I have signed these Articles and acknowledge the same to be my act .



Michael Carroll, Sr.  
1425 Langham Terrace  
Heathrow, Florida 32746.

I HEREBY CONSENT to my designation in this document as resident agent for the corporation.



Michael Carroll, Sr.

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