

Fax Audit No. H040002543073

**ARTICLES OF INCORPORATION  
OF  
SHALLOW REED PROPERTY  
OWNERS ASSOCIATION, INC.  
(a corporation not-for-profit)**

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DK DC, Rebecca L. Norris, GULF County B:365 P:61

**I. NAME AND DEFINITIONS.**

The name of this corporation shall be Shallow Reed Property Owners Association, Inc. All defined terms contained in these Articles shall have the same meanings as such terms are defined by the Declaration of Covenants and Restrictions for Shallow Reed to be recorded in the Public Records of Gulf County, Florida (the "Declaration").

**II. PRINCIPAL OFFICE AND MAILING ADDRESS.**

The location of the corporation's principal office and its mailing address shall be P.O. Box 280, 32457-0280, 208 Monument Avenue, Port St. Joe, FL 32456-1816, or at such other place as may be established by resolution of the Association's Board of Directors from time to time.

**III. PURPOSES.**

The general nature, objects and purposes of the Association are:

A. To promote matters of common interest and concern of the Owners of Lots within the Property subject to the terms and provision of the Declaration.

B. To own, maintain, insure, repair, and replace the Common Area, including without limitation the structures, landscaping and other improvements located thereon, for which the obligation to maintain and repair has been delegated to and accepted by the Association.

C. To operate, maintain and manage the Surface Water or Stormwater Management System in a manner consistent with the applicable dredge and fill, consumptive use and surface water

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permits, and any other applicable permits issued by the United States Army Corps of Engineers (“ACOE”), the Florida Department of Environmental Protection (“FDEP”) or Gulf County, Florida, and applicable statutes, rules and regulations, and to assist in the enforcement thereof.

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D. To operate, maintain and manage the low pressure sewer system in a manner consistent with the applicable permits issued by FDEP or Gulf County, Florida, and applicable statutes, rules and regulations, and to assist in the enforcement thereof.

E. To cooperate with other associations responsible for administration of adjacent or contiguous properties in matters of common interest to the Association and such other associations and to contribute to such common maintenance interests whether within or without the Property.

F. To provide, purchase, acquire, replace, improve, maintain, operate and repair such buildings, structures, landscaping, equipment, and to provide such other services for the benefit of the members of the Association, as the Board of Directors in its discretion determines necessary, appropriate, and/or convenient.

G. To operate without profit for the sole and exclusive benefit of its Members.

H. To perform all of the functions contemplated for the Association and undertaken by the Board of Directors pursuant to the terms and conditions of the Declaration.

IV. **GENERAL POWERS.**

The general powers that the Association shall have are as follows:

A. To hold funds solely and exclusively for the benefit of the Members for purposes set forth in these Articles of Incorporation.

B. To promulgate and enforce rules, regulations, bylaws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized.

C. To delegate power or powers where such is deemed in the interest of the Association.

D. To purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of real or personal property, to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation or association; to do any and all acts necessary or expedient for carrying on any and all of the activities and pursuing any and all of the objects and purposes set forth in the Declaration and these Articles of Incorporation and not forbidden by the laws of the State of Florida.

E. To fix assessments to be levied against all or any portion of the Property to defray expenses and costs of effectuating the objects and purposes of the Association and to create

reasonable reserves for such expenditures, and to authorize its Board of Directors to enter into agreements with other property owner's associations or maintenance entities for the collection of such assessments.

F. To charge recipients for services rendered by the Association and the users of the Association property where such is deemed appropriate by the Board of Directors of the Association and permitted by the Declaration.

G. To pay taxes and other charges, if any, on or against property owned, accepted, or maintained by the Association.

H. To borrow money and, from time to time, to make, accept, endorse, execute and issue debentures, promissory notes or other obligations of the Association for monies borrowed, or in payment for property acquired, or for any of the other purposes of the Association, and to secure the payment of such obligations by mortgage, pledge, or other instrument of trust, or by lien upon, assignment of or agreement in regard to all or any part of the property rights or privileges of the Association wherever situated.

I. To merge with any other association which may perform similar functions located within the same general vicinity of the Property.

J. To obtain adequate insurance on all insurable assets of the Association.

K. In general, to have all powers conferred upon a corporation by the laws of the State of Florida, except as prohibited herein and by the terms and conditions set forth in the Declaration.

V. **MEMBERS.**

The members ("Members") shall consist of the Owners and the Developer, as long as it owns any property subject to the terms of the Declaration.

VI. **VOTING AND ASSESSMENTS.**

Members voting rights and the Association's assessment powers shall be as set forth in the Declaration.

VII. **BOARD OF DIRECTORS.**

A. The affairs of the Association shall be managed by a Board of Directors consisting of five (5) Directors. Directors appointed by the Developer need not be Members of the Association and need not be residents of the State of Florida. The Developer shall initially appoint all of the Members of the Board. Members other than the Developer shall be entitled to elect a majority of

the Directors upon the events described by law. The Developer shall be entitled to appoint at least one (1) Director so long as it holds for sale at least five percent (5%) of the parcels of Shallow Reed.

B. Elections shall be by plurality vote. At the first annual election of the Board of Directors, the terms of office of two (2) Directors shall be established at one (1) year, and the terms of office of three (3) Directors shall be established at two (2) years. Thereafter, as many Directors shall be elected and appointed, as the case may be, as there are regular terms of office of Directors expiring at such time; and the term of each Director so elected or appointed at each annual election shall be for two (2) years expiring at the second annual election following their election, and thereafter until their successors are duly elected and qualified, or until removed from office with or without cause by the affirmative vote of a majority of the Members which elected or appointed them. In no event can a Board member appointed by the Developer be removed except by action of the Developer. Any Director appointed by the Developer shall serve at the pleasure of the Developer, and may be removed from office, and a successor Director may be appointed, at any time by the Developer.

C. The names of the members of the first Board of Directors who shall hold office until the first annual meeting of the Members and until their successors are elected or appointed and have qualified, are as follows:

- David Warriner
- Ronald Pickett
- David Brown
- Larry Carroll
- Mike Tucker

all having an address of 208 Monument Avenue, Port St. Joe, Florida, 32456-1816.

VIII. **OFFICERS.**

A. The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create. Any two (2) or more offices, may be held by the same person except the offices of President and Secretary. Officers shall be elected for one (1) year terms in accordance with the procedure set forth in the Bylaws.

IX. **CORPORATE EXISTENCE.**

The Association shall have perpetual existence. These Articles shall become effective upon filing as prescribed by law.

X. **BYLAWS.**

The Board of Directors shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended, or repealed by resolution of the Board of Directors.

XI. AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS.

These Articles may be altered, amended or repealed upon the affirmative vote of Members holding a majority of the total votes allocated to the Members pursuant to these Articles.

XII. INCORPORATOR.

The name and address of the Incorporator is as follows:

Brian D. Leebrick, Esq.  
Barron, Redding, Hughes, Fite,  
Fensom, Sanborn & Kiehn, P.A.  
220 McKenzie Avenue  
Panama City, FL 32401

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**XIII. INDEMNIFICATION OF OFFICERS AND DIRECTORS.**

A. To the extent allowed by law, the Association hereby indemnifies any Director, officer or committee member made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

1. Whether civil, criminal, administrative, or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person in his capacity as a Director or officer of the Association or as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal thereof, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable grounds for belief that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interest of the Association or that he had reasonable grounds for belief that such action was unlawful.

2. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein if such person acted in good faith in the reasonable belief that such action was in the best interest of the Association. Such person shall not be entitled to indemnification in relation to matters to which such person has been adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the Association unless, and only to the extent that, the court, administrative agency, or investigative body before which such action, suit or proceeding is held shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

B. The Board of Directors shall determine whether amounts for which a Director or officer seek indemnification were properly incurred and whether such Director or officer acted in good faith in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a

