

EXHIBIT "C" TO DECLARATION
ARTICLES OF INCORPORATION

OF

PORT ROYAL OWNERS ASSOCIATION, INC.

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of PORT ROYAL OWNERS ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on April 11, 1983.

The charter number for this corporation is 767884.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
12th day of April, 1983.



CER-101

George Firestone
Secretary of State

FILED

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION
OF
PORT ROYAL OWNERS ASSOCIATION, INC.

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE I

NAME

The name of the corporation shall be PORT ROYAL OWNERS ASSOCIATION, INC., and for convenience, the corporation shall be referred to in this instrument as the Association.

ARTICLE II

PURPOSE

II.1. The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes, for the operation of Port Royal, a Condominium, to be located at the foot of South Baylen Street, Pensacola, Florida.

II.2. The Association shall make no distributions of income to its members, directors or officers.

ARTICLE III

POWERS

The powers of the Association shall include and be governed by the following provisions:

III.1. The Association shall have all of the common law and statutory powers of a Florida corporation not for profit which are not in conflict with the terms of these Articles or the Florida Condominium Act as it exists at the time of incorporation.

III.2. The Association shall have all of the powers and duties set forth in the Condominium Act, and all of the powers and duties set forth in the Condominium Act, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration as presently drafted and as it may be amended from time to time, including but not limited to the following:

a. To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the condominium.

b. To use the proceeds of assessments in the exercising of its powers and duties.

c. To maintain, repair, replace and operate the condominium property.

d. To purchase insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

e. To reconstruct improvements after casualty and the further improvement of the property.

f. To make and amend reasonable regulations respecting the use of the property in the condominium.

g. To approve or disapprove the transfer, mortgage and ownership of units as provided by the Declaration of Condominium and the By-Laws of the Association.

h. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium for Port Royal, a Condominium, the Articles, the By-Laws of the Association and the rules and regulations for use of the property in the Condominium.

i. To contract for the management and maintenance of the condominium and to authorize the management agent to assist the Association in carrying out its powers and duties by performing such functions as the collection of assessments, preparation of records, enforcement of rules, and maintenance of the common elements. The Association shall, however, retain at all times the powers and duties granted it by the Condominium Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

j. To contract for the management or operation of portions of the common elements susceptible to separate management or operation and to lease such options.

k. To employ personnel to perform the services required for proper operation of the condominium.

III.3. The Association shall have the power to purchase a unit or units in the condominium and to hold, lease, mortgage and convey the same.

III.4. All funds and the titles to all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of Florida law, the Declaration of Condominium, these Articles of Incorporation, and the By-Laws.

ARTICLE IV

MEMBERS

IV.1. The members of the Association shall consist of all of the record owners of units in Port Royal, a Condominium, as it may exist from time to time, and in the event of termination of the condominium, shall consist of those who are members at the time of such termination and their successors and assigns.

IV.2. After receiving approval of the Association as required by the Declaration of Condominium, change of membership in the Association shall be established by recording in the public records of Escambia County, Florida, a deed or other instrument establishing a record title to a unit in Port Royal, a Condominium, and the delivery of a certified copy of such instrument to the Association. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

IV.3. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

IV.4. The owner of each unit shall be entitled to one vote as a member of the association. The manner of exercising voting rights shall be determined by the By-Laws of the Association, consistent with Florida law.

ARTICLE V

DIRECTORS

V.1. The affairs of the Association will be managed by a board consisting of the number of directors fixed in the By-Laws, but not less than three (3) directors. Directors need not be members of the Association.

V.2. The directors of the Association shall be elected at the annual meeting of the members in the manner specified in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in the By-Laws.

V.3. The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified or, until removed, are as follows:

F. E. Booker
201 North Sunset Blvd.
Gulf Breeze, Florida 32561

James D. Cronley
140 Lurton Street
Pensacola, Florida 32504

Dorothy C. Booker
201 North Sunset Blvd.
Gulf Breeze, Florida 32561

ARTICLE VI

OFFICERS

The affairs of the Association shall be administered by a President, one or more Vice Presidents, a Secretary, and a Treasurer. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, and they shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who will serve until their successors are designated by the Board of Directors are as follows:

President and Treasurer:

JAMES D. CRONLEY
140 Lurton Street
Pensacola, Florida 32504

Vice President
and Secretary:

F. E. BOOKER
201 North Sunset Blvd.
Gulf Breeze, Florida 32561

ARTICLE VII

INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty or willful misfeasance in the performance of his duties; provided that, in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE VIII

BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded by the Board of Directors or the membership in the manner provided by the By-Laws.

ARTICLE IX

AMENDMENTS

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

IX.1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

IX.2. A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting to consider the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting. Except as hereinafter provided, approval in writing, provided such approval is delivered to the secretary at or prior to the meeting. Except as hereinafter provided, approval of the proposed amendment must be either by:

a. Not less than sixty percent (60%) of the entire membership of the Board of Directors and not less than sixty percent (60%) of all members of the Association; or

b. not less than seventy-five percent (75%) of all of the votes of the entire membership of the Association; or

c. Until the first election of the Board of Directors, only by all of the Directors of the Association.

IX.4. No amendment shall make any changes in the qualifications or membership nor the voting rights of members nor any change in Section III.3. of Article III hereof, without approval in writing by all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

IX.5. A copy of each amendment shall be certified by the Secretary of state, State of Florida, and be recorded in the public records of Escambia County, Florida.

ARTICLE X

TERM

The term of the Association shall be perpetual.

ARTICLE XI

VOLUNTARY BINDING ARBITRATION OF DISPUTES

Pursuant to Florida Statute 718.112(4), there shall be voluntary binding arbitration of internal disputes arising from the operation of the condominium among unit owners, associations,

their agents and assigns, which shall be conducted and enforced in such manner as may be provided in said statute and in the rules promulgated pursuant thereto. The department shall promulgate rules of procedure to govern such binding arbitration hearings, and the decision of the arbitrator shall be final; however, such decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose the parties from proceeding in a trial de novo, and if such official proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence. Any party may seek enforcement of the final decision of the arbitrator in a court of competent jurisdiction.

ARTICLE XII

RESIDENT AGENT

F. E. Booker, whose address is 201 North Sunset Blvd., Gulf Breeze, Florida 32561, is hereby appointed as the initial registered agent of this Association.

ARTICLE XIII

SUBSCRIBERS

F. E. DOOKER

201 North Sunset Blvd.
Gulf Breeze, Florida 32561

JAMES D. CRONLEY

140 Lurton Street
Pensacola, Florida 32504

DOROTHY C. BOOKER

201 North Sunset Blvd.
Gulf Breeze, Florida 32561

IN WITNESS WHEREOF, the subscribers have hereunto affixed their signatures this 1st day of April, 1983.



F. E. BOOKER


JAMES D. CRONLEY


DOROTHY C. BOOKER

STATE OF FLORIDA
COUNTY OF ESCAMBIA

1st The foregoing instrument was acknowledged before me this 1st day of April, 1983, by F. E. BOOKER.


Notary Public
My commission expires: 2/25/85

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this

1st day of April, 1983, by JAMES D. CRONLEY.

M. J. Menge
Notary Public
My commission expires: 2/25/85

STATE OF FLORIDA
COUNTY OF ESCAMBIA

1st The foregoing instrument was acknowledged before me this
day of April, 1983, by DOROTHY C. BOOKER.

M. J. Menge
Notary Public
My commission expires: 2/25/85