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ARTICLES OF INCORPORATION  
OF

HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC.

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We, the undersigned, acting as incorporators of a non-profit corporation under Chapter 617 of the Florida Statutes, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I - NAME

The name of the corporation shall be HARBOR BEACH PROPERTY HOMEOWNERS ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association". "Committee", "Subdivision", "Owner", "Lot" and any other defined terms used in these Articles shall have the definitions give to those terms in the Restrictive Covenants recorded on February 17, 1942 in Deed Book 400, Page 454, of the Public Records of Broward County, Florida

ARTICLE II. INITIAL REGISTERED OFFICER AND AGENT

The initial principal office of the Association will be located at:

This office of the corporation may thereafter be at such other place as the Board of Directors of the Association may designate from time to time. The initial registered agent of the Association is JOSEPH M. BALOCCO, ESQ., 7500 N.W. 5th Street, Suite 115, Plantation, FL 33317.

ARTICLE III. PURPOSE AND POWERS OF THE ASSOCIATION

This Association is being established as a successor to the Harbor Beach Committee for Units 1, 2, 3 and 4. Said Committee was established in the above referenced Restrictive Covenants. This Association does not contemplate gain or profit to the members thereof, and the specific purposes for which it is formed are to carry out the duties and obligations of the Committee as defined in the above referenced Restrictive Covenants and for the purposes to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Restrictive Covenants applicable to the property and recorded in the Office of the Public Records of Broward County, Florida, and as the same may be amended from time to time as therein provided; said Restrictive Covenants being incorporated herein as set forth at length;
- (b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Restrictive Covenants, to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property and the Association;
- (c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for the public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) Borrow money, and with the assent of 2/3rds of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Florida by law may now or hereafter have or exercise which are not in conflict with these Articles.



(f) To make and amend reasonable rules and regulations respecting the maintenance, upkeep, and the use of the Common Area of the Property.

ARTICLE IV. - MEMBERSHIP

Every person or entity who is the record owner of a fee or undivided fee interest in any Lot which is a part of the subject Property, and subject to the terms and conditions of the Restrictive Covenants, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot which is the subject to assessment by the Association.

ARTICLE V - VOTING RIGHTS

The Association shall have one (1) class of voting membership:

Voting members shall be all Owners with the exception of the Committee, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any given Lot, all such persons shall be members and the vote for such Lot shall be exercised as they, among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any Lot owned by voting members. There shall be no cumulative voting.

ARTICLE VI - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) or more than nine (9) Directors who shall be members of the Association. Directors until the selection of their successors are:

<u>NAME:</u>	<u>ADDRESS:</u>
JIM WALKER	2451 Del Lago Drive Fort Lauderdale, FL 33316
BRUCE BARTOS	1311 W. Lake Drive Fort Lauderdale, FL 33316
JOE BALOCCO	1424 E. Lake Drive Fort Lauderdale, FL 33316
ANNABELLE McCARTHY	1600 Seabreeze Boulevard Fort Lauderdale, FL 33316
PHILL BAUMGARTNER	P.O. Box 22878 Fort Lauderdale, FL 33335
KACY JONES	1516 S. Ocean Drive Fort Lauderdale, FL 33316
W. THOMAS HARMON	2552 Mercedes Drive Fort Lauderdale, FL 33316

The Directors shall be elected by the members of the Association at the Annual Meeting of the Association. At the annual meeting in February of 1981 the 3 Director receiving the greater number of votes shall serve 3 years and the next 3 receiving the highest number of votes shall serve 2 years, and the next 3 receiving the highest number of votes shall serve 1 year. Thereafter, 3 Directors shall be elected each year for 3 year terms.



The initial Board of Directors herein designated shall serve until the first annual membership meeting. Directors may be removed in the manners provided for in the By-Laws.

#### ARTICLE VII - OFFICERS

The Association shall be administered by the Officers designated in the By-Laws. 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 shall serve at the pleasure of the members of the Board of Directors. The names and addresses of the Officers that shall serve until their successors are designated by the Board of Directors are as follows:

<u>NAME:</u>	<u>OFFICE:</u>	<u>ADDRESS:</u>
JIM WALKER	President	2451 Del Lago Drive Fort Lauderdale, FL 33316
JOE BALOCCO	Vice-President	1424 East Lake Drive Fort Lauderdale, FL 33311
W. THOMAS HARMON	Secretary/Treasurer	2552 Mercedes Drive Fort Lauderdale, FL 33311

#### ARTICLE VIII - BYLAWS

The Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the Bylaws.

#### ARTICLE IX - INDEMNIFICATION OF OFFICERS AND DIRECTORS

(a) The Association shall indemnify any Director or Officer of the Association who is made 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, by reason of the fact that he is or was a Director or Officer of the Association or is or was serving at the request of the Association as a Director, Officer, employee or agent of another corporation, association, partnership, joint venture, trust or other enterprise:

(1) Against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with an action, suit or proceeding (other than one by or in the right of the Association) if he acted in good faith, and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; and

(2) Against expenses (including reasonable attorneys' fees), actually and reasonably incurred by him in connection with the defense or settlement of an action or suit by or in the right of the Association, if he acted in good faith

(b) The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(c) No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association.

(d) Any indemnification under Section (a) (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director or Officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section (a). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to



to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or even if obtainable and a quorum of disinterested Directors so directs, by a majority of Members of the Association representing a majority of the total votes of the membership.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association from time to time as incurred rather than only after the final disposition of such action, suit or proceeding. Payment of such expenses shall be authorized by the Board of Directors in each specific case only after receipt by the Association of an undertaking by or on behalf of the Director or Officer to repay such amounts if it shall later develop that he is not entitled to be indemnified by the Association.

(f) The indemnification provided by this resolution shall not be deemed exclusive of any other rights to which the Association's Directors, Officers, employees or agents may be entitled under the Association's Bylaws, agreement, vote or members or disinterested Directors or otherwise, both as to actions in their official capacities and as to actions in other capacity while holding such office or position, and shall continue as to a person who has ceased to be a Director, Officer or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Notwithstanding the foregoing provisions, indemnification provided under this resolution shall not include indemnification for any action of a Director, Officer or employee of the Association for which indemnification is deemed to be against public policy. In the event that indemnification provided under this resolution is deemed to be against public policy, such an event shall not invalidate or affect any other right of indemnification herein provided.

(h) The Association shall have the power, but shall not be obligated, to purchase and maintain indemnification insurance to provide coverage for any liability asserted against any Director, Officer or employee of the Association in any of his capacities as described in Paragraph (a), whether or not the Association would have the power to indemnify him or her under this Article.

(i) Any person requesting indemnification shall first look to any insurance maintained by the Association for indemnification against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement (as described above). The Association shall be obligated to indemnify such person (if entitled to indemnification by the Association) only to the extent such insurance does not indemnify such person. In the event that any expenses, judgments, fines, or amounts paid in settlement are paid pursuant to insurance maintained by such Association, the Association shall have no obligation to reimburse the insurance company.

ARTICLE X  
TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

(a) No contract or transaction between the Association and one or more of its Directors or Officers, or between the Association and any other corporation, partnership, association, or other organization in which one or more of its Directors or Officers are Directors or Officers, or have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or Officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because said Officer's or Director's votes are counted for such purpose. No Director or Officer of the Association shall incur liability by reason of the fact that said Director or Officer may be interested in such contract or transaction.

(b) Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction.



STATE OF FLORIDA )  
COUNTY OF BROWARD ) SS

I HEREBY CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 1980, before me, the undersigned authority, personally appeared:  
JIM WALKER, JOE BALOCCO and W. THOMAS HARMON  
known by me to be the persons who executed the foregoing Articles of Incorporation and acknowledged the execution of such instrument for the uses and purposes therein expressed.

WITNESS my hand and official seal at \_\_\_\_\_  
said County and State, the date aforesaid.

\_\_\_\_\_  
NOTARY PUBLIC (SEAL)

My Commission Expires: