

ARTICLES OF INCORPORATION  
OF  
SOUTH SHORES UTILITY ASSOCIATION, INC.  
(a corporation not for profit)

In order to form a corporation under and in accordance with the provisions of the laws of the State of Florida for the formation of corporations not for profit, I, the undersigned, form this corporation for the purpose and with the powers hereinafter mentioned; and to that end I do, by these Articles of Incorporation, set forth:

ARTICLE I - NAME

The name of the corporation shall be SOUTH SHORES UTILITY ASSOCIATION, INC.

ARTICLE II - PURPOSE

The purposes and objects of the corporation shall be to administer the operation and management of a water service and sewage disposal system, including related mains, lift stations, and other facilities (the "Plant"), located in the development project commonly known as "SOUTH SHORES", located in Brevard County, Florida, and to undertake the performance of the acts and duties incident to the administration of the operation and maintenance of said Plant and in accordance with the terms, provisions, conditions and authorizations contained in these articles and which may be contained in the Declaration of Covenants and Restrictions, which will be or which has been recorded in the Public Records of Brevard County, Florida; and to own, operate, lease, sell, trade and otherwise deal with the Plant, whether real or personal, as may be necessary or convenient in the administration of the Plant. The corporation shall be conducted as a non-profit organization for the benefit of its members. Other development projects may also be added to the Plant and become members of the Association.

ARTICLE III - POWERS

The corporation shall have the following powers:

A. All of the powers and privileges granted to corporations not for profit under the law pursuant to which this corporation is chartered, and all of the powers and privileges which may be granted unto said corporation or exercised by it under any other applicable laws of the State of Florida.

B. All of the powers reasonably necessary to implement and effectuate the purposes of the corporation, including, but not limited to:

1. Making and establishing reasonable rules and regulations governing the Plant in accordance with the terms as may be defined in the Declaration of Covenants and Restrictions.

2. Levying and collecting assessments and connection fees against members of the corporation to defray the common expenses of the maintenance and operation of the Plant as may be provided in the Declaration of Covenants and Restrictions and in the By-Laws of this corporation which may be hereafter adopted, including the right to levy and collect assessments for the purposes of acquiring, operating, leasing, managing and otherwise trading and dealing with the Plant, whether real or personal, which may be necessary or convenient in the operation and maintenance of the Plant and in accomplishing the purposes set forth in the Declaration of Covenants and Restrictions.

3. To own, control, operate, maintain, repair, and replace the Plant, all water service and sewage disposal systems in connection therewith, including the right to reconstruct improvements after casualty and the right to make further improvements to the Plant.

4. Maintaining, repairing, replacing, operating and managing the Plant, including the right to reconstruct improvements after casualty and to make further improvements to the Plant.

5. Enforcing the provisions of the Declaration of Covenants and Restrictions and these Articles of Incorporation, and the By-Laws of the corporation which may be hereafter adopted, and the rules and regulations governing the use of the Plant as the same may be hereafter established.

6. To now or hereafter acquire and enter into leases and agreements of every nature, whereby the corporation acquires leaseholds, memberships and other possessory or use interests in land or facilities, to provide benefit to the members of this corporation, all as may be deemed by the Board of Directors to be in the best interests of the corporation.

7. To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the corporation pursuant to the Declaration of Covenants and Restrictions.

8. To levy and collect adequate assessments against

members of the corporation for the costs of maintenance and operation of the Plant.

9. To mortgage, pledge, hypothecate and assign the Association assets as security for a loan or loans.

#### ARTICLE IV - MEMBERS

The qualification of the members, the manner of their admission to membership, termination of such membership, and voting by members shall be as follows:

A. The owners of units, lots or parcels that are within SOUTH SHORES and any amendments, additions or replats thereof, shall be members of the corporation.

B. The owner or owners of all or any part of the approximately 45 acre tract of property located immediately to the north of SOUTH SHORES (INDIAN LANDING) shall be entitled to membership in the Association upon approval of a majority of the Board of Directors. Membership for each lot within INDIAN LANDING shall become effective when said owner or owners physically connects to the Plant.

C. Owners of property not located within SOUTH SHORES or INDIAN LANDING may become members of the Association by meeting the requirement set forth by the Association. Application for membership shall be subject to approval by a majority of the Board of Directors. Membership shall become effective when such owner or owners physically connects to the Plant.

D. The interest of a member in the funds and assets of the corporation cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his unit, lot or parcel. The funds and assets of the corporation shall belong solely to the corporation, subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein in the Declaration of Covenants and Restrictions and in the said By-Laws.

E. Membership is nontransferable, except as an appurtenance to a unit, lot or parcel. The Association shall have one class of voting membership. The owners of each unit, lot or parcel within SOUTH SHORES shall be entitled to one vote for each unit, lot or parcel regardless of the number of units, lots or parcels owned. Owners of property not located within SOUTH SHORES shall be entitled to one vote for each unit, lot or parcel physically connected to the Plant.

ARTICLE V - TERM

The corporation shall have perpetual existence.

ARTICLE VI - LOCATION

The principal office of the corporation shall be located at 100 Caledonia Drive, Melbourne Beach, Florida 32951, but the corporation may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors.

ARTICLE VII - DIRECTORS

The affairs of the corporation shall be managed by the Board of Directors. The number of members of the first Board of Directors of the corporation shall be five (5). The number of members of succeeding boards of directors shall be five (5) except as changed from time to time by the By-Laws of the corporation. The members of the Board of Directors shall be elected as provided by the By-Laws of the corporation, which provide for election of directors at the annual meeting. The Board of Directors shall be members of the corporation or shall be authorized representatives, officers or employees of a corporate member of this corporation.

Any vacancies in the Board of Directors occurring before the first election will be filled by the remaining directors.

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:

BRIAN M. SCULTHORP  
134 Caledonia Drive  
Melbourne Beach, Florida 32951

DENISE SHIREY  
2685 Washington Street  
Melbourne, Florida 32904

LEONARD E. SCULTHORP  
7725 Highway 1A  
Melbourne Beach, Florida 32951

JULIE BURNS  
100 Caledonia Drive  
Melbourne Beach, Florida 32951



Melbourne Beach, Florida 32951.

ARTICLE X - BY-LAWS

The original By-Laws of the corporation shall be adopted by the Board of Directors and thereafter, such By-Laws may be altered or rescinded by the Board in such manner as said By-Laws may provide.

ARTICLE XI - INDEMNIFICATION

Every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with 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 corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of any claim for reimbursement of indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the corporation. 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 XII - AMENDMENTS

Any amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the corporation acting upon a vote of the majority of the directors, or by a majority of the members of the corporation, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these articles being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the corporation or other officer of the corporation in the absence of the President, who shall thereupon call a special meeting of the members of the corporation for a date not sooner than twenty (20) days and not later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting, stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) days nor more

than thirty (30) days before the date set for such meeting. If mailed, the notice of the membership meeting shall be sent by certified mail, return receipt requested, which mailing shall be deemed notice. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the corporation, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of not less than two-thirds (2/3) of the members in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these articles shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of Florida; and upon the registration of such amendment or amendments with said Secretary of State, a certified copy thereof shall be recorded in the Public Records of Brevard County, Florida, within ten (10) days from the date on which the same are so registered. At any meeting held to consider such amendment or amendments of these articles, the written vote of any member of the corporation shall be recognized, if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the corporation at or prior to such meeting.

#### ARTICLE XIII - ASSOCIATION ASSETS

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 such member's unit, lot or parcel. The funds and assets of the Association shall belong solely to the Association, subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Agreement and in the By-Laws of this Association.

#### ARTICLE XIV - TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

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 his or her or their votes are counted for such purpose. No director or officer of the Association shall incur liability by reason of the fact he

or she is or may be interested in any such contract or transaction.

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 authorizes such a contract or transaction.

ARTICLE XV - TURNOVER

Control of the Association shall pass to the members upon the sale of fifty-one (51%) percent of the lots, units or parcels within SOUTH SHORES. The turnover date will not exceed seven (7) years from the date of incorporation.

IN WITNESS WHEREOF, the Incorporator has hereunto set his hand and seal this 16<sup>th</sup> day of April, 1996.

Brian M. Sculthorp  
BRIAN M. SCULTHORP

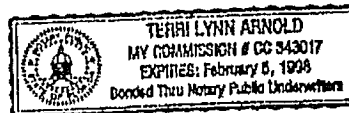
STATE OF FLORIDA        )  
                                  )    ss:  
COUNTY OF BREVARD    )

THE FOREGOING INSTRUMENT was acknowledged before me this 18<sup>th</sup> day of April, 1996, by BRIAN M. SCULTHORP, who is personally known to me, or who produced \_\_\_\_\_ as identification, and who did take an oath.

Terrilyn Arnold  
Notary Public Signature  
TERRI LYNN ARNOLD  
Print Notary Public Name

My commission expires:

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CERTIFICATE OF REGISTERED AGENT

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said act:

SOUTH SHORES UTILITY ASSOCIATION, INC., a corporation not for profit, desiring to organize under the laws of the State of Florida, with its principal office as indicated in the Articles of Incorporation, in the City of Melbourne Beach, County of Brevard, State of Florida, has named ROBERT L. BEALS, ESQ., located at 1800 West Hibiscus Boulevard, Suite 138, Melbourne, Florida 32902, as its agent to accept service of process for the above-stated corporation, at the place designated in this certificate, who hereby accepts to act in this capacity, and agrees to comply with the provisions of the act relative to keeping open said office.

ROBERT L. BEALS, Registered Agent

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