

ARTICLES OF INCORPORATION  
OF  
PALM CHASE LAKES ASSOCIATION, INC.  
(A Florida Corporation Not for Profit)

In order to form a corporation not for profit, under and in accordance with Chapter 617 of the Florida Statutes, I, the undersigned, hereby incorporate this corporation not for profit, for the purposes and with the powers hereinafter set forth and to that end, I do, by these Articles of Incorporation ("Articles"), certify as follows:

The terms contained in these Articles are defined in the Condominium Act, Chapter 718, Florida Statutes, 1976, as amended through the date of recording the First Declaration of Condominium amongst the Public Records of Palm Beach County, Florida ("Act"), shall have the meaning of such terms set forth in such Act and, for clarification, the following terms will have the following meanings:

- A. "Act" means Condominium Act, Chapter 718, Florida Statutes, 1976, as amended through the date of recording the first Declaration amongst the Public Records of the County.
- B. "Articles" means these Articles of Incorporation of the Association.
- C. "Assessment" means the share of funds required for the payment of Common Expenses, Recreation Expenses and Association Area Expenses which from time to time is assessed against an Owner.
- D. "Association" means Palm Chase Lakes Association, Inc., a Florida corporation not for profit, responsible for operating the Condominium and any other Palm Chase Lakes Condominium(s) therein, the Recreation Area and the Association Areas.
- E. "Board" means the Board of Directors of the Association.
- F. "Bylaws" means the Bylaws of the Association.
- G. "Common Elements" means the portion of the Condominium Property not included in the Dwelling Units.
- H. "Common Expenses" means expenses for which the Owners are liable to the Association as set forth in various sections of the Act and as described in the Palm Chase Lakes Documents and includes:
- (i) expenses incurred in connection with operation, maintenance, repair or replacement of the "Common Elements" (as defined in the Declaration), costs of carrying out the powers and duties of the Association, cost of fire and extended coverage insurance on the Condominium Property; and
  - (ii) any other expenses designated as Common Expenses from time to time by the Board, as permitted under the Act.
- I. "Common Surplus" means the excess of receipts received by the Association over the amount of Common Expenses.
- J. "Condominium" means that portion of the real property and improvements thereon which is submitted to condominium ownership by the recording of the Declaration or amendment thereto adding a subsequent phase pursuant to Section 718.403 of the Act.

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K. "Condominium Property" means the real property submitted to condominium ownership pursuant to the Declaration and any amendment or amendments thereto and all improvements thereon, subject to any and all easements associated therewith, including, but not limited to, the Dwelling Units and Common Elements and all easements intended for use in connection with a Palm Chase Lakes Condominium, all as more particularly described in each Declaration.

L. "County" means Palm Beach County, Florida.

M. "Declaration" means a Declaration of Condominium by which a Palm Chase Lakes Condominium is submitted by Developer to the condominium form of ownership in accordance with the Act.

N. "Developer" means Oriole Homes Corp., a Florida corporation, its successors, grantees and assigns. An Owner shall not, solely by the purchase of a Dwelling Unit, be deemed a successor or assign of Developer or of the rights of Developer under the Palm Chase Lakes Documents unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Developer.

O. "Director" means a member of the Board.

P. "Dwelling Unit" means "unit" as described in the Act and is that portion of the Condominium Property which is subject to exclusive ownership.

Q. "Member" or "Members" means a member or members of the Association.

R. "Owner" means "unit owner" as defined in the Act and is the owner of a Dwelling Unit.

S. "Palm Chase Lakes Condominium(s)" means a condominium in Palm Chase Lakes which is the subject of a Declaration.

T. "Palm Chase Lakes Documents" means in the aggregate each Declaration, these Articles, the Bylaws and all of the instruments and documents referred to therein and executed in connection with a Palm Chase Lakes Condominium.

U. "Phase" or "Phases" means those portions of the real property within Palm Chase Lakes and improvements thereon which, as contemplated by Section 718.403 of the Act, may become part of the Condominium Property of a Palm Chase Lakes Condominium by the recording of a Declaration or an amendment thereto.

V. "Voting Interests" means the voting rights distributed to Members pursuant to a Declaration.

#### ARTICLE I NAME

The name of this Association shall be PALM CHASE LAKES ASSOCIATION, INC., whose present address is 1151 N. W. 24th Street, Pompano Beach, Florida 33064.

#### ARTICLE II PLAN OF PHASE DEVELOPMENT AND PURPOSE OF ASSOCIATION

A. Developer is the owner and developer of Palm Chase Lakes, more particularly described on Exhibit A to the Declaration. Article 7 of the Declaration sets forth Developer's plan for phase development of Palm Chase Lakes.

B. Developer intends to develop the Condominium on property Developer owns. Developer intends to develop the Condominium as a "phase condominium" as contemplated by Section 718.403 of the Act which is planned to consist of

one hundred forty (140) Phases. If Developer submits all one hundred forty (140) Phases to condominium ownership as part of the Condominium by recording the Declaration and several amendments thereto amongst the Public Records of the County, then the Condominium shall be the only condominium in Palm Chase Lakes and shall be the only condominium administered by the Association.

C. If Developer does not submit all one hundred forty (140) Phases to condominium ownership as part of the Condominium, Developer may submit the land in Palm Chase Lakes not included in the Condominium to condominium ownership as one (1) or more additional Palm Chase Lakes Condominiums to be administered by the Association.

D. All or any portion of Palm Chase Lakes not included in a Palm Chase Lakes Condominium may be developed with residential housing units either as a condominium which is not a Palm Chase Lakes Condominium, and thus would not be administered by the Association, or as a non-condominium development, such as non-condominium townhouses, rental housing or cooperatively owned housing, etc.

E. The Association shall be the condominium association responsible for the operation of each Palm Chase Lakes Condominium and shall also be responsible for the operation of the Recreation Area and Association Areas, subject to the terms and restrictions of the Palm Chase Lakes Documents. Each Owner shall be a Member of the Association as provided in these Articles. If more than one (1) Palm Chase Lakes Condominium is created or if any portion of Palm Chase Lakes is developed as other than a condominium, the Association will ultimately be conveyed ownership of the "Association Areas" (as defined in the Declaration). In the event only one (1) Condominium is created within Palm Chase Lakes, then the Developer shall have the option of submitting all or a portion of such areas as Phases of such Condominium or conveying them to the Association.

2. The purpose for which this Association is organized is to maintain, operate and manage Palm Chase Lakes, including the Condominium Property, the Recreation Area and the Association Areas; to own portions of, operate, lease, sell, trade and otherwise deal with Palm Chase Lakes and certain of the improvements located therein now or in the future; in accordance with the Plan set forth in the Declaration and other Palm Chase Lakes Documents and all other lawful purposes.

#### ARTICLE III POWERS

The Association shall have the following powers which shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not for profit, which are not in conflict with the terms of the Palm Chase Lakes Documents or the Act.

B. The Association shall have all of the powers of a condominium association under the Act and shall have all of the powers reasonably necessary to implement the purposes of the Association including, but not limited to, the following:

1. To make, establish and enforce reasonable Rules and Regulations governing the use of the Condominium Property (including the Dwelling Units and the Common Elements), the Recreation Area and the Association Areas;

2. To make, levy, collect and enforce Assessments and special charges and any other charges and/or fees as provided in the Palm Chase Lakes Documents against Owners, in order to provide funds to pay for the expenses of the Association, the maintenance, operation and management of Palm Chase Lakes and the payment of Common Expenses and other expenses in the manner provided in the Palm Chase Lakes Documents, the Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

3. To maintain, repair, replace and operate: (i) the Condominium Property in accordance with the applicable Declaration and the Act, (ii) and manage the Recreation Area and the Association Areas in accordance with the Palm Chase Lakes Documents;

4. To reconstruct improvements of the Condominium Property, the Recreation Area; and the Association Areas in the event of casualty or other loss;

5. To enforce by legal means the provisions of the Palm Chase Lakes Documents and the Act;

6. To employ personnel, retain independent contractors and professional personnel, and to enter into service contracts to provide for the maintenance, operation and management of the Condominium Property, the Recreation Area and the Association Areas and to enter into any other agreements consistent with the purposes of the Association including, but not limited to, agreements as to the management of the Condominium Property, the Recreation Area and the Association Areas and as to the installation, maintenance and operation of a "master" television antenna system and a cable television and communications system; and

7. To purchase and/or lease: (i) Dwelling Unit(s) upon which the Association has chosen to exercise any right of first refusal it may have and to obtain such financing as is necessary to effectuate the same; and (ii) other real and/or personal property as determined by the Association in compliance with the Palm Chase Lakes Documents.

#### ARTICLE IV MEMBERS

The qualification of Members of the Association, the manner of their admission to membership ("Membership"), the manner of the termination of such Membership, and the manner of voting by Members shall be as follows:

A. Until such time as the Condominium is submitted to condominium ownership by the recordation of the Declaration, the membership of this Association shall be comprised solely of the members of the "First Board" (as defined in Article IX hereof).

B. Once the Condominium is submitted to condominium ownership by the recordation of the Declaration, the Owners which shall mean in the first instance Developer as the owner of all the Dwelling Units, shall be entitled to exercise all of the rights and privileges of Members.

C. Except as set forth above, membership in the Association shall be established by the acquisition of ownership of fee title to a Dwelling Unit as evidenced by the recording of a deed or an instrument of conveyance amongst the Public Records of the County whereupon the membership of the prior Owner shall terminate as to that Dwelling Unit. Where title to a Dwelling Unit is acquired from a party other than Developer, the person, persons, corporation or other legal entity thereby acquiring such Dwelling Unit, shall not be a Member unless and until such acquisition is in compliance with the provisions of the applicable Declaration. New Members shall deliver to the Association a true copy of the deed or other instrument of acquisition of title to the Dwelling Unit.

D. No Member may assign, hypothecate or transfer in any manner his Membership or his share in the funds and assets of the Association except as an appurtenance to his Dwelling Unit.

E. If, as and when Palm Chase Lakes Condominiums other than the Condominium are submitted to condominium ownership, membership in the Association shall be divided into classes ("Class Members") with Owners in each Palm Chase Lakes Condominium constituting a class and for so long as

Developer owns any Dwelling Units (collectively, "Units"), an additional class comprised of those Units owned by Developer shall also exist as a separate class ("Developer Class"). Each class, except the Developer Class, shall be designated by a numeral denoting the sequence in which the Palm Chase Lakes Condominium was submitted to condominium ownership pursuant to the plan. For example, the Owners of the first Palm Chase Lakes Condominium submitted to condominium ownership through recordation of a Declaration would be "Class 1 Members."

With respect to voting, the following provisions shall apply:

1. Either the Membership as a whole shall vote or the Class Members shall vote, which determination shall be made in accordance with subparagraphs F.2 and F.3 immediately below. In any event, however, each Dwelling Unit shall be entitled to only one (1) vote, which vote shall be exercised and cast in accordance with the applicable Declaration(s) and the Palm Chase Lakes Documents; provided, however, on such matters that a vote of the Developer Class is required, Dwelling Units owned by the Developer shall also have a vote in such class. In the event there is more than one (1) owner with respect to a Dwelling Unit as a result of the fee interest in such Dwelling Unit being held by more than one (1) person or entity, such owners collectively shall be entitled to only one (1) vote in the manner determined by the applicable Declaration.

2. In matters that require a vote, voting shall take place as follows:

(a) Matters substantially pertaining to a particular Palm Chase Lakes Condominium or any combination of Palm Chase Lakes Condominiums shall be voted upon only by the Class Members of the applicable Palm Chase Lakes Condominiums and shall be determined by a vote of the majority of such Class Members at any meeting having a proper quorum (as determined in accordance with the Bylaws); and

(b) Matters substantially pertaining to the Association as a whole shall be voted on by the Membership and shall be determined by a vote of the majority of the Membership in attendance at any meeting having a quorum (as determined in accordance with the Bylaws); provided, however, such vote shall not be effective until an affirmative vote of the Developer Class is taken if so required by these Articles.

3. Any decision as to whether a matter substantially pertains to a particular Palm Chase Lakes Condominium or any combination of Palm Chase Lakes Condominiums or to the Association as a whole for purposes of voting, shall be determined solely by the Board. Notwithstanding the foregoing, no action or resolution affecting a Palm Chase Lakes Condominium or any combination of Palm Chase Lakes Condominiums which the Board determines to require the vote of the Members as a whole shall be effective with regard to a Palm Chase Lakes Condominium unless the Class Members of the particular Palm Chase Lakes Condominium or any combination of Palm Chase Lakes Condominiums so affected shall be given the opportunity to also vote on said action or resolution as a class.

4. The Membership shall be entitled to elect the Board as provided in Article IX of these Articles.

#### ARTICLE V TERM

The term for which this Association is to exist shall be perpetual.

ARTICLE VI  
INCORPORATORS

The name and address of the Incorporator of these Articles are as follows: Merle D'Addario, 1151 N.W. 24th Street, Pompano Beach, Florida 33064

ARTICLE VII  
OFFICERS

A. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, an Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board. The Board may employ a managing agent and/or such other managerial and supervisory personnel or entities as it deems necessary to administer or assist in the administration of the operation or management of the Association and Developer shall have the right to be reimbursed for expenses incurred by Developer on behalf of the Association in managing the Association.

B. The Board shall elect the President, the Vice President, the Secretary, and the Treasurer, and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as described in Section 6.1 of the Bylaws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers in the manner provided in the Bylaws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

ARTICLE VIII  
FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	Merle D'Addario
Vice President	JoAnn Levy
Secretary	Patricia Pfund
Treasurer	Patricia Pfund

ARTICLE IX  
BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors ("First Board"), the "Initial Elected Board" (as hereinafter defined) and all Boards elected prior to the Annual Members' Meeting following the "Developer's Resignation Event" (as hereinafter defined) shall be three (3). The number of Directors elected by the Members subsequent to the Developer's Resignation Event shall be as provided in Paragraph J of this Article IX.

B. The names and addresses of the persons who are to serve as the First Board are as follows:

<u>NAME</u>	<u>ADDRESS</u>
JoAnni Levy	1151 N. W. 24th Street Pompano Beach, Florida 33064
Patricia Pfund	1151 N. W. 24th Street Pompano Beach, Florida 33064
Merle D'Addario	1151 N. W. 24th Street Pompano Beach, Florida 33064

Developer reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided. Developer reserves the right to remove any Director from the First Board and the right to remove any Director designated by Developer in accordance with these Articles.

C. If upon the "Majority Election Meeting" (as hereinafter defined), more than one (1) Palm Chase Lakes Condominium has been submitted to condominium ownership, then a class of Directors ("Class Directors") shall be created for each Palm Chase Lakes Condominium in the manner provided for in Paragraph G of this Article IX. Each class shall be designated by a numeral denoting the sequence in which the Palm Chase Lakes Condominium was submitted to condominium ownership pursuant to the plan. For example, the Directors of the first Palm Chase Lakes Condominium submitted to condominium ownership through recordation of a Declaration would be "Class 1 Directors." Each Palm Chase Lakes Condominium's Class Directors thus created, unless otherwise stated herein, shall be three (3) in number.

D. Upon the conveyance by Developer to Owners, other than Developer ("Purchaser Members"), of fifteen percent (15%) or more of the "Total Dwelling Units" (as hereinafter defined) in any one (1) Palm Chase Lakes Condominium (as evidenced by the recordation of deeds), including Dwelling Units located within all Phases thereof as contemplated in the applicable Declaration (provided the Developer still holds the right to submit such additional Phases to condominium ownership), the Purchaser Members shall be entitled to elect one-third (1/3) of the Board, which election shall take place at the Initial Election Meeting. Developer shall designate the remaining Directors on the Board at the Initial Election Meeting. The Director to be so elected by the Purchaser Members and the remaining Directors to be designated by Developer are hereinafter collectively referred to as the "Initial Elected Board" and shall succeed the First Board upon their election and qualification. Subject to the provisions of Paragraph IX.E below, the Initial Elected Board shall serve until the next Annual Members' Meeting, whereupon, the Directors shall be designated and elected in the same manner as the Initial Elected Board. The Directors shall continue to be so designated and elected at each subsequent Annual Members' Meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board. Developer reserves the right, until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Developer pursuant to this Paragraph IX.D.

The term "Total Dwelling Units" means the number of Dwelling Units contemplated for all Palm Chase Lakes Condominiums (less the number of Dwelling Units in any and all Phases of any Palm Chase Lakes Condominium developed as a phase condominium pursuant to the Act, which Developer decides neither to submit as part of such Palm Chase Lakes Condominium as provided in the applicable Declaration nor submit to condominium ownership as a separate Palm Chase Lakes Condominium).

E. Purchaser Members are entitled to elect not less than a majority of the Board upon the happening of any of the following events, whichever shall first occur:

1. Three (3) years after sales by Developer of fifty percent (50%) of the sum of the Total Dwelling Units in Palm Chase Lakes Condominiums have been "Closed" (as hereinafter defined); or
2. Three (3) months after sales by Developer of ninety percent (90%) of the Total Dwelling Units in Palm Chase Lakes Condominiums have been Closed; or
3. Five (5) years after the sale by Developer of the first Dwelling Unit has been closed; or
4. When all of the Total Dwelling Units in Palm Chase Lakes Condominiums have been completed (as evidenced by the issuance of Certificates of Occupancy for all of same) and some have been sold to Purchaser Members and none of the others are being offered for sale by Developer in the ordinary course of business; or
5. When some of the Total Dwelling Units in Palm Chase Lakes Condominiums have been conveyed to Purchaser Members and none of the others are being constructed or offered for sale by Developer in the ordinary course of business; or
6. When Developer, as Developer has the right to do at any time upon written notice to the Association, relinquishes its right to designate a majority of the Board.

The term "Closed" shall mean the recording of a deed or an instrument of conveyance to a Purchaser Member amongst the Public Records of the County.

F. The election of not less than a majority of Directors by the Purchaser Members shall occur at a meeting of the membership to be called by the Board for such purpose ("Majority Election Meeting").

G. At the Majority Election Meeting, each class of Purchaser Members shall elect two (2) of the Directors and Developer, until the Developer's Resignation Event shall be entitled to designate one (1) Director for each class. Developer reserves the right, until the Developer's Resignation Event, to name the successor, if any, to any Director it has so designated.

H. The Board shall continue to be elected by the Members subject to Developer's right to appoint a member to the Board as specified in the Act at each subsequent Annual Members' Meeting, until Developer is no longer entitled to appoint a member to the Board.

I. The Initial Election Meeting and the Majority Election Meeting shall be called by the Association, through its Board, within sixty (60) days after the Purchaser Members are entitled to elect a Director or the majority of Directors, as the case may be. A notice of meeting shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least thirty (30) but not more than forty (40) days' notice of such meeting. The notice shall also specify the number of Directors that shall be elected by the Purchaser Members and the remaining number of Directors designated by Developer.

J. Developer shall cause all of its designated Directors to resign when Developer no longer holds at least five percent (5%) of the sum of the Total Dwelling Units in all Palm Chase Lakes Condominiums for sale in the ordinary course of business. In addition, Developer may at any time, in its sole discretion, cause the voluntary resignation of all of the Directors designated by it. The happening of either such event is herein referred to as the "Developer's Resignation Event". Upon the Developer's Resignation Event, the



Directors elected by Members shall elect successor Directors to fill the vacancies caused by the resignation or removal of the Developer's designated Directors. These successor Directors shall serve until the next Annual Members' Meeting and until their successors are elected and qualified; provided, however, nothing herein contained shall be deemed to waive any right to representation on the Board which Developer may have pursuant to the Act. Developer specifically reserves the right to assert any right to representation on the Board it may have pursuant to the Act, notwithstanding that the Developer's Resignation Event may have previously occurred.

K. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, the number of Directors to be elected shall be determined by the Board from time to time.

L. The following provisions shall govern the right of each Director to vote and the manner of exercising such right:

1. There shall be only one (1) vote for each Director.
2. All of the Directors of the Board shall vote thereon as one (1) body, without distinction as to class, on matters which pertain to this Association or all of the Palm Chase Lakes Condominiums.
3. On matters pertaining exclusively to a Palm Chase Lakes Condominium(s), only the affected Class Directors shall vote thereon.
4. Subject to the provisions of Subparagraphs 1, 2 and 3 immediately preceding, the Board as a whole shall determine whether a matter is subject to a vote of the Directors, shall be voted on by Class Directors or by the entire Board as a whole. In the case of deadlock by the Board, application shall be made to a court of competent jurisdiction to resolve the deadlock.
5. In the determination of whether a quorum exists or whether the Board has duly acted with respect to any matter, (a) on matters which are voted on by the Board as a whole, such determination shall be made with respect to the number of all of the Class Directors of all classes; and (b) on matters which are voted on by Class Directors, such determination shall be made with respect to the number of Class Directors of such class.

M. The resignation of a Director who has been elected or designated by Developer and the resignation of an officer of the Association who has been elected by the First Board or the Initial Elected Board shall remise, release, acquit, satisfy, and forever discharge such officer or Director of and from any and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have, or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such resignation.

#### ARTICLE X POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board in accordance with the provisions of the Act and the Palm Chase Lakes Documents, where applicable, and shall include, but not be limited to, the following:

- A. Making and collecting Assessments against Class Members to defray the costs of the Common Expenses of each applicable Palm Chase Lakes Condominium. Making and collecting assessments for Association Area Expenses and Recreation Expenses.
- B. Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board.
- C. Maintaining, repairing and operating the improvements within all Palm Chase Lakes Condominiums.
- D. Reconstructing improvements after casualties and losses and making further authorized improvements within Palm Chase Lakes.
- E. Making and amending rules and regulations with respect to Palm Chase Lakes.
- F. Enforcing by legal means the provisions of the Palm Chase Lakes Documents.
- G. Contracting for the management and maintenance of the Condominium Property, Recreation Area, and Association Areas, and authorizing a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of improvements or portions thereof for which the Association has such responsibility and other services with funds that shall be made available by the Association for such purposes and terminating such contracts and authorizations. The Association and its officers shall, however, retain at all times the powers and duties granted by the Palm Chase Lakes Documents and the Act including, but not limited to, the making of Assessments, promulgation of rules and regulations and execution of contracts on behalf of the Association.
- H. Paying taxes and Assessments which are or may become liens against the Common Elements of any Palm Chase Lakes Condominium, and "Association Property" (as defined in the Act) and assessing the same against Dwelling Units, the Owners of which are responsible for the payment thereof.
- I. Purchasing and carrying insurance for the protection of Members and the Association against casualty and liability in accordance with the Act and the Palm Chase Lakes Documents.
- J. Paying costs of all power, water, sewer and other utility services rendered to the Condominium Property of each of the Palm Chase Lakes Condominiums and not billed directly to Owners of the individual Dwelling Units.
- K. Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration and purposes of this Association and paying all salaries therefor.
- L. Approving or disapproving of proposed purchasers and lessees of Dwelling Units by gift, devise, or inheritance and other transferees in accordance with the provisions set forth in the Palm Chase Lakes Documents and the Act.
- M. Voluntary binding arbitration as provided for in Section 718.112(2) (1) of the Act, for the settlement of internal disputes arising among Members regarding the operation of any Palm Chase Lakes Condominium among Members, the Association, their agents and assigns, and the provisions of Chapter 718.112(2)(1) are incorporated by reference herein.

N. All other powers and duties reasonably necessary to operate and maintain Palm Chase Lakes Condominiums and Association Property, if any, in compliance with the Palm Chase Lakes Documents and the Act.

#### ARTICLE XI INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and/or officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation or settlement in which he may become involved by reason of his being or having been a Director or officer of the Association. The foregoing provisions for indemnification shall apply whether or not he is a Director or officer at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or officer may be entitled whether by statute or common law.

#### ARTICLE XII BYLAWS

The Bylaws of the Association shall be adopted by the First Board and thereafter may be altered, amended or rescinded by the affirmative vote of not less than a majority of the Members present at an Annual Members' Meeting or special meeting of the membership, and the affirmative approval of a majority of the Board at a regular or special meeting of the Board. In the event of a conflict between the provisions of these Articles and the provisions of the Bylaws, the provisions of these Articles shall control.

#### ARTICLE XIII AMENDMENTS

A. Prior to the recording of the Declaration amongst the Public Records of the County, these Articles may be amended by an instrument in writing signed by all of the First Board of Directors to these Articles and filed in the Office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendment, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles or a certified copy of the Articles as restated to include such Amendments and shall be an exhibit to the Declaration upon the recording of such Declaration. This Article XIII is intended to comply with Chapter 617, Florida Statutes.

B. After the recording of the Declaration amongst the Public Records of the County, these Articles may be amended in the following manner:

1. The Board, as a whole, shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either the Annual Members' Meeting or a special meeting. Any number of amendments may be submitted to the Members and voted upon by them at one meeting;

2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote within the time and in the manner provided in the Bylaws for the giving of notice of Meetings of Members ("Required Notice");

3. At such meeting a vote of the Members and of the Developer Class shall be taken on the proposed amendments. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of all Members entitled to vote thereon and the approval of the Developer Class;

4. An amendment may be adopted by a written statement signed by all Directors and all Members setting forth their intention that an amendment to the Articles be adopted.

C. No amendment may be made to the Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the applicable Declaration.

D. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and recorded amongst the Public Records of the County.

E. Notwithstanding the foregoing provisions of this Article XIII, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer, including the right to designate and select the Directors as provided in Article IX hereof, without the prior written consent thereto by Developer.

F. No modification or amendment to these Articles shall be adopted which would affect or impair the priority of any first mortgagee, or the validity of the mortgage held by such first mortgagee.

G. After the Majority Election Meeting the following shall require the written approval of the Developer Class:

1. Assessment of the Developer as an Owner for "Capital Improvements." The determination of what is a Capital Improvement rather than ordinary maintenance or repairs, shall be in Developer's sole discretion.

2. Any action by the Association that would be detrimental to the sales of Dwelling Units by the Developer. What is detrimental to the sales of Dwelling Units shall be in Developer's sole discretion; provided, however, an increase in assessments for Common Expenses of a Palm Chase Lakes Condominium without discrimination against the Developer shall not be deemed detrimental to the sales of Dwelling Units in such Palm Chase Lakes Condominium.

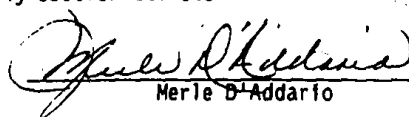
ARTICLE XIV  
REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 1151 NW 24th Street, Pompano Beach, Florida 33064 and the initial registered agent of the Association at that address shall be Merle D'Addario.

IN WITNESS WHEREOF, the Incorporator has hereunto affixed her signature, this 20 day of July, 1957.

  
Merle D'Addario

The undersigned hereby accepts the designation of Registered Agent of Palm Chase Lakes Association, Inc. as set forth in Article XIV of these Articles of Incorporation and acknowledges that she is familiar with, and accepts the obligations imposed upon registered agents under, the Florida General Corporation Act, including specifically Section 607.325.

  
Merle D'Addario

STATE OF FLORIDA )

COUNTY OF BROWARD )

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared MERLE D'ADDARIO, to me known to be the person described as the Incorporator in and who executed the foregoing Articles of Incorporation and she acknowledged before me that she executed the same for the purposes therein expressed.

WITNESS my hand and official seal in the State and County last aforesaid this 26 day of July, 1987.

*[Signature]* (SEAL)  
Notary Public  
State of Florida at Large  
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES DEC. 9, 1990  
GOVERNED UNDER GENERAL STAT. UNO.

This is not a certified copy

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES DEC. 9, 1990  
GOVERNED UNDER GENERAL STAT. UNO.