

RIVERCAMPS
on
Crooked Creek

C O M M U N I T Y C H A R T E R



Upon recording, please return to;
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COMMUNITY CHARTER

FOR

RIVERCAMPS ON CROOKED CREEK

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B	Expansion Property	6
C	Initial Rules	3
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COMMUNITY CHARTER
FOR
RIVERCAMPS ON CROOKED CREEK

*The river knows the way to the sea; without a pilot it runs and
falls, blessing all lands with its charity.*

Ralph Waldo Emerson

PREAMBLE

RiverCamps on Crooked Creek is a planned community in which development and use are designed to complement the solitude and natural beauty of Crooked Creek, West Bay, the intracoastal waterway, and the marshes, wetlands, woodlands, and wildlife that combine to create a unique living environment. This Community Charter ("**Charter**") establishes mechanisms for integrating the natural beauty of the area into community life and establishes a governance structure and a flexible system of standards and procedures for the development, expansion, administration, maintenance, and preservation of RiverCamps on Crooked Creek. A key component of the governance structure is RiverCamps on Crooked Creek Community Association, Inc., a not-for-profit corporation, created to own, operate and maintain various properties and community improvements intended for the common use and enjoyment of owners, their families, and their guests, and to administer and enforce this Charter and the other Governing Documents referenced in this Charter.

DECLARATION OF COVENANT

St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company, by executing and recording this Charter, declares that the property described in Exhibit "A" and any additional property made subject to this Charter in the future by amendment or supplement, shall constitute the "**Community**" referred to in this Charter. This Charter shall run with the tide to such property, shall govern the development and use of such property, and shall be binding upon St Joe Timberland Company of Delaware, LLC, its successors and assigns (the "**Founder**") and the future owners of any portion of the Community, their respective heirs, successors, successors-in-title, and assigns, and any other person or entity that now or hereafter has any legal, equitable, or beneficial interest in any portion of the Community. This Charter shall also be binding upon RiverCamps on Crooked Creek Community Association, Inc., its successors and assigns (the "**Association**").

PART ONE: INTRODUCTION TO THE COMMUNITY

*I do not understand how any one can live without some small
place of enchantment to turn to.*

Marjorie Kinnan Rowlings

Chapter 1

Governing Documents

A community is guided and governed by certain principles that each owner and resident, by choosing to own property or reside in the community, agree to uphold. Those principles are set forth in the community's governing documents, which bind the community together, give it structure, and provide guidance to all who become a part of or have an interest in the Community.

1.2. Scope and Applicability

The Community has been established and is administered pursuant to various documents that have a legal and binding effect on all owners and occupants of property in the Community, as well as on anyone else that may now or in the future have an interest in any portion of the property comprising the Community. Such documents, referred to in this Charter as the “**Governing Documents**”

GOVERNING DOCUMENTS	
Community Charter: (recorded)	this Community Charter for RiverCamps on Crooked Creek, which creates obligations that are binding upon the Association and all present and future owners of property in the Community
Supplement: (recorded)	a recorded Supplement to this Charter, which may submit additional property to this Charter, create easements over the property described in the Supplement, impose additional obligations or restrictions on such property, designate special areas as described in Chapter 3, or any of the foregoing
Articles of Incorporation: (filed with Secretary of State)	the Articles of incorporation of RiverCamps on Crooked Creek Community Association, Inc., as they may be amended, which establish the Association as a not-for-profit corporation under Florida law
By-Laws: (attached as Exhibit "D")	the By-Laws of RiverCamps on Crooked Creek Community Association, Inc. adopted by its Board of Directors, as they may be amended, which govern the Association's internal affairs, such as voting, elections, meetings, etc A copy of the By-Laws is attached to this Charter as Exhibit "D"
Design Guidelines: (Founder adopts)	the design standards and architectural and aesthetics guidelines adopted pursuant to Chapter 5, as they may be amended, which govern new construction and modifications to property in the Community, including structures, landscaping, and other items constructed or installed by anyone other than the Founder
Rules: (initial set attached as Exhibit "C")	the rules of the Association adopted pursuant to Chapter 7, which regulate use of property, activities, and conduct within the Community
Board Resolutions: (Board adopts)	the resolutions which the Board adopts to establish rules, policies, and procedures for internal governance and Association activities and to regulate the operation and use of property which the Association owns or controls

Governing Documents

include this Charter and the other documents described in Table 1.1, as they may be amended. All owners and occupants, as well as their tenants, guests, and invitees, are required to comply with the Governing Documents.

1.2. Conflicts

If there are conflicts between any of the Governing Documents and Florida law, Florida law shall control. If there are conflicts between or among any of the Governing Documents, then the Charter, the Articles, and the By-Laws (in that order) shall control. If there is a conflict between the Governing Documents and any additional covenants recorded on any property within the Community (or the rules or policies adopted pursuant to any such additional covenants), the Governing Documents shall control.

The Governing Documents use diagrams, tables, and keynotes (text set apart in boxes with "key" icons) to illustrate concepts and assist the reader. If there is a conflict between any diagram and the text of the Governing Documents, the text shall control.

Space has been set aside throughout this Charter to allow the reader to make notes. Any such notes are not part of this Charter and have no legal or binding effect.

If any court determines that any provision of this Charter is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications of such provision in other instances.

1.3. Definitions

Capitalized terms used in the Governing Documents have the meaning described in the paragraph where they first appear in bold print. An index to defined terms may be found at the end of this Charter. All other terms used in the Governing Documents have their natural, commonly accepted definitions.

1.4. Interpretation of Certain References

Consent or Approval. All references in the Governing Documents to "**consent**" or "**approval**" shall refer to permission or approval, which unless otherwise expressly qualified in the specific provision, may be granted or withheld in the discretion of the Person whose consent or approval is required.

Discretion and Determination. All references in the Governing Documents to "**discretion**" or to the right to "determine" any matter shall refer to the sole and absolute power or right to decide or act. Unless otherwise expressly limited in the Governing Documents or by law, any one authorized in the Governing Documents to exercise its discretion or make a determination may do so without regard to the reasonableness of, and without the necessity of justifying, the decision, determination, action, or inaction.

Person. References in the Governing Documents to a "**Person**" or "**Persons**" shall refer to an individual, a corporation, a partnership, a limited liability company, or any other legal entity.

Recording. All references in the Governing Documents to a "**recorded**" legal instrument, or to recordation or the recording of a legal instrument, shall

Governing Documents

refer to an instrument filed or the filing of a legal instrument in the official public records of Bay County, Florida, or such other place designated as the official location for filing documents affecting title to real estate in Bay County in order to make them a matter of public record.

Community-Wide Standard. Where the Governing Documents require compliance with the "Community-Wide Standard," the standard to be applied is the highest of: (a) the standard of use, conduct, architecture, landscaping, or aesthetic matters generally prevailing in the Community, or (b) the minimum standards described in this Charter, the Design Guidelines, the Rules, and Board resolutions. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the discretion of the Board or the Reviewer (as defined in Chapter 5) discretion. The Community-Wide Standard may or may not be set out in writing. The Founder initially shall establish such standard; however, the Community-Wide Standard may evolve as development progresses and as the Community matures.

Maintenance. All references in this Charter to "maintenance" shall refer to maintenance, repair, and replacement.

NOTES

Chapter 2

Community Administration

Vibrant communities depend upon all of their stakeholders working together to uphold community standards and achieve the vision and goals for the community. The Founder, the Association, the owners, the builders, and others have a role in the functioning of the community and in helping to fulfill that vision. This chapter identifies these stakeholders and describes their roles in administering the Community.

2.1. The Founder

The Founder has established the vision for the Community and, through the Governing Documents, has set forth the founding principles that will guide the Community during the initial period of development and sale and thereafter. The Founder's proposed plan for development of the Community is described in the Development Agreement relating to RiverCamps on Crooked Creek dated October 15, 2002 and recorded in Official Records Book 2002, Page 1056, in the public records of Bay County, Florida, as it may be amended ("**Development Agreement**"), which plan encompasses all of the property described in Exhibit "A" and all or a portion of the property described in Exhibit "B" (the "**General Plan of Development**"). However, the Founder reserves the right to make changes in the General Plan of Development and is not obligated to submit property shown on the General Plan of Development to this Charter. In addition, the Founder may submit property to this Charter that is not shown on the General Plan of Development. No representation is made that the Com-

munity will be developed as shown on the General Plan of Development

The Founder has reserved various rights in the Governing Documents with respect to development and administration of the Community. The Founder may exercise certain of these rights throughout the "**Development and Sale Period**," which is the period of time during which the Founder or any "Founder Affiliate" owns real property in the Community or has an unexpired option to expand the Community pursuant to Chapter 17. A "**Founder Affiliate**" is any Person that controls, is controlled by, or is under common control with the Founder, and any Person that is an owner, a member, a partner, or a shareholder of the Founder.

The Founder has reserved other rights that may be exercised only during the "**Founder Control Period**," which is the period of time that the Founder is entitled to appoint a majority of the members of the Association's, board of directors ("**Board**"). The Founder Control Period begins on the date of the Association's incorporation and terminates upon the first of the following to occur:

(a) when 90% of the total number of Units permitted by applicable zoning for the property described in the General Plan of Development have been conveyed to persons other than builders holding title for purposes of construction and resale and the Founder no longer has an option to expand the Community pursuant to Section 17.1;

(b) December 31, 2032; or

Community Administration

(c) when, in its discretion, the Founder so determines and declares in a recorded instrument

The Founder has certain approval rights for a limited period as provided in the By-Laws after the termination of the Founder Control Period.

The Founder may assign its status and rights as the Founder under the Governing Documents to any person who takes title to any portion of the property described in Exhibit "A" or "B" for the purpose of development and/or sale. Such assignment shall be made only in a recorded instrument signed by both parties.

2.2. The Association

The Founder has established the Association as the primary entity responsible for administering the Community in accordance with the Governing Documents. On most matters, the Association acts through the Board. However, in some instances the Governing Documents or applicable law limit the Board's ability to act without the approval of the Association's members. Unless the Governing Documents or Florida law specifically provide otherwise, the Board may exercise the Association's rights and powers without a vote of the membership.

2.3. The Board

The Association may exercise all rights and powers which the Governing Documents and Florida law expressly grant to it, as well as any rights and powers that may reasonably be implied under the Governing Documents. It may also take any action reasonably necessary to effectuate any such right or privilege.

The Board may institute, defend, settle, or intervene on behalf of the Association in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Area of Common Responsibility, as defined in Section 3.1, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation or any other proceeding on behalf of or in the name of the Association or its members.

In exercising the Association's rights and powers, making decisions on the Association's behalf (including, without limitation, deciding whether to file a lawsuit or take other legal action under any circumstances) and conducting the Association's affairs, Board members and the Association's officers are required to comply with, and shall be judged by, the standards set forth in the By-Laws.

2.4. The Owners

Each Person that holds record title to a Unit, as defined in Section 3.1, is referred to in the Governing Documents as an "**Owner**." However, a Person who holds title merely as security for the performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an "Owner." If a Unit is sold under a recorded contract of sale, and the contract specifically so states, the purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Unit has more than one Owner, all Co-Owners are jointly and severally obligated to perform the responsibilities of the Owner under the Governing Documents.

Community Administration

Every Owner has a responsibility to comply with the Governing Documents and uphold the community standards described in Part Two of this Charter. Each Owner also has an opportunity to participate in the administration of the Community through membership in the Association and through service to the Community in various committee and leadership roles, as described in Chapters 3 and 4 and in the By-Laws.

NOTES

2.5. Builders

The Founder anticipates that some of the Units in the Community will be purchased by builders for the purpose of constructing dwellings for resale in the ordinary course of their business ("**Builders**"). Such Builders have the same privileges and responsibilities as Corners during the time that they own property in the Community for development, construction, and/or resale, including the privileges of membership in the Association for each Unit that they own. In addition, the Founder may extend any of the rights it has reserved under the Governing Documents with respect to development, marketing, and sale of property in the Community to such Builders as it may designate.

2.6. Mortgagees

If a Unit is made subject to a mortgage or other form of security instrument affecting title to a Unit ("**Mortgage**"), then the holder or beneficiary of that Mortgage ("**Mortgagee**") also has an interest in the administration of the Community. The Governing Documents contain various provisions for the protection of Mortgagees, including those set forth in Chapter 16.

Chapter 3

Community Structure and Organization

The Community consists of parcels of property, referred to as Units, which are intended for the exclusive use of the Owner and other occupants of such Unit and their guests and invitees, as well as property that is intended for common use.

3.1. Designations of Properties Comprising the Community

Units. The Governing Documents refer to the homes and home sites in the Community as "Units." A Unit is a portion of the Community depicted as a separately identified lot or parcel on a recorded subdivision plat, which may be independently owned and conveyed and is zoned or otherwise intended for development, use, and occupancy as a residence for a single family. The term "Unit" refers to the land, if any, which is part of the Unit, as well as to any structures or other improvements on the Unit. A parcel of land intended for further subdivision and development into one or more Units is considered a single Unit until a subdivision plat, survey, or condominium instrument is recorded subdividing it into more than one Unit.

Common Area. Any property and facilities that the Association owns or in which it otherwise holds possessory or use rights for the common use or benefit of more than one Unit is referred to as "**Common Area**." The Common Area also includes any property that the Association holds under a lease and any easements in favor of the Association.

Limited Common Area. Certain portions of the Common Area may be

designated as "**Limited. Common Area**" and assigned for the exclusive use or primary benefit of two or more Units in specified portions of the Community. Limited Common Areas might include, for example, a driveway shared by more than one Unit.

The Founder may designate property as limited Common Area and assign it to particular Units on the recorded plat depicting such property, in the deed conveying such property to the Association, or in the Supplement by which the property is submitted to the terms of this Charter. At any time during the Development and Sale Period, the Founder may assign use of the same limited Common Area to additional Units.

Area of Common Responsibility. All of the properties and facilities for which the Association has responsibility under the Governing Documents, or for which the Association otherwise agrees to assume responsibility, are collectively referred to in the Governing Documents as the "**Area of Common Responsibility**," regardless of who owns them. The Area of Common Responsibility includes all of the Common Area and may also include Units or portions of Units and property dedicated to the public, such as public rights-of-way adjacent to the Community. The initial Area of Common Responsibility is described in Chapter 9.

NOTES

Chapter 4

Association Membership and Voting Rights

The Association is an entity through which each Owner can participate in the governance and administration of the Community. While many powers and responsibilities are vested in the Board in order to facilitate day-to-day management and operation, the membership and voting rights vested in the Owners allow the Owners to participate in administration of the Community and influence the outcome of major decisions.

4.1. Membership

The Association initially has two classes of membership: the Owner membership, which is comprised of all Owners, including Builders, and the Founder membership, which consists solely of the Founder.

(a) Owner Membership. Every Owner is automatically a member of the Association. However, there shall be only one membership per Unit. Thus, if a Unit has more than one Owner, all co-Owners of the Unit shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth below and in the By-Laws. If an Owner is a corporation, a partnership, or other legal entity, its membership rights may be exercised by any officer, director, partner, or trustee, or by an individual the Owner designates from time to time in a writing to the Association's Secretary, except that only the individuals residing in the Unit shall be entitled to use Common Area recreational facilities available for use by Owners.

(b) Founder Membership. The Founder holds the sole Founder membership. The Founder membership shall terminate two years after expiration of the Founder Control Period, or on such earlier date as the Founder determines and declares in a recorded instrument.

The Founder may, by Supplement, create additional classes of membership comprised of the owners of Units within any portion of the additional property submitted to this Charter. The Founder shall specify in any such Supplement the rights, privileges, and obligations of the members of any class of membership created by that Supplement

4.2. Voting

Each Unit is assigned one equal vote, subject to the limitations on voting set forth in this Charter and the other Governing Documents. No vote shall be exercised for any property exempt from assessment under Section 12.8. Further, during such time as there is a Founder membership, no vote shall be exercised for Units that the Founder owns; rather, the Founder's consent shall be required for various actions of the Board, the membership, and committees, as specifically provided elsewhere in the Governing Documents.

Whenever there is more than one Owner of a Unit, the vote for such Unit may be exercised by any co-Owner or by the proxy of any co-Owner; however, the Unit's vote shall be suspended if more than one authorized Person seeks to exercise it and they do not agree on the

Association Membership and Voting Rights

manner in which the vote is to be cast
The Unit's vote may not be split and no
more than one vote may be cast for any
Unit.

NOTES

PART TWO: COMMUNITY STANDARDS

*Nature is not only more complex than we think; it is more
complex than we can think.*

Frank Engler

Chapter 5

Architecture, Landscaping and Aesthetic Standards

The Community derives its unique character from a mix of compatible architectural styles and from the cooperation of all Builders and Owners in upholding minimum design, landscaping, and aesthetic standards. This chapter explains how those standards are established and how they are applied and maintained through a process requiring prior approval for construction on and exterior modifications to improvements on property within the Community initiated by anyone other than the Founder or the Association during the Founder Control Period.

5.1. General

All site work, landscaping, structures, improvements, sports, play, and maintenance equipment, yard and decorative items, and similar items placed or stored on any property in the Community in a manner or location visible from outside of any existing structure ("**Improvements**") are subject to standards for design, landscaping, and aesthetics adopted pursuant to this chapter ("**Design Guidelines**") and the approval procedures set forth in this chapter, except as this chapter or the Design Guidelines may otherwise specify.

No prior approval is necessary to re-paint the exterior of existing structures using the most recently approved color scheme or to rebuild or restore any damaged structures in a manner consistent with the plans and specifications most recently approved for such structures. Generally, no approval is required for work done to the interior of a structure; however, modifications to the inte-

rior of screened porches, patios, and any other portions of a structure visible from outside of the structure do require prior approval.

Any dwelling constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect or a residential designer approved by Bay County, unless the Founder or its designee in its sole discretion otherwise approves.

Approval under this chapter shall be obtained prior to requesting any building or other permit or submitting any documentation to any governmental authority whose review or approval may be required for the proposed work. The Founder and the Association shall have the right and standing to take action to suspend or enjoin processing of any request for review or approval by a governmental authority submitted prior to any necessary approval being granted hereunder. Approval under this chapter is not a substitute for any approvals or reviews required by Bay County or any municipality or governmental agency or entity having jurisdiction over architectural or construction matters.

This chapter shall not apply to the Founder's design and construction activities or to the Association's activities during the Founder Control Period.

5.2. Design Review Authority

(a) Founder. The Founder shall have exclusive authority to review and act upon all applications for review of proposed Improvements until the later of (i) the expiration of the Development

Architecture, Landscaping and Aesthetic Standards

and Sale Period, or (ii) such time as all Units planned for the property described in Exhibits "A" and "B" have been improved with dwellings for which a certificate of occupancy has been issued. The Founder may designate one or more persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, or otherwise exercising or declining to exercise its authority under this chapter, the Founder and its designee act solely in the Founder's interest and owe no duty and shall have no liability to the Association or any other Person.

From time to time, the Founder may delegate any or all of its rights under this chapter to other Persons or committee, including the committee appointed pursuant to Section 5.2(0). Any such delegation shall be in writing, shall specify the scope of responsibilities delegated, and shall be subject to (i) the Founder's right to revoke such delegation at any time and reassume its prior control, and (ii) the Founder's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable. So long as the Founder has any rights under this chapter, the jurisdiction of others shall be limited to such matters as the Founder specifically delegates.

(b) Design Review Committee. Upon the Founder's delegation of authority pursuant to Section 5.2(a), or upon expiration or termination of the Founder's rights under this chapter, the Board shall appoint a Design Review Committee ("Design Review Committee" or "DRC") to assume jurisdiction over matters within the scope of the delegated authority or this chapter, respectively. The DRC shall consist of at least three, but not more than seven, persons, who shall serve and may be re-

moved and replaced in the Board's discretion. DRC members need not be Owners or representatives of Owners. The DRC may, but need not, include architects, engineers, or similar professionals. The Association may compensate DRC members in such manner and amount, if any, as the Board may determine appropriate.

Until expiration of the Founder's rights under this chapter, the DRC shall notify the Founder in writing within three business days of any action (i.e., approval, partial approval, or disapproval) it takes under this chapter. A copy of the application and any additional information the Founder may require shall accompany the notice. The Founder shall have 10 business days after receipt of such notice to veto any such action, in its discretion, by written notice to the DRC.

Unless and until such time as the Founder delegates all or a portion of its reserved rights to the DRC or the Founder's rights under this chapter terminate, the Association shall have no jurisdiction over architectural matters.

(c) Reviewer. For purposes of this chapter, the entity having jurisdiction in a particular case shall be referred to as the "Reviewer"

(d) Fees; Assistance. The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees also may include reasonable costs incurred in having professionals review any application. The Board may include the compensation of such persons in the Association's annual operating budget

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5.3. *Guidelines and Procedures*

(a) *Design Guidelines.* The Founder may prepare the initial Design Guidelines, which may contain general provisions applicable to all of the Community as well as specific provisions that vary among uses or locations within the Community. The Design Guidelines are intended to provide guidance to Owners and contractors regarding matters of particular concern to the Reviewer. The Design Guidelines are not the exclusive basis for the Reviewer's decisions, and compliance with the Design Guidelines does not guarantee approval.

The Founder shall have sole and full authority to amend the Design Guidelines for so long as it has review authority under Section 5.2(a). The Founder's right to amend the Design Guidelines shall continue even if it delegates reviewing authority to the DRC, unless the Founder also delegates the power to amend to the DRC. Upon termination or delegation of the Founder's right to amend, the DRC may amend the Design Guidelines with the Board's consent.

Amendments to the Design Guidelines shall apply prospectively only. They shall not require modifications to or removal of any structures previously approved once the approved construction or modification has begun. However, any new work on such structures must comply with the Design Guidelines as amended. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may eliminate requirements previously imposed or otherwise make the Design Guidelines less restrictive.

The Reviewer shall make the Design Guidelines available to Owners and their

contractors upon request and may charge a reasonable fee to cover reproduction costs. In the Founder's discretion, such Design Guidelines may be recorded, in which event the recorded version, as it may be amended from time to time, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

(b) *Procedures.* Unless the Design Guidelines provide otherwise, no activities within the scope of this Chapter (as described in Section 5.1) may begin on any portion of the Community until a written application is submitted to and approved by the Reviewer.. The application must be accompanied by plans and specifications and such other information as the Reviewer or the Design Guidelines require.

If the Reviewer is the DRC, notice of any meeting to consider an application for architectural review shall be given in the same manner as notice of Board meetings, as provided in the By-Laws. Meetings of the DRC shall be open to all members, subject to the same exceptions as Board meetings under the By-Laws. This provision shall not apply when the Founder is the Reviewer.

In reviewing each application, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that such determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements.

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The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment, and such determinations shall not be subject to the procedures in Chapter 19 or judicial review so long as they are made in good faith and in accordance with required procedures.

The Reviewer shall make a determination on each application after receipt of a completed application with all required information and fees. The Reviewer may permit or require that an application be submitted or considered in stages, in which case a final decision shall not be required until after the final, required submission. The Reviewer may (i) approve the application with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application.

The Reviewer shall notify the applicant in writing of the final determination on any application no later than 30 business days after its receipt of a completed application and all required submissions; however, with respect to any DRC determination subject to the Founders veto right under Section 5-2(b), the Reviewer shall notify the applicant of the final determination within 40 business days after its receipt of the final determination and all required submissions. Notice shall be deemed given at the time the envelope containing the response is deposited in the U.S. mail. Hand delivery, facsimile, electronic mail, or similar delivery of such written notice also shall be sufficient and shall be deemed given at the time of confirmed delivery to the applicant.

If the Reviewer fails to respond within the time required under the preceding paragraph, approval shall be deemed given. However, no approval, whether expressly granted or deemed granted, shall be inconsistent with the Design Guidelines unless a written variance has been granted pursuant to Section 5.5.

As part of any approval, the Reviewer may require that construction commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once construction is commenced, it shall be diligently pursued to completion. AD work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Reviewer, in its discretion, grants an extension in writing.

The Reviewer may exempt certain activities from the application and approval requirements of this chapter, if such activities are undertaken in compliance with the Design Guidelines and the Community-Wide Standard.

(c) Appeals Process. After the Board's appointment of the DRC, an applicant may appeal any disapproval of its application to the Board. To request an appeal, the applicant must submit to the Association's Secretary, no later than 15 days after the delivery of the notification of disapproval, a copy of the original application, the notification of disapproval, and a letter requesting review of the decision. The appeal request also shall contain a response to any specific concerns or reasons for disapproval listed in the notification of disapproval. The Board may (i) affirm the DRC's decision,

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(ii) affirm a portion and overturn a portion of the DRCs decision, or (iii) overturn the DRCs entire decision. The Board shall notify the applicant and the DRC in writing of its decision no later than 30 days after its receipt of the request for appeal with all required information. The Board's decision shall include a description of its reasons for overturning the DRCs decision. During the appeal process the Owner shall not commence any work requiring approval hereunder. This Section 5.3(c) shall not apply while the Founder is the Reviewer.

5.4. No Waiver of Future Approvals

The people reviewing applications under this chapter will change from time to time, and opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. It may not always be possible to identify objectionable features until work is completed. In such cases, the Reviewer may elect not to require changes to objectionable features. However, the Reviewer may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.

5.5. Variances

The Reviewer may authorize variances from compliance with any of the Design Guidelines and any procedures set forth in this Article or in the Design Guidelines when, in its judgment, circumstances justify an exception. No variance shall (a) be effective unless in writing; (b) be contrary to this Charter;

or (c) prevent the Reviewer from denying a variance in other circumstances. A variance requires the Founder's written consent during the Development and Sale Period and, thereafter, requires the Board's written consent

When unusual circumstances exist that make it difficult or impossible to comply with a particular requirement of the Design Guidelines, the Owner may file a request with the Reviewer to be excused from complying with such requirement. The Reviewer has the discretion to determine when a variance is appropriate.

5.6. Limitation of Liability

This chapter establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of the Community; it does not create any duty to any Person. Review and approval of any application pursuant to this chapter may be based purely on aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that all dwellings are of comparable quality, value, size, or design, or are aesthetically pleasing or otherwise acceptable to other Owners.

With respect to any property owned or improved by any Person subject to the requirements of this Article, the Founder, the Association, its officers, the Board, any committee, and member of any of the foregoing shall not be liable for (a) soil conditions, drainage, or other general site work; (b) any defects in plans revised or approved hereunder; (c) any loss or damage arising out of the ac-

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tion, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents, whether or not the Founder has approved or featured such contractor as a Builder; or (d) any injury, damages, or loss arising out of the manner or quality or other circumstances of construction or modifications, whether or not approved hereunder. In all such matters, the Association shall defend and indemnify the Board, the Reviewer, and the members of each, as provided in the By-Laws.

5.7. Final "As Built" Plans.

Upon completion of structural improvements approved pursuant to this chapter, the Owner shall submit to the Reviewer a final, "as built" site plan, utility plan, and elevations.

5.3. Certificate of Compliance

Any Owner may request in writing that the Reviewer issue a certificate of compliance certifying that there are no known violations of this chapter or the Design Guidelines. The Reviewer shall either grant or deny such written request within 30 days after receipt and may charge a reasonable administrative fee. Issuance of such a certificate shall prevent the Association from taking enforcement action against an Owner for any condition known to the Association or the Reviewer on the date of such certificate.

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Chapter 6

Maintenance, Repair and Replacement

One of the benefits of owning property in a planned community is the commitment among neighbors to maintain their property in a neat and attractive condition to enhance the overall beauty and aesthetic appeal of the community. This chapter describes the Owners' responsibilities for maintenance and repair of their Units and for insuring their Units against property damage so that funds will be available for repair and restoration if needed.

6.1. Maintenance of Units

Each Owner shall maintain his or her Unit, including all structures, landscaping, and other improvements comprising the Unit, in a manner consistent with the Governing Documents and the Community-Wide Standard, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or another entity pursuant to this Charter, any Supplement, other recorded covenants, written agreement, or by law. Such maintenance shall include, without limitation, the following:

(a) keeping gutters, eaves and roof clear of leaves and other debris;

(b) clearing and removing dead wood and plant material and dense undergrowth within 30 feet of structures on the Unit;

(c) pruning low branches (i.e., within 6 feet of ground) on trees growing within 30 feet of structures on the Unit;

(d) undertaking such other fire deterrent measures as the Board may reasonably require from time to time.

6.2. Responsibility for Repair and Replacement

Unless otherwise specifically provided in the Governing Documents or in other instruments creating and assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard.

Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible, unless the Association carries such insurance (which it may but is not obligated to do). If the Association assumes responsibility for insuring a Unit, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Unit and the Owner.

Within 90 days after any damage to or destruction of a structure on a Unit, the Owner shall promptly repair or reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved pursuant to Chapter 5 unless the Board, in its discretion, agrees to extend such period. Alternatively, the Owner shall clear the Unit of debris and maintain it in a neat and attractive condition consistent with the Community-Wide Standard. The Owner shall pay any costs that insurance proceeds do not cover.

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Maintenance, Repair and Replacement

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Chapter 7

Use and Conduct

This chapter sets forth basic standards regarding use, occupancy, and transfer of interests in Units. In addition, it provides a procedure by which the Board and the membership can adopt and change rules regulating use, conduct, and activities within the Community to address particular needs and desires of the Community over time.

7.1. Use, Occupancy, and Transfer of Interests in Units

(a) Residential and Related Uses. Units may be used only for residential and related purposes, except as the Founder may otherwise authorize with respect to construction, marketing, and sale activities of the Founder and Builders it designates.

A business activity within a Unit shall be considered "related" to a residential use and thus permitted under this Section only if conducted by a person or persons residing in the Unit and only if the business activity:

(i) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;

(ii) complies with applicable zoning requirements;

(iii) does not involve regular visitation of the Unit by employees who do not reside in the Unit, clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Community;

(iv) is consistent with the Community's residential character and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of others, as the Board determines in its discretion; and

(v) does not involve real estate brokerage or sales activities as the agent of an Owner other than the Founder or Builders it may authorize, unless the Founder has specifically approved such activities in writing.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

Leasing a Unit for residential purposes shall not be considered a "business" within the meaning of this subsection. For purposes of this Charter, the terms "**Lease**" and "**Leasing**" shall refer to the regular, exclusive occupancy of a Unit by any Person other than the Owner, for which the Owner receives any consideration or benefit

(b) Leasing. Any dwelling that is leased shall be leased only in its entirety; separate rooms, floors, or other areas within a dwelling may not be separately leased, except that an Owner may lease a

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garage apartment separate from the main dwelling.

All leases shall be in writing and shall disclose that the tenants and all occupants of the leased Unit are bound by and obligated to comply with the Governing Documents. However, the Governing Documents shall apply regardless of whether such a provision is specifically set forth in the lease.

Prior to a tenant taking occupancy under a lease or rental agreement of any land, the Owner of the leased Unit shall notify the Board or the Association's managing agent of the lease and provide any additional information the Board may reasonably require. The Owner must give the tenant copies of the Governing Documents. In addition to, but consistent with this subsection, the Association or the Board may adopt Rules as provided in Section 7.2 governing leasing and subleasing. This Section 7.1(c) and any Rules regulating leasing and subleasing shall not apply to any Units leased by or on behalf of the Founder or any Founder Affiliate.

(c) *Transfer of Title.* Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The Person transferring title shall continue to be jointly and severally responsible with the Person accepting title for all obligations of the Owner, including assessment obligations, until the date upon which the Board receives such notice, notwithstanding the transfer of title.

(d) *Subdivision and Combination of Units.* No Person other than the Founder and Builders whom the Founder may authorize shall subdivide or change the boundary lines of any Unit or combine Units without the Board's prior written approval. Any such action that the Board approves shall be effective only upon recording of a plat or other legal instrument reflecting the subdivision or new boundaries of the affected Unit(s). In the absence of such recorded instrument, adjacent Units owned by the same Owner shall continue to be treated as separate Units for purposes of voting and assessment, even though such Units may be improved with a single dwelling.

(e) *Timesharing.* No Unit shall be used for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a feed or floating time schedule over a period of years, unless such program is established by the Founder or with the Founder's prior written approval.

7.2. Rulemaking Authority and Procedures

The Governing Documents establish a framework of covenants and conditions that govern the Community. The initial Rules attached as Exhibit "C" are a part of that framework. However, within that framework, the Association must be able to respond to unforeseen issues and changes affecting the Community. Therefore, the Board and the Members are authorized to change the Rules in accordance with the following procedures, subject to the limitations set forth in Section 7.3.

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(a) Board Authority. Subject to the notice requirements in subsection (c) and the Board's duty to exercise judgment and reasonableness on behalf of the Association and its Members, the Board may adopt new Rules and modify or rescind existing Rules by majority vote of the directors at any Board meeting.

(b) Membership Authority. Subject to the notice requirements in subsection (c), Members representing a majority of the votes in the Association also may adopt new Rules and modify or rescind existing Rules at any meeting of the Association duly called for such purpose, regardless of the manner in which the original Rule was adopted. However, as long as the Founder membership exists, any such action also shall be subject to the Founder's approval.

(c) Notice. The Board shall send notice to all Owners concerning any proposed Rule change at least five business days prior to the meeting of the Board or the Members at which such action is to be considered. At any such meeting, Members shall have a reasonable opportunity to be heard before the proposed action is put to a vote.

This notice requirement does not apply to administrative and operating policies that the Board may adopt relating to the Common Areas, such as hours of operation of a recreational facility, speed limits on private roads, use fees for use of Association property, and the method of allocating or reserving use of a facility (if permitted) by particular individuals at particular times, notwithstanding that such policies may be published as part of the Rules.

(d) Effective Date. A Rules change adopted under this Section shall take effect 30 days after the date on which written notice of the Rules change is given to the affected Owners.

 Since it is impossible to foresee all potential situations and problems that may arise within the community, the Board and the Members have the authority to adopt and modify rules as needed to address these changing circumstances.

(e) Conflicts. No action taken under this Section shall have the effect of modifying or repealing the Design Guidelines or any provision of this Charter other than the Rules. In the event of a conflict between the Design Guidelines and the Rules, the Design Guidelines shall control. In the event of a conflict between the Rules and any provision of this Charter (exclusive of the Rules), the Charter shall control.

7.3. Protection of Owners and Others

Except as may be set forth in this Charter (either initially or by amendment) or in the initial Rules set forth in Exhibit "C" all Rules shall comply with the following provisions:

(a) Similar Treatment. Similarly situated Units shall be treated similarly.

(b) Displays. No Rule shall abridge an Owner's right to display on his or her Unit one United States flag, and political, religious, or holiday symbols and decorations on his or her Unit of the kinds normally displayed in single-family residential neighborhoods, nor shall any Rule regulate the content of political signs. However, the Association

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may adopt time, place, and manner restrictions with respect to flags, signs, symbols, and displays visible from outside structures on the Unit including reasonable limitations on size and number.

(c) *Household Composition.* No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Unit size and facilities and its fair share use of the Common Area.

(d) *Activities Within Dwellings.* No Rule shall interfere with the activities carried on within a dwelling, except that the Association may prohibit activities not normally associated with residential property and may adopt rules to further define, clarify, and implement the restrictions in Section 7.1. It also may restrict or prohibit activities that create monetary costs for the Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling, or that are an unreasonable source of annoyance.

(e) *Allocation of Burdens and Benefits.* No Rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments, abuse the Common Area, or violate the

Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Chapter 12.

(f) *Leasing and Transfer of Units.* Except as set forth in Section 7.1(b), no Rule shall prohibit leasing or transfer of any Unit or require approval prior to leasing or transferring a Unit; however, the Rules may require a minimum lease term of up to 7 days. The Rules also may require that Owners use Board-approved lease forms (or include specific lease terms), and may impose a reasonable review or administrative fee in connection with the Board's review of a lease.

(g) *Abridging Existing Rights.* No Rule shall require that an Owner dispose of personal property kept in or on a Unit in compliance with the Rules in effect at the time such personal property was brought onto the Unit. This exemption shall apply only during the period of such Owner's ownership of the Unit and shall not apply to subsequent Owners who take title to the Unit after adoption of the Rule.

(h) *Reasonable Rights to Develop.* No Rule may unreasonably interfere with the Founder's ability to develop, market, and sell property in the Community.

(i) *Interference with Easements.* No Rule may unreasonably interfere with the exercise of any easement, except as set forth in Section 13.1(d).

7.4. Owners' Acknowledgment and Notice to Purchasers

By accepting a deed, each Owner acknowledges and agrees that the

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use, enjoyment, and marketability of Ms or her Unit is limited and affected by the Rules, which may change from time to time. All Unit purchasers are hereby notified that the Association may have adopted changes to the Rules and that such changes may not be set forth in a recorded document. A copy of the current Rules and all administrative policies are available from the Association upon request. The Association may charge a reasonable fee to cover its reproduction cost.


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Chapter 8

Compliance and Enforcement

The covenants, standards, and rules set forth in the Governing Documents are for the benefit of all Owners and occupants of the Community. However, if they are to have any real meaning, there must be a commitment by the stakeholders in the Community to comply with them and there must be a mechanism in place to enforce that compliance in the event that someone fails or refuses to do so. This chapter sets forth the obligation to comply and the remedies available to the Association in the event of noncompliance.

8.1. Compliance

 All Owners are required to abide by the Governing Documents. If an Owner fails or refuses to obey the Governing Documents the Owner may be subject to various penalties including fines and the loss of the right to use the Common Areas.

Every Owner, occupant and visitor to a Unit must comply with the Governing Documents and shall be subject to sanctions for violations as described in this chapter. In addition, each Owner shall be responsible for, and may be sanctioned for, all violations of the Governing Documents by the occupants of or visitors to their Units, and for any damage to the Area of Common Responsibility that such occupants or visitors cause.

3.2. Remedies for Non-Compliance

The Association, the Founder and every affected Owner shall have the right

to file suit at law or in equity to enforce the Governing Documents. In addition, the Board may impose sanctions for violation of the Governing Documents, including those listed below and any others described elsewhere in the Governing Documents.

(a) *Sanctions Requiring Prior Notice and Hearing.* After written notice and an opportunity for a hearing in accordance with the By-Laws, the Board may:

(i) impose reasonable monetary Sues, in an amount not to exceed \$100.00 per violation, which shall constitute a lien upon the Unit owned, leased, or occupied by the violator. In the event that any occupant, guest, or invitee of a Unit violates the Governing Documents and a fine is imposed, the fine may, but need not, first be assessed against the violator; however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board;

(ii) suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed the Association); however, nothing herein shall au-

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thorize the Board to limit ingress or egress to or from a Unit;

(iii) suspend services the Association provides (except that no hearing is required if the Owner is more than 60 days delinquent in paying any assessment or other charge owed to the Association), except that nothing herein shall authorize the Board to suspend essential utilities (i.e., electricity, natural gas, or water);

(iv) exercise self-help or take action to abate any violation of the Governing Documents in a non-emergency situation (including removing personal property that violates the Governing Documents);

(v) without liability to any Person, preclude any contractor, subcontractor, agent, employee, or other invitee of an Owner who causes damage to any property in the Community owned by others or fails to comply with the terms and provisions of Chapter 5 and the Design Guidelines from continuing or performing any farther activities in the Community;

(vi) levy Specific Assessments to cover costs the Association incurs in bringing a Unit into compliance with the Community-Wide Standard or other requirements under the Governing Documents, or in repairing damage to any portion of the Area of Common Responsibility resulting from actions of any Owner or occupant of a Unit, their contractors, subcontractors, agents, employees, or invitees; and

(vii) record a notice of violation with respect to any Unit on which a violation exists.

(b) *Other Sanctions.* The Board may take the following actions to obtain compliance with the Governing Documents without prior notice or a hearing:

(i) suspend the vote allocated to any Unit if the Owner is more than 90 days delinquent in paying any Base Assessment or limited Common Area Assessment levied on the Unit pursuant to Chapter 12;

(ii) exercise self-help or take action to abate a violation on a Unit in any situation which requires prompt action to avoid potential injury or damage or unreasonable inconvenience to other persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

(iii) exercise self-help or take action to abate a violation on the Common Area under any circumstances;

(iv) require an Owner, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Unit that is in violation of the Community-Wide Standard or other requirements under the Governing Documents and to restore the property to its previous condition;

(v) enter the property and exercise self-help to remove or cure a violating condition if an Owner fails to take action as required pursuant to subsection (iv) above within 10 days after receipt of written notice to do so, and any such entry shall not be deemed a trespass; or

(vi) bringing suit at law for monetary damages or in equity to stop or prevent any violation, or both.

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(c) *Founder's Right to Impose Sanctions.* In the event that the Association fails or refuses to take action or impose sanctions under this Article after notice from the Founder of a violation of the Governing Documents, the Founder shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 8.2(a). In addition, the Founder may exercise self-help or take action to abate a violation or bring suit and law or in equity in the same manner as the Association under Section 8.2(b).

8.3. Board Decision to Pursue Enforcement Action

The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. For example, the Board may determine that, in a particular case:

(a) the Association's position is not strong enough to justify taking any or further action;

(b) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;

(c) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or

(d) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

A decision not to enforce a particular provision shall not prevent the Association from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

8.4. Attorneys Fees and Costs

In any action to enforce the Governing Documents, if the Association or Founder prevails, it shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

8.5. Enforcement of Ordinances

The Association, by contract or other agreement, may enforce applicable laws, regulations, ordinances, and governmental requirements. In addition, Bay County, or other governmental entity having jurisdiction, may enforce laws, regulations, ordinances, and governmental requirements within the Community.

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PART THREE: ASSOCIATION OPERATIONS

*Conservation means harmony between men and land. When
land does well for its owner, and the owner does well by his
land; when both end up better, by reason of their partnerships,
we have conservation.*

Aldo Leopold, Round River

Chapter 9

Property Management

One of the Association's primary functions is maintaining and operating property and facilities for the common benefit of the Owners and residents of the Community. This chapter establishes the Association's obligation to accept property that the Founder designates as Common Area or Limited Common Area and to maintain, operate, and insure it, along with certain other properties, for the benefit of the Community.

9.1. Acceptance and Control of Association Property

(a) Transfers and Conveyances by Founder. The Founder and its designees may transfer or convey to the Association interests in real or personal property within or for the benefit of the Community, and the association shall accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests.

Upon the Founders written request, the Association shall reconvey to the Founder any unimproved real property that the Founder originally conveyed to the Association for no payment, to the extent conveyed in error or needed to make minor adjustments in property lines or accommodate changes in the development plan.

(b) Management and Control. The Association is responsible for management, operation, and control of the Common Area, subject to any covenants set forth in the deed or other instrument

transferring the property to the Association. The Association may enter into leases, licenses, or operating agreements with respect to portions of the Common Area, for payment or no payment as the Board deems appropriate, subject to the requirements of Florida law. The Association may permit use of Common Area facilities and Association property by persons other than Owners and occupants of Units and may charge use fees, in such amount as the Board may establish, for such use.

9.2. Maintenance of Area of Common Responsibility

The Association shall maintain the Area of Common Responsibility in accordance with the Community-Wide Standard. The Area of Common Responsibility includes, but is not limited to:

(a) the Common Area, including private roads and gated entryways serving the Community; and

(b) landscaping within public rights-of-way within or abutting the Community, to the extent not maintained to the Community-Wide Standard by appropriate governmental authorities; and

(c) any piers and boardwalks attached to or abutting banks, shorelines, marshes, or other property comprising the Common Area;

(d) such portions of any additional property as may be dictated by the Founder, this Charter, any Supplement, or any covenant or agreement for main-

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tenance entered into by, or otherwise binding on the Association; and

(d) any property and facilities that the Founder owns and makes available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members. The Founder shall identify any such property and facilities by written notice to the Association, and they shall remain part of the Area of Common Responsibility until the Founder revokes such privilege of use and enjoyment by written notice to the Association.

The Association shall also be responsible for proper functioning of the stormwater drainage system serving the Community, including maintenance, repair and replacement, as needed, of pipes, culverts, and other structures and equipment comprising the system, except to the extent that such maintenance is the responsibility of a governmental authority. It shall have no responsibility for landscaping or other maintenance of Units burdened by stormwater drainage easements unless otherwise specifically set forth in a Supplement or in a recorded agreement or plat

The Association may maintain other property it does not own, including, without limitation, Units, property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property it does not own except to the extent that it has been negligent in performing its maintenance responsibilities.

9.3. Discontinuation of Operation

After termination of the Founder Control Period, the Association shall maintain the Common Area facilities in continuous operation unless the Founder, during the Development and Sale Period, and Owners entitled to cast 75% of the total votes in the Association, consent in writing to discontinue such operation. If the property is Limited Common Area, any discontinuation also shall require the approval in writing of at least 75% (or such higher percentage as a Supplement may require) of the Owners to whom such Limited Common Area is assigned. This Section shall not apply during the Founder Control Period or to restrict the Board's ability to establish reasonable operating hours, which may vary by season, nor to preclude temporary closures or interruptions in operation as the Board may determine appropriate to perform maintenance or repairs.


9.4. Restoring Damaged Improvements

In the event of damage to or destruction of portions of the Area of Common Responsibility for which the Association has insurance responsibility, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially its condition prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

The Association shall repair or reconstruct damaged Common Area improvements unless the Founder, during the Development and Sale Period, or Owners entitled to cast at least 75% of

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the total votes in the Association, after the Development and Sale Period, decide within 60 days after the less not to repair or reconstruct. If the damage is to" limited Common Area, any decision not to restore the damaged improvements after the Development and Sale Period also shall require the approval of at least 75% of the Owners of Units to which such Limited Common Area is assigned. If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such 60-day period, then the period shall be extended until such funds or information are available. No Mortgagee shall have the right to participate in determining whether the damage or destruction to the Common Area shall be repaired or reconstructed.

 This provision ensures that desirable Common Area improvements will be replaced if destroyed, but it also makes it possible not to repair or rebuild if the Owners who benefit from the Common Area prefer not to rebuild.

If a decision is made net to restore the damaged improvements and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard

The Association shall retain and place in a capital improvements account for the benefit of all Owners any insurance proceeds remaining after paying the costs of repair or reconstruction or after such settlement as is necessary and appropriate. This is a covenant for the benefit of Mortgagees and may be en-

forced by the Mortgagee of any affected Unit

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Owners, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 11.4.

9.5. Relationships with Other Properties

The Association may contract with the owner of any neighboring property or Private Amenity to provide for sharing of costs associated with (a) maintenance and operation of mutually beneficial properties or facilities, or (b) provision of mutually beneficial services.

9.6. Surface Water and Storm Water Management System

(a) Maintenance and Operation. The Association shall be responsible for the maintenance, operation, repair, and replacement of the Surface Water and Storm Water Management Systems serving the Community. Such responsibility shall include the exercise or practices that allow the systems to provide drainage, water storage, conveyance, or other surface water or storm water management capabilities as permitted by the governmental authorities having jurisdiction over the Community.

(b) Shared Facilities. Certain portions of the Surface Water and Storm Water Management System may serve the drainage needs of adjacent lands not owned by the Founder and not within the Community. The Founder reserves

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the right to grant such drainage and/or use such easements and rights as the Founder may deem necessary or appropriate for accomplishing the drainage needs of the Community and/or lands owned by others provided that such agreements shall not unreasonably interfere with the use of the system by the Owners or unreasonably increase the cost of maintenance of the system by the Association.

(c) **Permits and Monitoring.** The Association shall comply with conditions of the permits from all governmental authorities having jurisdiction over the Surface Water and Storm Water Management System and wetlands within the Community. The Association, shall, when requested by the Founder, apply for the issuance of, or accept assignment of, all applicable permits for the Community (as the Community may be expanded) and shall be designated as the "permittee" under such permits. The conditions of the permits may include monitoring and record keeping schedules, and maintenance.

The Association shall at all times properly operate and maintain the systems of treatment and control (and related appurtenances) that are installed or used to achieve compliance with conditions of the permits, including the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permits and when required by the governmental authorities having jurisdiction.

The Association shall allow authorized governmental personnel, upon representation of credentials or other documents as may be required by law, access to the Area of Common Respon-

sibility where the permitted activity is located or conducted at all reasonable times for the purposes of

(i) inspection and testing to determine compliance with the permits;

(ii) reviewing and copying any records that must be kept "under the conditions of the permits; and

(iii) inspecting the facilities, equipment, practices, or operations regulated or required under the permits; and

(iv) sampling or monitoring any substances or parameters at any location reasonably necessary to assure compliance with the permits; and

(v) gathering of data and information.

Reasonable time may depend on the nature of the concern being investigated.

Neither the Association nor any Owner shall engage in any construction-related activities within any part of the Surface Water and Storm Water Management System or wetlands in the Community without first obtaining such approvals as may be required by the governmental authorities having jurisdiction.

(d) Effect of Dissolution. In the event of and prior to the termination, dissolution, or final liquidation of the Association, the responsibility for the operation and maintenance of the Surface Water and Storm Water Management System and wetlands shall be transferred to and accepted by an entity which meets the requirements of Florida law relating to such operation and maintenance. In the event that no other en-

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tity exists to receive such transfer, the obligations of the Association shall be deemed assumed by the Owners, and all such Owners shall be jointly and severally responsible for the operation and maintenance of the Surface Water and Storm Water Management System and wetlands in accordance with the requirements of the applicable permits.

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9.7. Resource Management Plan.

The Association, in cooperation with the Florida Department of Environmental Protection and such other local, state and federal government agencies as may have jurisdiction, shall establish and implement, as a Common Expense, an ongoing resource management plan for the Community which includes, without limitation, plans and procedures for:

(a) management of wetlands within the Community, whether located on Units or Common Area;

(b) minimizing fire hazards; and

(c) maintaining and enhancing wildlife habitats.

Such resource management plan may include delegation or assignment of responsibilities to a land trust or other entity. It shall be consistent with the Development Agreement and may include, without limitation, selected thinning, pruning, and clearing of vegetation, ecological burning, pesticide and herbicide usage, exotic plant and animal removal, usage of heavy equipment and machinery, and such other practices as the Board may determine necessary or beneficial for the proper management of the natural resources within the Community.

Chapter 10

Provision of Services

In addition to its property management role, the Association is a vehicle for providing a variety of services for the benefit of the Community at large and individual Units. This chapter describes some of the services the Association may provide.

10.1. Provision of Services to Units

The Association may arrange for or provide services to Owners and their Units, directly or through contracts with the Founder or other third parties. The Association may enter into bulk service agreements by which a particular service is provided to all Units, or it may offer various services at the option of each Owner, or both. By way of example and not limitation, such services might include such tilings as cable television, technology services, utilities, fire protection, security, trash collection, landscape maintenance, pest control, caretaker services, and concierge services. Any services provided to all Units shall be provided as a Common Expense and assessed as part of the annual Base Assessment levied on each Unit pursuant to Chapter 12. The Association shall charge a separate use fee, in such amount as the Board may determine appropriate in its discretion, for any services offered at the option of each Owner, such fee to be assessed against the benefited Unit as a Specific Assessment pursuant to Chapter 12.

Any Association contract for services may require individual Owners or occupants to execute separate agreements directly with the Persons providing

components or services in order to gain access to or obtain specified services. Such contracts and agreements may contain terms and conditions that, if violated by the Owner or occupant of a Unit, may result in termination of services provided to such Unit. Any such termination shall not relieve the Owner of the continuing obligation to pay assessments for any portion of the charges for such service that are assessed against the Unit as part of the Base Assessment levied against such Unit.

In its discretion, the Board may discontinue offering particular services and may modify or cancel existing contracts for services, subject to the contract terms and any provision that may exist elsewhere in the Governing Documents requiring the Association to provide such services.

10.2. Community Technology

(a) Community Systems. Without limiting the generality of Section 10.1, the Association is specifically authorized to provide, or to enter into contracts with other Persons to provide, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software, to serve the Community ("**Community Systems**"). Any such contracts may provide for installation, operation, management, maintenance and upgrades or modifications to the Community Systems as the

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Board determines appropriate. The Association shall have no obligation to utilize any particular provider(s). However, except for cause (as defined by written agreement with the provider), the Association may not without the Founder's consent, terminate any contract entered into during the Founder Control Period.

(b) Opportunities for Community Interaction. The Association may make use of computers, the Internet, and expanding technology to facilitate community interaction and encourage participation in Association activities. For example, the Association may sponsor a community cable television channel, create and maintain a community intranet or Internet home page, maintain an "online" newsletter or bulletin board, and offer other technology-related services and opportunities for Owners and residents to interact and participate in Association-sponsored activities. To the extent Florida law permits, and unless otherwise specifically prohibited in the Governing Documents, the Association may send notices by electronic means, hold Board or Association meetings and permit attendance and voting by electronic means, and send and collect assessment and other invoices by electronic means.

10.3. *Interpretive Centers.*

The Association shall be responsible for maintenance and operation of one or more interpretive centers within the Community and shall use such interpretive centers and other Common Area facilities to facilitate and sponsor programs and classes designed to foster and promote environmental education and awareness. The Association shall have the authority to retain, as a Common Expense, such guest speakers, instruc-

tors, and staff as the Board deems appropriate to conduct such programs and classes. The Association may permit persons who do not own or occupy a Unit to participate in any such programs, classes and activities for such fee, if any, as the Board may establish.

Provision of Services

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Chapter 11

Association Insurance

The Association is responsible for insuring against various types of risks, including property damage, personal injury, and liability. This chapter describes the minimum types and amounts of coverage that the Association must obtain, the specific requirements for such policies, and the handling of deductibles and premiums for such insurance.

11.1. Required Coverages

The Association shall obtain and maintain in effect the following insurance coverage, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on

(i) the Common Area; and

(ii) other portions of the Area of Common Responsibility, to the extent that the Association has responsibility for repair or replacement in the event of a casualty.

If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. The limits of Association property insurance policies shall be sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes.

(b) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members; employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage shall have a limit of at least \$5,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage. Such coverage may be provided through a combination of primary and umbrella policies. However, if additional coverage and higher limits are available at reasonable cost that a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;

(c) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(d) Directors and officers liability coverage; and

(e) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than an amount equal to one-fourth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation.


The Association shall arrange for an annual review of the sufficiency of its

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insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the Bay County area. In the exercise of its business judgment, the Board may obtain additional insurance coverage and higher limits than this Section requires.

11.2. Deductibles

The Association's policies may contain a reasonable deductible, which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 11.1. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment.

 The Board may hold any Persons who cause damage to insured improvements responsible for the insurance deductible payable on any insurance claim related to such damage.

11.3. Policy Requirements

All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Owner.

To the extent available at reasonable cost and terms, all Association insurance shall:

(a) be written with a company authorized to do business in Florida which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(b) be written in the name of the Association as trustee for the benefited parties. All policies shall be for the benefit of the Association and its members, except that policies on Limited Common Area shall be for the benefit of the Owners of Units to which the Limited Common Area is assigned and their Mortgagees, as their interests may appear;

(c) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually;

(d) contain an inflation guard endorsement;

(e) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(f) provide that each Owner is an insured person with respect to liability arising out of such Owner's status as a member of the Association;

(g) provide a waiver of subrogation against any Owner or household member of an Owner; and

(h) include an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any act or omission of one or more Owners, unless acting on the Association's behalf within the scope of their authority, or on account of any curable defect or violation, without prior written

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demand to the Association and allowance of a reasonable time to cure the defect or violation.

Subrogation is a legal concept by which one person is substituted in the place of another with respect to a lawful claim or right. For example, ones they have paid a claim by an insured party, insurance companies generally have the right to step into the shoes of the insured party and sue any one that the insured party could have sued

In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide:

(a) a waiver of subrogation as to any claims against the Association's directors, officers, employees, and manager;

(b) a waiver of the insurer's right to repair and reconstruct instead of paying cash;

(c) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(d) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

(e) a cross liability provision; and

(f) a provision vesting in the Board exclusive authority to adjust losses. However, Mortgagees having an interest in such losses may not be precluded from participating in the settlement negotiations, if any, related to the loss.

11.4. Insurance Premiums

Premiums for all Association insurance shall be a Common Expense, except that premiums for property insurance on Limited Common Areas shall be a Limited Common Expense, unless the Board reasonably determines that other treatment of the premiums is more appropriate.

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Chapter 12

Association Finances

This chapter provides for various types of funding to cover expenses that the Association incurs or expects to incur in exercising its authority and performing its responsibilities under the Governing Documents. The primary source of funding is the assessments which this chapter authorizes the Association to levy against the Units and collect from the Owner of each Unit. Assessments are secured by a lien on each Unit as described in this chapter.

12.2. Association Expenses

(a) Common Expenses. Except as the Governing Documents otherwise specifically provide, all of the expenses that the Association incurs, or expects to incur, in connection with the ownership, maintenance, and operation of the Area of Common Responsibility, and otherwise for the general benefit of the Owners, are considered "Common Expenses." Common Expenses include such operating reserves and reserves for repair and replacement of capital items within the Area of Common Responsibility as the Board finds necessary or appropriate.

Common Expenses shall not include any expenses incurred during the Founder Control Period for initial development or original construction costs unless Owners other than the Founder representing a majority of the total vote in the Association approve such expenditure. Payments due under leases of capital improvements such as streetlights shall not be considered an initial

development or original construction cost

The characterization of a particular expense as a "Common Expense" shall not preclude the Association from seeking reimbursement for, or a contribution toward, such expenses from other Persons who may be responsible for the expenses incurred or for sharing such expenses pursuant to this Charter, any Supplement, or any other recorded covenants or agreements.

(b) Limited Common Expenses. All expenses that the Association incurs or expects to incur in connection with the ownership, maintenance, and operation of Limited Common Areas, including any reserve for repair and replacement of Limited Common Areas, are considered "**Limited Common Expenses.**" Limited Common Expenses may include a reasonable administrative charge in such amount as the Board deems appropriate, provided that any such administrative charge is applied at a uniform rate per Unit among all Units similarly situated.

12.2. Budgeting for and Allocating Association Expenses

(a) Preparation of Budget. At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year. In addition, the Board shall prepare a separate budget for each Limited Common Area reflecting the estimated Limited Common Expenses that the Association expects to incur in connection with such

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Limited Common Area in the coming year.

The estimated expenses in each budget shall include, in addition to any operating reserves, a reasonable contribution to a reserve fund for repair and replacement of any capital items to be maintained as a Common Expense or as a Limited Common Expense, as applicable. In determining the amount of such reserve contribution, the Board shall take into account the number and nature of replaceable assets, the expected useful life of each, the expected repair or replacement cost, and the contribution required to fund the projected needs by annual contributions over the useful life of the asset.

Each budget also shall reflect any surplus or deficit as of the end of the current year, and the sources and estimated amounts of funds to cover anticipated expenses, including any income expected from sources other than assessments levied against the Units, and the amount to be generated through the levy of Base Assessments and limited Common Assessments pursuant to subsections (b) and (c). The budgets shall set out separately any fees or charges for use of recreational amenities in the Community.

(b) Calculation of Base Assessments.

The total budgeted Common Expenses, less any surplus in the Common Expense budget from prior years and any income anticipated from sources other than assessments against the Units, shall be allocated equally among all Units subject to assessment under Section 12.5 and levied as a "Base Assessment."

(c) Calculation of Limited Common Area Assessments. The total Limited Common Expenses budgeted for each limited Common Area, less any surplus in such budget from prior years, shall be allocated among all Units to which the limited Common Area is assigned and levied as a "limited Common Area Assessment." Unless otherwise specified in any Supplement applicable to the limited Common Area, limited Common Expenses shall be shared equally by all Units to which the Limited Common Area is assigned.

All amounts the Association collects as Limited Common Area Assessments shall be held in trust for and expended solely for the benefit of the limited Common Area for which they were collected and shall be accounted for separately from the Association's general funds.

(d) Founders Subsidy Option. The Founder may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by the Founder under Section 12.6(b)). Any such subsidy may be treated as a contribution, an advance against future assessments due from the Founder, or a loan, in the Founder's discretion. Any such subsidy and the characterization thereof shall be conspicuously disclosed as a line item in the income portion of the budget. Payment of such subsidy in any year shall not obligate the Founder to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Founder.

(e) Notice of Budget and Assessment; Right to Disapprove.

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The Board shall send a copy of each applicable budget, together with notice of the amount of the Base Assessment and any Limited Common Area Assessment to be levied pursuant to such budgets, to each Owner at least 30 days prior to the due date of the assessments to be levied pursuant to such budget. The Common Expense budget shall automatically become effective unless disapproved at a meeting by Members entitled to cast at least 75% of the total votes in the Association and by the Founder Member, if such exists. Each Limited Common Area budget shall automatically become effective unless disapproved at a meeting by Owners of at least 75% of the Units to which the Limited Common Area is assigned

There shall be no obligation to call a meeting for the purpose of considering any budget except, in the case of the Common Expense budget, on petition of the Members as provided for special meetings in the By-Laws, and in the case of a limited Common Area budget, on petition of Owners of at least 67% of the Units to which the limited Common Area is assigned. Any such petition must be presented to the Board within 10 days after delivery of the budget and notice of any assessment

If any proposed budget is disapproved or the Board fails for any reason, to determine the budget for any year, then the budget most recently in effect, increased by 10%, shall continue in effect until a new budget is determined. The Association and the Board shall have no liability for failure to adopt a budget within the time period specified in this Section 12.2, and failure to adopt a budget shall not excuse any Owner from payment of assessments for ex-

penses incurred during the period prior to adoption of a new budget

(f) Budget Revisions. The Board may revise the budget and adjust the Base Assessment or Limited Common Area Assessments anytime during the year, subject to the same notice requirements and rights to disapprove set forth in subsection (e) above.

12.3. Special Assessments

The Association may levy "Special Assessments" to cover Common Expenses or Limited Common Expenses that are non-routine, unanticipated, or in excess of those anticipated in the applicable budget Except as otherwise specifically provided in this Charter, any Special Assessment for Common Expenses shall require the affirmative vote or written consent of Members entitled to cast more than 50% of the votes attributable to Units subject to assessment under Section 12.5 and shall be allocated equally among all such Units. Any Special Assessment for limited Common Expenses shall require the affirmative vote or written consent of Owners entitled to cast more than 50% of the total votes allocated to Units to which the limited Common Area is assigned and shall be allocated in the same manner as limited Common Area Assessments under Section 12.1(c). In addition, as long as the Founder membership exists, any Special Assessment also shall be subject to the Founder's written consent. Special Assessments shall be payable in such manner and at such times as the Board determines and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

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12.4. Specific Assessments

The Association may levy "Specific Assessments" against a particular Unit as follows:

(a) to cover the costs, including overhead and administrative costs, of providing services to the Unit upon request of the Owner pursuant to any menu of optional services which the Association may offer pursuant to Section 10.1. Specific Assessments for optional services may be levied in advance of the provision of the requested service; or

(b) to cover costs incurred in bringing the Unit into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees, or guests; however, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing in accordance with the By-Laws, before levying any Specific Assessment under this subsection (b).

12.5. Authority to Assess Owners; Time of Payment

The Founder hereby establishes and the Association is hereby authorized to levy assessments as provided for in this chapter and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Unit on the first day of the month following: (a) the date on which the Association first adopts a budget and levies assessments; or (b) the date on which the Unit is made subject to this Charter. The first annual Base Assessment and Limited Common Area Assessment, if any, levied on each Unit shall be adjusted according to the number of

months remaining in the fiscal year at the time assessments commence on the Unit

Assessments shall be paid in such manner and on such dates as the Board may establish. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Base Assessment and any Limited Common Area Assessment shall be due and payable in advance on the first day of each fiscal year. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may require the outstanding balance on all assessments to be paid in full immediately.

12.6. Obligation for Assessments

(a) **Personal Obligation.** By accepting a deed or entering into a recorded contract to purchase any Unit, each Owner covenants and agrees to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of 10% per annum or such higher rate as the Board may establish, subject to the limitations of Florida law), late charges as determined by Board resolution, costs, and reasonable attorneys fees, shall be the personal obligation of each Owner and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

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The Board's failure to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Limited Common Area Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfall.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Area, abandonment of his or her Unit, or non-use of services provided to all Units. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Upon written request, the Association shall furnish to any Owner liable for any type of assessment a certificate signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

(b) Founder's Financial Obligations to Association. The Founder shall be liable for assessments on any Units it owns, except that during the Founder Control Period, the Founder

may satisfy its obligation to pay Base Assessments and Special Assessments for Common Expenses on Units it owns either by paying such assessments in the same manner as any other Owner, or by paying any operating expenses incurred by the Association in excess of the assessments receivable from all other members plus other income of the Association. Unless the Founder otherwise notifies the Board in writing at least 60 days before the beginning of each fiscal year, the Founder shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. After termination of the Founder Control Period, the Founder shall pay Base Assessments on any Units it owns that are subject to assessment under Section 12.5 in the same manner as any other Owner liable for such assessments.

Regardless of the Founder's election under this Section, any of "the Founder's financial obligations to the Association may be satisfied in the form of cash or by "in kind" contributions of sendees or materials, or by a combination of these,

12.7. Lien for Assessments

(a) Existence of Lien. The Association shall have a lien against each Unit to secure payment of assessments, as well as interest, late charges (subject to the limitations of Florida law), and costs of collection (including attorneys fees and expenses). Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit.


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Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and record a document setting forth as to any Unit the amount of the delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However, the failure of the Association to execute and record any such document shall not affect the validity, enforceability, or priority of the lien.

(b) Enforcement of Lien. The Association may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. While a Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same, in addition to pursuing any and all remedies allowed by law to enforce the lien.

(c) Effect of Sale or Transfer. Sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition

of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under Section 12.5, including such acquirer, its successors and assigns.

 If an Owner does not pay his or her assessments on time, the Association may foreclose its lien on the Owner's Unit, causing it to be sold to pay the past due assessments. The Association also may sue an Owner in court to recover past due assessments.

12.8. Exempt Property

The following property, shall be exempt from payment of Base Assessments, limited Common Area Assessments, and Special Assessments:

(a) All Common Area and such portions of the property owned by the Founder as are included in the Area of Common Responsibility; and

(b) Any property dedicated to and accepted by any governmental authority or public utility; and

In addition, the Association may by resolution, grant exemptions to certain Persons qualifying for tax-exempt status under Section 501(c) of the Internal Revenue Code so long as such Persons own property subject to this Charter for purposes listed in Section 501(c) of the Internal Revenue Code.

12.9. Capitalization of Association

The first Owner of each Unit other than the Founder or a Builder designated by the Founder shall make a contribution to the working capital of the Association in an amount equal to one-

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sixth of the annual Ease Assessment per Unit for that year. This amount shall be in addition to, not in lieu of, the annual Base Assessment and any limited Common Area Assessment levied on the Unit and shall not be considered an advance payment of such assessments. This amount shall be due and payable to the Association immediately upon transfer of title, for its use in covering initial start-up expenses, operating expenses and other expenses that it incurs pursuant to this Charter and the By-Laws.

22.10. Use and Consumption Fees

The Board may charge use and consumption fees to any Person using Association services or facilities and may determine the amount and method of determining such fees. Different fees may be charged to different classes of users (e.g., Owners and non-Owners).

12.11. Community Enhancement Fee

(a) Authority. As an additional funding source, the Board may establish and collect a Community Enhancement Fee upon each transfer of title to a Unit. The fee shall be charged to the seller of the Unit, shall be payable to the Association at the closing of the transfer, and shall be secured by the Association's lien for assessments under Section 12.7. Each Owner shall notify the Association's Secretary or designee at least seven days prior to the scheduled closing and provide the name of the buyer, the date of title transfer, and other information the Board may reasonably require.

(b) Fee Limit. The Board shall have the sole discretion to determine the amount of and method of calculating the Community Enhancement Fee. The fee

may be based upon a sliding scale that varies in accordance with the "gross selling price" of the property or any other factor the Board deems appropriate. However, the Community Enhancement Fee may not exceed one percent (1%) of the Unit's gross selling price. The gross selling price is the total cost to the purchaser of the Unit, excluding transfer taxes and title fees imposed by Bay County, and/or the State of Florida.

(c) Purpose. The Community Enhancement Fees shall be placed in a segregated account and used to provide funding for activities and such other purposes as the Board deems beneficial to the general good and welfare of the Community. For example, Community Enhancement Fees might be used to fund, or to assist one or more tax-exempt entities in funding:

(i) programs and activities which enhance the welfare, benefit, and lifestyle of Owners and occupants of Units;

(ii) an ongoing resource management plan for the Community and surrounding areas, including the preservation, maintenance, and enhancement of natural areas, wildlife habitats, or similar conservation areas;

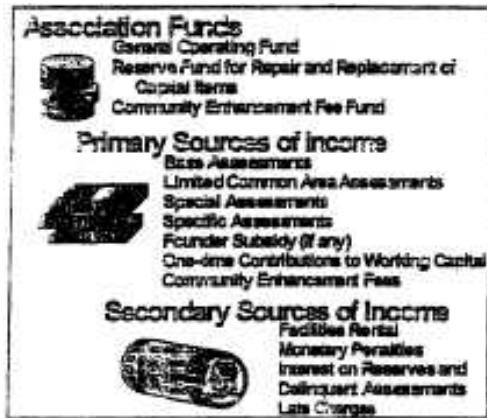
(iii) sponsorship of educational programs and activities that contribute to the overall understanding, appreciation, and preservation of the natural environment within and surrounding the Community;

(iv) programs, services, and activities which serve to promote a "sense of community" within the Community and as a part of the larger, surrounding area, such as recreational leagues, cultural programs, educational programs,

Association Finances

festivals and holiday celebrations and activities, a community computer network, and recycling programs; and

(v) social services, educational programs, community outreach programs, and other charitable causes.



(d) **Exempt Transfers.** Notwithstanding the above, no Community Enhancement Fee shall be levied upon transfer of title to a Unit:

(i) by a co-owner to any Person who was a co-owner immediately prior to such transfer;

(ii) to the Owner's estate, surviving spouse, or heirs at law upon the death of the Owner;

(iii) to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse, and/or heirs at law, provided, upon any subsequent transfer of an ownership interest in such entity, the Community Enhancement Fee shall become due;

(iv) to an institutional lender pursuant to a Mortgage or upon foreclosure of a Mortgage; or

(vii) under circumstances which the Board, in its discretion, deems to warrant classification as an exempt transfer (e.g., a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the Community Enhancement Fee).

(e) **Broader Community Benefit.**

Nothing in this section shall be construed to limit use of the Community Enhancement Fees to programs, services or activities that only benefit Owners and occupants of Units. The Association or any tax-exempt entity to whom it provides funds for such programs may invite persons other than Owners and occupants of Units to participate in such programs and activities for such fee, if any, as the Association or other entity may establish.

NOTES

PART FOUR: RELATIONSHIPS WITHIN AND OUTSIDE THE
COMMUNITY


One touch of nature makes the whole world kin.
William Shakespeare (2564-1616), Troilus and Cressida, 3.3.175,
1601-1602

Chapter 13

Easements

The easements created in this chapter establish the rights of Owners to use the Common Area and create various rights for the benefit of owners, the Founder, the Association, and others over property within the Community. Some of these rights are related to development and construction within the Community and on adjacent property, while others relate to the rights of Association to come upon property of others to fulfill its responsibilities and the interrelationships between the Community and the owners of adjacent property.

13.2. Easements on Common Area

 An easement is one person's right to go onto the property of another.

The Founder grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Area, subject to:

(a) The Governing Documents and any other applicable covenants;

(b) Any restrictions or limitations contained in any deed conveying such property to the Association;

(c) Certain Owners' rights to the exclusive use of those portions of the Common Area designated "limited Common Area;" and

(d) The Board's right to:

(i) adopt rules regulating Common Area use and enjoyment, including rules limiting the number of guests who

may use the Common Area, and to charge use fees for such use except that no such rule shall unreasonably restrict an Owner's right to peaceably assemble on the Common Area, or to invite public officers or candidates for public office to appear and speak on the Common Area;

(ii) suspend an Owner's right to use Common Area facilities;

(iii) dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Charter;

(iv) impose reasonable membership requirements and charge reasonable admission or other use fees for the use of any recreational facility situated upon the Common Area;

(v) rent any portion of any clubhouse or other Common Area recreational facilities on an exclusive or nonexclusive short-term basis to any Person;

(vi) permit use of any recreational facilities situated on the Common Area by the general public, which use may be subject to admission charges, membership fees, or other user fees established in the Board's discretion; and


(vii) mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to

Easements

reasonable Board regulation. An Owner who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease, except that an Owner who leases a garage apartment or similar accessory dwelling approved pursuant to Chapter 5 may extend such rights of use and enjoyment to the lessee of such accessory dwelling without relinquishing such rights for the benefit of the occupants of the main dwelling on the Unit.

13.2. Easements of Encroachment

 An encroachment occurs when a person's home, fence, or other structure extends onto his or her neighbor's property. This section permits minor, inadvertent encroachments to remain.

The Founder grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Common Area and between adjacent Units. A permitted encroachment is a structure or fixture that extends unintentionally from one person's property onto another's a distance of less than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. An encroachment easement shall not exist if the encroachment results from willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

13.3. Easements for Utilities, Etc.

(a) Installation and Maintenance. During the Development and Sale Period, the Founder reserves for itself and grants to the Association and all utility providers, perpetual non-

exclusive easements throughout the Community (but not through a structure) to the extent reasonably necessary to:

(i) install utilities and infrastructure to serve the Community, other Community Systems, security and similar systems, and drainage systems;

(ii) install walkways, pathways and trails, street lights, and signage on property the Founder or the Association owns or within public rights-of-way or easements reserved for such purpose on a recorded plat;

(iii) inspect, maintain, repair, and replace the utilities, Infrastructure, and other improvements described above; and

(iv) access and read utility meters.

Notwithstanding the above, the Founder reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

(b) Specific Easements. The Founder also reserves the non-exclusive right and power to grant and record such specific easements consistent with Section 13-3(a) as it deems necessary to develop the property described in Exhibits "A" and "B." The location of the specific easement shall be subject to the written approval of the Owner of the burdened property, which approval shall not unreasonably be withheld, delayed, or conditioned.

(c) Minimal Interference. All work associated with the exercise of the easements described in subsections (a) and (b) of this section shall be per-

Easements

formed so as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to the condition existing prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.


13.4. Easements to Serve Additional Property

The Founder hereby reserves for itself and its duly authorized agents, successors, assigns, and Mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of the property described in Exhibit "B," regardless of whether such property is made subject to this Charter. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing utilities on such property. The Person exercising such easement rights shall be responsible for any damage caused to the Common Area as a result of their actions in connection with development of such property.

If the above easement grants permanent access to any property which is not submitted to this Charter, the Founder, or its successors or assigns, shall enter into a reasonable agreement with the Association to share the cost of maintenance that the Association provides for the benefit of the easement holder. The shared maintenance costs may include

maintenance to or along any roadway providing access to the benefited property.

13.5. Easements for Maintenance, Emergency, and Enforcement

 The Association may come onto the exterior portions of a Unit to do maintenance or to address violations of the covenants but will give prior notice unless there is an urgent need to enter the property before notice can be given.

By this Charter, the Founder grants to the Association easements over such portions of the Units as necessary to enable the Association to exercise its authority and fulfill its maintenance responsibilities under this Charter and to exercise its enforcement rights under Chapter 8. The Association also shall have the right, but not the obligation, to enter upon any Unit for emergency, security, and safety reasons, to take precautions (including closing windows and turning off air conditioning systems) in the absence of the occupants of the Unit to minimize adverse impacts of resource management activities conducted pursuant to Section 13.8, to perform maintenance, to inspect for compliance with the Governing Documents, and to enforce the Governing Documents. Any member of the Board and its duly authorized agents and assignees and all emergency personnel in the performance of their duties may exercise such right. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.


13.6. Easements for Maintenance of Water Bodies and Flooding

The Founder reserves for itself, the Association, and their respective succes-

Easements

sors, assigns, and designees, the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Area of Common Responsibility to (a) install, operate, maintain, and replace pumps to supply irrigation water to the Area of Common Responsibility; (b) construct, maintain, and repair structures and equipment used for retaining water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard. The Founder, the Association, and their respective successors, assigns, and designees shall have an access easement over and across any portion of the Community which abuts or contains bodies of water or wetlands, to the extent reasonably necessary to exercise their rights under this section.

The Founder further reserves for itself, the Association, and their respective successors, assigns, and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Units (but not the dwellings thereon) adjacent to or within 30 feet of bodies of water and wetlands within the Community, in order to (a) temporarily flood and back water upon and maintain water over such property; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Area of Common Responsibility; and A (c) maintain and landscape the slopes and banks pertaining to such areas. All Persons entitled to exercise these easements shall use reasonable care in and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make the Founder or any other Person liable for damage resulting from flooding due to weather events or other natural occurrences.

 The Founder and the Association have the right to access property adjacent to wetlands and water bodies to perform maintenance and for irrigation purposes. They also have the right to cause water levels in lakes or ponds in the Community to rise above normal. They will be responsible for repairing any damage they cause in so doing.

13.7. Private Roadways

(a) No Dedication. The private roadways within the Community ("**Roadways**"), as depicted on any recorded plat of the Community, shall be owned by the Association as part of the Common Area and shall not be dedicated to Bay County or to public use by recordation of such plat without the consent of Bay County, the Founder during the Development and Sale Period, and Owners of at least 51% of the total number of Units. Until such time as the Founder conveys the Roadways to the Association, the Common Area shall include a temporary, non-exclusive easement for access, ingress, and egress for the benefit of each Unit and each other portion of the Common Area. Use of such Roadways shall be subject to and in accordance with any rights and easements set forth in this Charter or shown on the recorded plats and such reasonable Rules as the Association may adopt from time to time consistent with this Charter, the plats, and any law, ordinance, or regulation governing the Community.

(b) Access Easements. The Founder hereby reserves for itself and its agents, employees, successors, and assigns, and their respective invitees, an easement over the Roadways for the purposes of :

Easements

(i) access throughout the Community to showcase the Community in connection with the marketing and sale of property in the Community or in other communities being developed, marketed, or sold by the Founder, its affiliates, agents, or designees;

(ii) access to Common Areas for use as otherwise permitted by this Charter; and

(iii) for constructing, maintaining, repairing, or rebuilding any public infrastructure or subdivision improvements installed or to be installed in the Community and for performing any other work within the Community which the Founder deems reasonably necessary, in its discretion, or which the Founder is required to perform pursuant to a contract with any Owner or pursuant to the requirements of any government agency having jurisdiction over the Community.

With regard to construction on any of the Units by the Owners thereof, the contractors, subcontractors, laborers, materialmen, and other Persons providing construction services and materials to any such Units shall have access to such Units over the Roadways subject to such Rules as the Association may adopt; however, during the Founder Control Period, the Founder shall have the right to prohibit the use of the Roadways by such Persons and to designate alternate access easements for such Persons.

The Founder hereby creates a perpetual, nonexclusive easement for access, ingress, and egress over the Roadways for law enforcement, fire fighting, paramedic, rescue, and other emergency vehicles, equipment, and personnel; for

school buses; for U.S. Postal Service delivery vehicles and personnel; and for vehicles, equipment, and personnel providing garbage collection service to the Community, provided that such easement shall not authorize any such Persons to enter the Community except while acting in their official capacities.

The existence of these easements shall not preclude the Association from maintaining gates or other devices or systems designed to limit general vehicular access to the Community, provided that the Association at all times maintains systems and/or procedures to permit the uncontested entry of Persons authorized to exercise the easements granted in this subsection without unreasonable interference or delay.

13.8. Easement for Smoke, Ash and Resource Management Activities

The Founder hereby reserves for itself, its successors, and assigns, the Association, and the contractors, agents, and employees of each, a perpetual, nonexclusive easement over all outdoor portions of the Community as reasonably necessary to conduct ongoing resource management activities pursuant to Section 9.7 and for the drifting, passage, and settling of heat, smoke, sparks, embers, and ash generated by burning of vegetation as part of ongoing resource management activities within the Community and on property in proximity to the Community. Persons conducting such activities shall take reasonable precautions to schedule and conduct such activities when weather conditions are not expected to create a high risk of fires burning out of control and shall have appropriate training and employ appropriate techniques designed to keep pre-

Easements

scribed burning under control. To the extent feasible, the Founder or Association shall give prior notice to the Owners of the location of and anticipated schedule for planned burning activities within the Community.

13.9. Conservation Easement

The Founder hereby reserves for itself, its successors, successors-in-title, and assigns, the right to create and grant conservation easements over portions of Crooked Creek described in the Development Agreement and over other portions of Crooked Creek outside the boundaries of any Unit, which conservation easements may be granted to the Association or to any domestic not-for-profit organization or association formed to promote conservation of natural resources and to protect the environment, or to any other entity permitted under the terms of the Development Agreement. Such conservation easements may limit use of the areas subject to the conservation easement' and may restrict clearing, grubbing, and other surface removal of natural ground cover except when associated "with permitted uses in such areas, as set forth in the instrument creating the conservation easement.

13.9. Buffer Areas

Certain Units will be subject to Roadway Vegetated Natural Buffers ("RVNB") or Lot Vegetated Natural Buffers ("LVNB"), or both, as shown on recorded plats of the Community. These RVNB and LVNB are to remain intact and undisturbed in perpetuity except that the following may be permitted in such buffer areas, subject to such approval as may be required pursuant to Chapter 5:

(a) necessary clearing, improvements and maintenance associated with driveways, utility easements, nature trails and on-site wetland mitigation activities;

(b) a footpath net to exceed 10 feet in width within the LVNB, extending to the back of the lot or water;

(c) a maximum 10-foot by 20-foot wooden platform at the end of the path and within the LVNB;

(d) vegetative understory may be removed to allow views, provided that all vegetation less than three feet in height is maintained in a natural condition; and

(e) dead trees may be removed and live trees may be thinned to mitigate fire fuel loads within the RVNB and LVNB.

The Founder and the Association may, but shall not be obligated to, undertake any of the foregoing activities or improvements without the necessity of complying with the procedures in Chapter 5 before or after conveyance of the Unit to an Owner.

Chapter 14

Private Amenities

Various recreational and other facilities may be located within or in the vicinity of the Community that are privately owned and operated by Persons other than the Association. Those facilities are not part of the Common Area of the Community and ownership of property in the Community does not give any person the right to use them. This chapter explains the right of the owners of those facilities to determine if and on what terms they wish to make their facilities available for use by Owners.

14.2. General

The Founder may, but shall not be obligated to, arrange for membership or similar use privileges to be made available to Owners, on an optional basis and for a fee, affording access and use privileges at a beach club, golf course, or other recreational facilities within the vicinity of the Community. Any such facilities, and any other property and facilities located within, adjacent to, or near the Community which Persons other than the Association own and operate for recreational and related purposes, are referred to in this Charter as "**Private Amenities.**"

Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use any Private Amenities. Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as the owners of the Private Amenities may determine. The owners of the Private Amenities shall have the right, from time to

time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and also shall have the right to reserve use rights and to terminate use rights altogether, subject to the terms of any written agreements with their respective members.

14.2. Conveyance of Private Amenities

All Persons, including Owners, are hereby advised that no representations or warranties have been or are made by the Founder, the Association, any Builder, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership or operation of any Private Amenities. No purported representation or warranty in such regard, either written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity. Ownership or operation of the Private Amenities may change at any time by virtue of, but without limitation, (a) the sale to or assumption of operations of any Private Amenity by a Person other than the current owner or operator; (b) the establishment of, or conversion of the membership structure to, an "equity" club or similar arrangement whereby the members of the Private Amenity or an entity owned or controlled by its members become the owner(s) and/or operators) of the Pri-

Private Amenities

vate Amenity; or (c) the conveyance of any Private Amenity to one or more Founder Affiliates. Consent of the Association or any Owner shall not be required to effectuate any change in ownership or operation of any Private Amenity, for or without consideration and subject to or free of any mortgage, covenant, lien, or other encumbrance.

NOTES

Chapter 15

Disclosures and Waivers

This chapter discloses some important information about the Community for the benefit of prospective purchasers of property in the Community. Each Owner, by accepting a deed to property in the Community, also accepts and agrees to the matters set forth in this chapter,

15.1. Access by General Public

The Community is bordered by public highways and waterways that are used by the general public. Neither the Founder nor the Association shall have any obligation to construct or install walls or fences, or to implement any other measures to secure the perimeter boundaries of the Community in order to prevent or restrict entry into the Community by unauthorized persons.

15.2. Safety and Security

Each Owner and occupant of a Unit, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Community. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to promote or enhance the level of safety or security that each person provides for himself or herself and his or her property. However, neither the Association nor the Founder shall in any way be considered insurers or guarantors of safety or security within the Community, nor shall either be held liable for any loss or damage by reason of failure to provide

adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring, systems or any mechanism or system for limiting access to the Community, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any tenants and other occupants of such Owner's Unit and their guests that the Association, its Board and committees, and the Founder are not insurers or guarantors of security or safety and that each Person within the Community assumes all risks of personal injury and loss or damage to property, including Units and the contents of Units, resulting from acts of third parties.

15.3. Changes in General Plan of Development

Founder reserves the right to make changes in the General Plan of Development in its sole discretion, subject to such governmental approvals as may be required. Each Owner acknowledges that the Community is a master planned community, the development of which is likely to extend over many years, and agrees that the Association shall not, without the Founder's prior written consent, engage in, or use Association funds to support, any protest, challenge, or

Disclosures and Waivers

other form of objection to (a) changes in uses or density of property within the Community, or (b) changes in the General Plan of Development

15.4. View Impairment

Neither the Founder nor the Association guarantee or represent that any view over and across the Units or any open space within the Community will be preserved without impairment. The Founder, Founder Affiliates, and the Association shall have no obligation to relocate, prune, or thin trees or other landscaping to create or preserve view except as may otherwise be required under a separate covenant or written agreement. The Association has the right to add trees and other landscaping from time to time, subject to applicable law. There shall be no express or implied easements for view purposes or for the passage of light and air.

15.5. Notices and Disclaimers as to Community Systems

Each Owner acknowledges that interruptions in cable television and other Community Systems and services will occur from time to time. The Founder, Founder Affiliates, or any of their respective successors or assigns shall not be liable for, and no Community System or service user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.

15.6. Fire and Timber Management Activities; Prescribed Burning

The Founder, the Association, and their respective agents, contractors, and employees, may engage in selective pruning and removal of trees and other vegetation, and periodic burning and/or mechanical removal of undergrowth within or in proximity to the Community as part of a continuing resource management plan to enhance the appearance of the woodlands within or in proximity to the Community and to minimize the risk of unplanned and uncontrolled wildfires. Such activities may generate high levels of noise from equipment in use and may result in excessive smoke, ash, and embers drifting or being carried by the wind across property within the Community during burning activities.

Although the Association will use reasonable efforts to notify Owners in advance when such activities will be in progress, it is often difficult to predict weather conditions and, in order to conduct such activities when weather conditions are optimal, it may not always be possible or practical to give adequate advance notice or to schedule such activities so as to minimize inconvenience to Owners and occupants of Units. **Each Owner, by accepting a deed to a Unit, and each tenant, by accepting a lease or rental agreement for a Unit, acknowledges that such activities are necessary to proper management of the natural resources within the Community and to minimize fire hazards and waives all claims which such Owner or tenant and their respective family members and guests may have against the Association, the Founder, and their respective**

Disclosures and Waivers

officers, directors, contractors, agents, and employees, as a result of any personal injury, property damage, nuisance, or inconvenience arising out of the resource management activities undertaken by or on behalf of the Founder or the Association within the Community or on property adjacent or in proximity to the Community

15.7. Transfer Fee.

The St. Joe Community Foundation, Inc. ("Foundation") has been established as a tax-exempt entity under Section 501(c) of the Internal Revenue Code to provide funding for various programs, projects, services, and activities which, in the judgment of its board, provide benefit to the people of the Northwest Florida region and/or the areas within and around the Community. (The term "Foundation" shall include any successor or assign which meets the qualifications for tax-exempt status required under Section 501(c) of the Internal Revenue Code, as it may be amended.) Upon each initial transfer of title to a Unit by the Founder, the Founder shall pay to the Foundation a transfer fee in the amount of one-half percent (1/2%) of the gross selling price of the Unit. Upon each subsequent transfer of title to a Unit, the purchaser shall pay to the Foundation a transfer fee in the amount of one-half percent (1/2%) of the gross selling price of the Unit. Such transfer fee shall be due and payable at the closing of each transfer of title to a Unit.

Notwithstanding the above, any transfer of a Unit to the Founder, or any entity controlled by or under common control with the Founder, shall be exempt from the payment of the transfer fee and the Foundation, in its discretion,

may exempt certain other transfers from the payment of the transfer fee. For example, without limitation, a transfer made solely for legitimate estate planning purposes, but which does not change the beneficial ownership of the Unit may be deemed exempt. The classification of any transfer as exempt shall not be deemed a waiver of the Foundation's right to collect the transfer fee on future title transfers under similar circumstances. The Association shall cooperate with the Foundation in the collection of the transfer fee by, among other things, notifying the Foundation, or its designee, of any pending transfer.

The obligation to pay such transfer fee shall be the obligor's personal obligation. In addition, the Foundation shall have a lien against each Lot to secure payment of such transfer fee, as well as interest (in the amount of 12% per annum) and any costs of collection (including attorneys' fees). Such lien shall be superior to all other liens, except (a) the Association liens under Chapter 12, (b) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (c) the lien or charge of any recorded first Mortgage (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. The Foundation may enforce its lien and the obligor's personal obligation to pay by suit, judgment, and judicial or non-judicial foreclosure in the same manner as the Association under this Charter; provided, the Foundation's lien rights as to a particular transfer shall expire if action to enforce the lien is not commenced within three years following the date of the closing of the transfer of such Unit.

Disclosures and Waivers

This Section may not be amended without the Foundation's written consent, and any amendment without such consent shall be void and of no force and effect.

NOTES

Chapter 16

Rights of Lenders

In order to enhance each Owner's ability to obtain financing for the purchase of his or her Unit, this chapter sets forth various provisions for the benefit of lenders who make mortgage loans and for the benefit of those agencies which guarantee and insure mortgage loans made by institutional lenders.

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Community. The provisions of this Chapter apply to both this Charter and to the By-Laws, notwithstanding any other provisions contained therein.

16.1. Notices of Action

An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Governing

Documents relating to such Unit or the Owner or occupant which is not cured within 60 days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

(d) Any proposed action that would require the consent of a specified percentage of Eligible Holders.

16.2. No Priority

No provision of this Charter or the 3y-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

16.3. Notice to Association

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

16.4. Failure of Mortgagee to Respond

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered

to the Mortgagee by certified or registered mail, return receipt requested.

16.5. Construction of Chapter 16

Nothing contained in this Chapter shall be construed to reduce the percentage vote that must otherwise be obtained under this Charter, the By-Laws, or Florida law for any of the acts set out in this Chapter.

PART FIVE: COMMUNITY DEVELOPMENT

Being aware of the splendor of the seasons, of the natural world, makes us understand man's critical need for wild places. Living with familiar things and moving in the seasons can fulfill that profound need common to us all: a sense of place.

Jo Northrop, Country Matters

Chapter 17

Expansion of the Community

Due to the need to pace development to the needs of the Community and the market demand for Units or Common Areas, the Community may be developed in phases. The Founder or the Association may expand the initial property submitted to the Charter as set forth in this chapter.

17.1. Expansion by Founder

From time to time, the Founder may submit to the terms of this Charter all or any portion of the property described in Exhibit "B" by recording a Supplement describing the additional property to be submitted. The Founder may record such a Supplement without the consent of any Person except the owner of such property, if not the Founder.

The Founder's right to expand the Community under this Section expires when all property described in Exhibit "B" has been submitted to this Charter or 40 years after this Charter is recorded, whichever is earlier. Until then, the Founder may transfer or assign this right to any Person who is the developer of at least a portion of the real property described in Exhibit "A" or "B." Any such transfer shall be described in a recorded instrument executed by the Founder.

Nothing in this Charter shall require the Founder or any successor to submit additional property to this Charter or to develop any of the property described in Exhibit "B" in any manner whatsoever.

17.2. Expansion by the Association

The Association also may submit additional property to this Charter by recording a Supplement describing the additional property. Any Supplement which the Association records must be approved by Owners entitled to cast more than 50% of the total votes in the Association at a meeting duly called for such purpose and by the owner of the property to be submitted. In addition, during the Development and Sale Period, the Founder's consent is required. The Association's President and Secretary, the owner of the property, and the Founder, if the Founder's consent is required, shall sign the Supplement.

17.3. Additional Covenants and Easements

Any Supplement that the Founder records may impose additional covenants and easements on the property described in such Supplement, such as covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through Limited Common Area Assessments. Such provisions may be included in a Supplement submitting new property to this Charter or may be set forth in a separate Supplement applicable to property previously submitted to this Charter. If someone other than the Founder owns the property, then the Supplement must be signed by such owner evidencing such owner's consent. Any Supplement may add to, create exceptions to, or otherwise modify the terms of this Charter as it applies to the property described in the Sup-

plement, in order to reflect the different character and intended use of such property.

17.4. Effect of baling a Supplement

A Supplement shall be effective upon recording unless otherwise specified in the Supplement. On the effective date of the Supplement, any additional property made subject to this Charter shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Charter.

Chapter 18

Additional Rights Reserved to the Founder

This chapter reserves various rights to the Founder, in addition to those specifically reserved elsewhere in the Governing Documents, in order to facilitate the Founder's development and sale of property in the Community, to enable the Founder to respond to Owners concerns, and to protect various property rights and other interests of the Founder.

18.1. Withdrawal of Property

During the Development and Sale Period, the Founder may amend this Charter to remove any portion of the Community from the coverage of this Charter, provided that (a) it is the owner or has the consent of the owner of the property being withdrawn; (b) such withdrawal does not reduce the total number of Units then subject to the Charter by more than 10%; and (c) such withdrawal would not be contrary to the overall uniform scheme of development established for the Community.

18.2. Marketing and Sales Activities

Notwithstanding anything in the Governance Documents to the contrary, during the Development and Sale Period the Founder and its designees or assigns may construct, use, and maintain upon portions of the Common Area and other property they own, such facilities and activities as, in the Founder's opinion, may reasonably be required, convenient, or incidental to the construction or sale of Units, subject to any limitations imposed by applicable zoning. Such per-

mitted facilities and activities shall include business offices, signs, Sags (whether hung from flag poles or attached to a structure), model homes, sales offices, holding or sponsoring special events, and exterior lighting features or displays. In addition, if reasonably required, convenient, or incidental to construction or sales activities, the Founder and its employees, agents, and designees may park vehicles in designated parking areas.

During and after the Development and Sale Period, the Founder shall have a right of access to and the right to use all Common Area facilities for parties, special events, and marketing activities in connection with the marketing and sale of other communities being developed, marketed, or sold by the Founder, its agents or affiliates, subject to any limitations imposed by applicable zoning. Any such use after the Development and Sale Period shall be subject to reasonable notice to the Association and payment by the Founder of all reasonable costs which the Association directly incurs in connection with such use (i.e., over and above costs which the Association would incur in the absence of such use).

18.3. Right to Improve, Replat

During the Development and Sale Period, the Founder and its employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Common Area for the purpose of making, constructing, and installing such improvements to the

Additional Rights Reserved to Founder

Common Area and to the Exhibit "B" property as it deems appropriate.

In addition, during the Development and Sale Period, the Founder may replat property that it owns and convert Units it owns into Common Area.

18.4. Right to Approve Changes in Community Standards

During the Development and Sale Period, no amendment to or modification of any Rules or Design Guidelines shall be effective without prior notice to and the written approval of the Founder.

18.5. Additional Covenants and Restrictions

During the Development and Sale Period, no one other than the Founder may record any additional covenants or restrictions affecting any portion of the Community without the Founders written consent. Any instrument recorded without the required consent shall be void and of no force and effect

18.6. Exclusive rights to Use Name of Development

No Person shall use the name "RiverCamps" or any derivative of such names or in any logo or depiction associated with RiverCamps on Crooked Creek or RiverCamps in any printed or promotional material without the Founder's prior written consent. However, the Association shall be entitled to use the word "RiverCamps on Crooked Creek" in its name.

18.7. Community Systems

The Founder reserves for itself, Founder Affiliates, and their respective successors and assigns, a perpetual right

and easement over all property in the Community to install and operate such Community Systems as the Founder, in its discretion, deems appropriate to serve any portion of the Community. Such right shall include, without limitation, the Founder's right to select and contract with companies licensed to provide telecommunications, cable television, and other Community Systems services in the region. The Founder also has the right to charge individual users a reasonable fee not to exceed the maximum allowable charge for such service, as from time to time is defined by the laws, rules, and regulations of the relevant government authority, if applicable.


Notwithstanding the above, there is no guarantee or representation that any particular Community System will be made available,

18.3. Easement to Inspect and Right to Correct

The Founder reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the property within the Community, including Units, and a perpetual nonexclusive easement of access throughout the Community to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Unit shall be only after reasonable notice to the Owner, and no entry into an enclosed structure shall be permitted without the Owner's consent. The person exercising this easement shall promptly repair, at such person's own expense, any damage he or she causes. Nothing in this paragraph shall relieve an Owner of the responsibility for

Additional Rights Reserved to Founder

the maintenance and repair of his or her Unit.

 The Founder, or someone it designates, may enter onto any Unit to inspect and correct problems with the Unit. The Founder must give the Owner of the Unit prior notice, and if entering an enclosed structure on the Unit, obtain the Owner's prior consent unless it is an emergency.

18.9. Right to Notice of Design or Construction Claims

No Person shall retain an expert for the purpose of inspecting the design or construction of any structures or improvements within the Community in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction unless the Founder and any builder involved in the design or construction have been first notified in writing and given an opportunity to meet with the owner of the property to discuss the owner's concerns and conduct their own inspection.

18.10. Right to Transfer or Assign the Founder's Rights

Any or all of the Founder's rights and obligations set forth in this Charter or the By-Laws may be transferred in whole or in part to other Persons without transferring the status of Founder. However, such a transfer shall not reduce an obligation nor enlarge a right beyond that which Founder has under this Charter or the By-Laws. No such transfer or assignment shall be effective unless it is in a recorded instrument the Founder signs. The foregoing sentence shall not preclude the Founder from permitting other Persons to exercise, on

a one-time or limited basis, any right reserved to the Founder in this Charter where the Founder does not intend to transfer such right in its entirety. In such case, it shall not be necessary to record any written assignment unless necessary to evidence the Founder's consent to such exercise.

18.11 Termination of Rights

The rights contained in this Chapter shall terminate upon the earlier of (a) termination of the Development and Sale Period; or (b) the Founder's recording of a written statement that all sales activity has ceased.

Additional Rights Reserved to Founder

NOTES

PART SIX: PROCEDURES FOR AND LIMITATIONS ON CERTAIN
ACTIONS

*What makes a place special is the way it buries itself inside the
heart, not whether it's flat or rugged, rich or austere, wet or
and, gentle or harsh, warm or cold, wild or tame.*

Richard Nelson, The Island Within

Chapter 19

Dispute Resolution and Limitation on Litigation

From time to time, disputes may arise between Owners, or between an Owner and the Association, the Founder, or others involved in the Community. This chapter commits the parties to any such a dispute to work together in an attempt to resolve certain types of disputes without litigation, in order to facilitate the prompt resolution of such disputes in a manner that respects and builds upon the relationships between the parties. It also requires substantial support of the Association's membership before the Association can engage in certain types of litigation that could result in significant legal and emotional costs to the Community.

19.1. Agreement to Encourage Resolution of Disputes Without Litigation

(a) Bound Parties. The Founder, the Association and its officers, directors, and committee members, all Persons subject to this Charter, and any Person not otherwise subject to this Charter who agrees to submit to this Chapter (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 19.2 in a good faith effort to resolve such Claim.

(b) Claims. As used in this Chapter, the term "Claim" shall refer to any claim, grievance, or dispute arising out of or relating to:

(i) the interpretation, application, or enforcement of the Governing Documents;

(ii) the rights, obligations, and duties of any Bound Party under the Governing Documents; or

(iii) the design or construction of improvements within the Community, other than matters of aesthetic judgment under Chapter 5, which shall not be subject to review,

(c) The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 19.2:

(i) any suit by the Association to collect assessments or other amounts due from any Owner;

(ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Part Two of this Charter (relating to creation and maintenance of community standards);

(iii) any suit that does not include the Founder or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;

Dispute Resolution and Limitation on Litigation

(iv) any dispute which affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Section 19.2; and

(v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 19.2(a), unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Chapter.

19.2. Dispute Resolution Procedures

(a) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice ("Notice") by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:

(i) the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(iii) the Claimant's proposed reso-

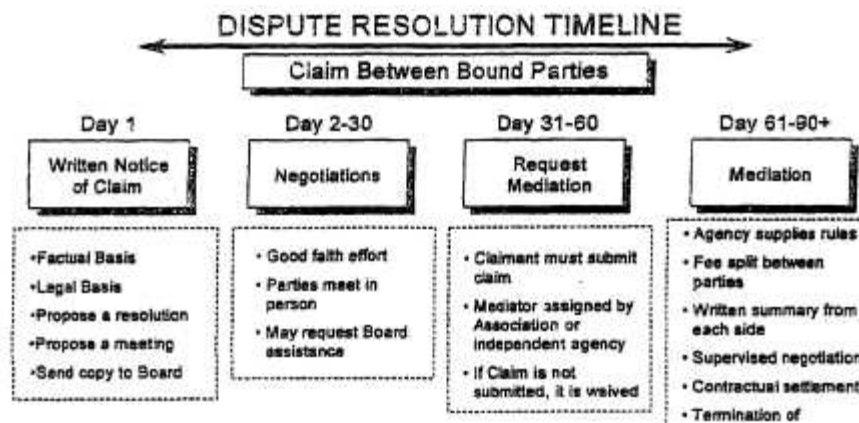
lution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.

(b) Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the Bay County area. Each Bound Party shall present the mediator with a written summary of the Claim.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to



Dispute Resolution and Limitation on Litigation

have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Bound Party shall bear its own costs of the mediation, including attorneys fees, and each Party shall pay an equal share of the mediator's fees.

Notwithstanding the above, in any dispute as to which the Association is a party, the parties may waive mediation by mutual agreement and proceed to file suit or initiate other proceedings.

(d) Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to comply again with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including,

award, including, without limitation, attorneys fees and court costs.

19.3. Imitation of Litigation by Association

In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Owners entitled to cast 75% of the total votes in the Association, except that no such approval shall be required for actions or proceedings:

(a) initiated during the Founder Control Period;

(b) initiated to enforce the provisions of this Charter, including collection of assessments and foreclosure of liens;

(c) initiated to challenge ad valorem taxation or condemnation proceedings;

(d) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or

(e) to defend claims filed, against the Association or to assert counterclaims in proceedings instituted against it

This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

NOTES

Chapter 20

Changes in the Common Area.


Various influences and circumstance within and outside the Community may give rise to a need or desire to make changes in the ownership of or rights to use Common Area. This chapter explains the procedures for dealing with matters such as changing use rights in Common Area or Limited Common Area, partition of the Common Area, and condemnation.

20.1. Assignment and Reassignment of limited Common Area

The Board may designate a portion of the Common Area as limited Common Area, and may reassign limited Common Area, upon approval of the Board and the vote of Owners entitled to cast a majority of the total votes in the Association, including a majority of the votes attributable to Units to which the limited Common Area is proposed to be assigned or reassigned. During the Development and Sale Period, any such assignment or reassignment shall also require the Founder's written consent.

Upon approval of a majority of Owners of Units to which any limited Common Area is assigned, the Association may permit Owners of other Units to use all or a portion of such limited Common Area upon payment of reasonable user fees, which fees shall be used to offset the Limited Common Expenses attributable to such limited Common Area.

20.2. Condemnation

 A public entity such as a town, county, or state has the power to condemn property for its own uses and generally has to pay the value of the property to do so.

If any part of the Common Area is taken by any authority having the power of condemnation or eminent domain, or conveyed by the Association in lieu of and under threat of condemnation with such approval as may be required under Section 204, the condemnation award or proceeds from such conveyance shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within 60 days after such taking the Founder, during the Development and Sale Period, and Owners entitled to cast at least 75% of the total votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 9.4 regarding funds for restoring improvements shall apply.


If the taking or conveyance does not involve any improvements on the Common Area, if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or

Changes in the Common Area

net funds shall be treated in the same manner as proceeds from the sale of Common Area under Section 20.4.

20.3. Partition

Except as permitted in this Charter, the Common Area shall remain undivided, and no Person shall bring any action to partition any portion of the Common Area without the written consent of all Owners and Mortgagees and, during the Development and Sale Period, the Founder. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property or from acquiring and disposing of real property that may or may not be subject to this Charter, with such approval as may be required under Section 20.4.

 Partition is a legal action in which a party requests to have a portion of one interest in property split off so that the party can possess that portion or interest separately from other parties who have rights in the property.

20.4. Transfer or Dedication of Common Area

The Association may dedicate portions of the Common Area to Bay County, Florida, or to any other local, state, or federal governmental or quasi-governmental entity, may subject Common Area to a security interest, or may transfer or convey Common Area as follows:

(a) if Common Area other than limited Common Area, upon the written direction of Owners entitled to cast at least 75% of the total votes in the Association, and the Founder during the Development and Sale Period; or

(b) if limited Common Area, upon written approval of Owners of at least 75% of the Units to which such Limited Common Area is assigned.

Notwithstanding the above, during the Founder Control Period, the Founder may cause the Association to dedicate to Bay County, Florida, or to any other local, state, or federal governmental or quasi-governmental entity, any streets within the Community over which access is not limited, without the consent of the Owners (upon acceptance by the entity to whom they are being dedicated) and may cause the Association to take such steps as may be necessary to transfer or assign responsibility for any conservation easements within Crooked Creek to a third party without consent of the Owners.

The proceeds from the sale or mortgaging of Common Area other than limited Common Area shall be an asset of the Association to be used as the Board determines. The proceeds from the sale or mortgaging of Limited Common Area shall be disbursed in the manner approved by the Owners of Units to which the limited Common Area is assigned at the time such sale or mortgage is authorized.

No conveyance or encumbrance of Common Area may deprive any Unit of rights of access or support.

NOTES

Chapter 21

Termination and Amendment of Community Charter

As the Community matures and grows, the rules by which it is governed must be flexible enough to adapt to changes in the development plan, as well as changes in the needs and desires of the Community that inevitably will occur. This chapter sets out procedures by which either the Founder or the Owners as a group may amend this Charter to address such changes.

21.1 Term and Termination

There is an old concept of law known as the "Rule Against Perpetuities" that restricts how long covenants can affect the title to land. Many jurisdictions no longer observe such rule; however, where the rule applies, the term of the covenants cannot exceed 21 years after the death of a named person who is living at the time the covenants are recorded.

This Charter shall be effective, subject to amendments adopted pursuant to section 21.2. for a minimum of 21 years from the date it is recorded. After 21 years, this Charter shall be extended automatically for successive 10-year periods unless at least 75% of the then Owners sign a document stating that the Community Charter is terminated and that document is recorded within the year before any extension. In such case, this Charter shall terminate on the date specified in the termination document.

If any provision of this Charter would be unlawful, void, or voidable by reason of any rule restricting the period of time that covenants can affect title to prop-

erty, that provision shall expire 21 years after the death of the last survivor of the now living descendants of Elisabeth II, Queen of England.

This section shall not permit termination of any easement created in this Charter without the consent of the holder of such easement.

21.2. Amendment

(a) By Founder. In addition to specific amendment rights-granted elsewhere in this Charter, until termination of the Founder Control Period, the Founder may unilaterally amend this Charter for any purpose.

(b) By Owners. Except as otherwise specifically provided above and elsewhere in this Charter, this Charter may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners entitled to cast 57% of the total votes in the Association, including 67% of the total votes held by Owners other than the Founder. In addition, during the Development and Sale Period, any such amendment shall also require the Founder's written consent. The approval requirements set forth in Chapter 16 also shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Termination and Amendment of Community Charter

(c) *Validity and Effective Date.* No amendment may remove, revoke, or modify any right or privilege of the Founder or the Founder Member without the written consent of the Founder or the Founder Member, respectively (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Charter or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Charter.

(e) *Exhibits.* Exhibits "A" and "B" are incorporated by this reference, and this Chapter shall govern amendment of those exhibits. Exhibit "C" is incorporated by this reference and may be amended under Chapter 7 or pursuant to this Section 21.2. All other exhibits are attached for informational purposes and may be amended as provided in those exhibits or in the provisions of this Charter that refer to such exhibits.

NOTES

IN WITNESS WHEREOF, the Founder has executed this Charter this 25th day of November, 2003.

FOUNDER: ST. JOE TIMBERLAND COMPANY OF
DELAWARE, LLC, a Delaware limited
liability company

By: Kevin G. Fox
Kevin G. Fox, Vice President

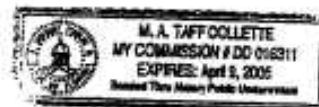
Attest: _____
Bryan Duke, Asst Secretary

1400 Oven Park Drive
Tallahassee, Florida 32308

STATE OF FLORIDA §
 §
COUNTY OF LEON §

The foregoing instrument was acknowledged before me on this the 25th day of November, 2003, by Kevin G. Fox, Vice President of St. Joe Timberland Company of Delaware, LLC. He is personally known to me and did not take an oath.

M. A. Taffollette
Name M. A. Taffollette
Title: Notary Public
Serial Number, if any: _____
My Commission Expires: _____



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EXHIBIT "A"
Land Initially Submitted

ALL THOSE TRACTS OR PARCELS OF LAND shown on that certain plat of River-Camps on Crooked Creek, recorded in Plat Book 19, Pages 72, 73, and 74, of the public records of Bay County, Florida, as such property may be replatted from time to time or as such plat may be revised or amended.

EXHIBIT "B"

EXPANSION PROPERTY

A TRACT OF LAND BEING LOCATED IN SECTION 14, FRACTIONAL SECTION 21, SECTION 22, SECTION 23, FRACTIONAL SECTION 24, FRACTIONAL SECTION 25, FRACTIONAL SECTION 28, FRACTIONAL SECTION 21 AND FRACTIONAL SECTION 23, TOWNSHIP 2 SOUTH, RANGE 16 WEST, BAY COUNTY, FLORIDA, AND SITUATED BETWEEN THE EASTERLY MEAN HIGH WATER LINE OF THE U.S. ARMY CORPS OF ENGINEERS INTRACOASTAL WATERWAY, THE NORTHERLY MEAN HIGH WATER LINE OF WEST BAY, THE WESTERLY MEAN HIGH WATER LINE OF CROOKED CREEK AND THE SOUTHERLY RIGHT-OF-WAY BOUNDARY LINE OF COUNTY ROAD NO. 388 (FORMERLY KNOWN AS STATE ROAD NO. 388). SAID LANDS AND MEAN HIGH WATER LINES ESTABLISHED BY SURVEY OF WILSONMILLER, INC., IN THE FALL OF 2002, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT A LIGHT WOOD STAKE MARKING THE NORTHWEST CORNER OF SECTION 27, TOWNSHIP 2 SOUTH, RANGE 16 WEST, BAY COUNTY, FLORIDA, WITH GRID COORDINATES OF NORTHING 473444.3647, EASTING 1544883.8763, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE RUN SOUTH $00^{\circ}59'35''$ WEST, ALONG THE WESTERLY LINE OF SAID SECTION 27, FOR A DISTANCE OF 982.24 FEET; THENCE LEAVING SAID WESTERLY LINE, RUN NORTH $89^{\circ}03'04''$ WEST FOR A DISTANCE OF 1319.81 FEET; THENCE RUN SOUTH $00^{\circ}50'50''$ WEST FOR A DISTANCE OF 330.56 FEET; THENCE RUN NORTH $89^{\circ}04'01''$ WEST FOR A DISTANCE OF 1292.60 FEET TO A POINT HEREIN AND AFTER REFERRED TO AS REFERENCE POINT "A" WITH GRID COORDINATES OF NORTHING 472166.3198, EASTING 1542249.7594, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE CONTINUE NORTH $89^{\circ}04'01''$ WEST FOR A DISTANCE OF 469.71 FEET TO THE EASTERLY MEAN HIGH WATER LINE OF THE INTRACOASTAL WATERWAY; THENCE MEANDER SOUTHEASTERLY ALONG SAID EASTERLY MEAN HIGH WATER LINE FOR A DISTANCE OF 3607.21 FEET TO THE POINT OF INTERSECTION WITH THE NORTHERLY MEAN HIGH WATER "LINE OF WEST BAY; THENCE MEANDER EASTERLY ALONG SAID NORTHERLY MEAN HIGH WATER LINE FOR A DISTANCE OF 1759.53 FEET TO A PLACE BEARING SOUTH $84^{\circ}26'21''$ EAST FOR A DISTANCE OF 19.53 FEET FROM A POINT HEREIN AND AFTER REFERRED TO AS REFERENCE POINT "B" WITH GRID COORDINATES OF NORTHING 470434.1503, EASTING 1544795.7485, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE CONTINUE MEANDERING EASTERLY ALONG THE NORTHERLY MEAN HIGH WATER LINE OF WEST BAY FOR A DISTANCE OF 27,969.80 FEET TO A PLACE BEARING NORTH $65^{\circ}00'14''$ EAST FOR A DISTANCE OF 80.53 FEET FROM A POINT HEREIN AND

AFTER REFERRED TO AS REFERENCE POINT "C" WITH GRID COORDINATES OF NORTHING 471002.9512, BASTING 1553634.8210, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983 ADJUSTMENT OF 1990; THENCE CONTINUE MEANDERING EASTERLY ALONG THE NORTHERLY MEAN HIGH WATER LINE OF WEST BAY FOR A DISTANCE OF 5560.72 FEET TO THE POINT OF INTERSECTION WITH THE WESTERLY MEAN HIGH WATER LINE OF CROOKED CREEK; THENCE MEANDER NORTHERLY ALONG SAID WESTERLY MEAN HIGH WATER LINE OF CROOKED CREEK FOR A DISTANCE OF 23,002.73 FEET TO THE POINT OF INTERSECTION WITH THE SOUTHERLY RIGHT-OF-WAY BOUNDARY LINE OF COUNTY ROAD NO. 388 (FORMERLY KNOWN AS STATE ROAD NO. 388 - RIGHT-OF-WAY WIDTH VARIES); THENCE RUN SOUTH 51°29'32" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY BOUNDARY LINE, FOR A DISTANCE OF 443.29 FEET; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, RUM NORTH 38°30'28" WEST FOR A DISTANCE OF 50.00 FEET; THENCE RUN SOUTH 51°29'32" WEST FOR A DISTANCE OF 609.74 FEET TO A POINT HEREIN AND AFTER REFERRED TO AS REFERENCE POINT "D" WITH GRID COORDINATES OF NORTHING 479376.3906, EASTING 1553791.6786, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE CONTINUE SOUTH 51°29'32" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY BOUNDARY LINE, FOR A DISTANCE OF 6182.07 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 3869.83 FEET; THENCE RUN SOUTHWESTERLY ALONG SAID CURVING SOUTHERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 39°29'56", FOR AN ARC DISTANCE OF 2667.80 FEET, SAID ARC HAVING A CHORD DISTANCE OF 2615.28 FEET AND BEARING SOUTH 71°14'30" WEST TO THE POINT OF TANGENCY; THENCE CONTINUE ALONG SAID SOUTHERLY RIGHT-OF-WAY BOUNDARY LINE, NORTH 89°00'32" WEST FOR A DISTANCE OF 2881.54 FEET; THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE, RUN SOUTH 01°33'19" WEST FOR A DISTANCE OF 1289.67 FEET; THENCE RUN SOUTH 89°00'11" EAST FOR A DISTANCE OF 1322.34 FEET TO THE POINT OF BEGINNING.

ALSO AND TOGETHER WITH SEVERAL ISLANDS LYING SOUTH OF THE NORTHERLY MEAN HIGH WATER LINE OF WEST BAY AND SEPARATED FROM THE ABOVE DESCRIBED PROPERTY BY A SERIES OF TIDAL MARSHES. SAID ISLANDS DESIGNATED NO. 1 THROUGH NO. 4 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ISLAND NO. 1

COMMENCE AT A 5/8 INCH IRON ROD AND CAP, (WILSONMILLER, LB 43), ABOVE REFERRED TO AS REFERENCE POINT "C" WITH GRID COORDINATES OF NORTHING 471002.9512, EASTING 1553634.8210, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983,

ADJUSTMENT OF 1990; THENCE RUN NORTH 87°44'04" WEST FOR A DISTANCE OF 249.85 FEET; THENCE RUN SOUTH 02°15'56" WEST FOR A DISTANCE OF 709.52 FEET; THENCE RUN SOUTH 74°37'29" EAST FOR A DISTANCE OF 18.00 FEET; THENCE RUN SOUTH 34°31'00" EAST FOR A DISTANCE OF 25.74 FEET; THENCE RUN SOUTH 22°40'28" WEST FOR A DISTANCE OF 38.82 FEET; THENCE RUN SOUTH 04°33'52" EAST FOR A DISTANCE OF 260.81 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, THENCE RUN SOUTH 43°27'48" WEST FOR A DISTANCE OF 62.28 FEET; THENCE RUN SOUTH 80°10'49" WEST FOR A DISTANCE OF 49.43 FEET; THENCE RUN NORTH 76°24'37" WEST FOR A DISTANCE OF 45.98 FEET; THENCE RUN NORTH 79°39'35" EAST FOR A DISTANCE OF 50.33 FEET; THENCE RUN NORTH 80°33'12" EAST FOR A DISTANCE OF 32.84 FEET; THENCE RUN NORTH 54°03'28" EAST FOR A DISTANCE OF 53.23 FEET; THENCE RUN NORTH 59°51'00" EAST FOR A DISTANCE OF 53.46 FEET TO THE POINT OF BEGINNING.

ISLAND NO. 2

COMMENCE AT A 5/8 INCH IRON ROD AND CAP, (WILSONMILLER, LB 43), ABOVE REFERRED TO AS REFERENCE POINT "C" WITH GRID COORDINATES OF NORTHING 471002.9512, EASTING 1553634.8210, STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE RUN NORTH 87°44'04" WEST FOR A DISTANCE OF 249.65 FEET; THENCE RUN SOUTH 02°15'56" WEST FOR A DISTANCE OF 709.52 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, THENCE RUN SOUTH 74°37'29" EAST FOR A DISTANCE OF 18.00 FEET; THENCE RUN SOUTH 34°31'00" EAST FOR A DISTANCE OF 25.74 FEET; THENCE RUN SOUTH 22°40'28" WEST FOR A DISTANCE OF 38.62 FEET; THENCE RUN SOUTH 57°24'25" EAST FOR A DISTANCE OF 55.01 FEET; THENCE RUN SOUTH 49°10'16" WEST FOR A DISTANCE OF 54.79 FEET; THENCE RUN SOUTH 26°11'00" WEST FOR A DISTANCE OF 87.66 FEET; THENCE RUN SOUTH 81°25'51" WEST FOR A DISTANCE OF 8.75 FEET; THENCE RUN NORTH 12°55'20" WEST FOR A DISTANCE OF 16.52 FEET; THENCE RUN NORTH 20°03'25" WEST FOR A DISTANCE OF 21.16 FEET; THENCE RUN NORTH 45°11'48" WEST FOR A DISTANCE OF 15.89 FEET; THENCE RUN NORTH 36°28'37" WEST FOR A DISTANCE OF 15.43 FEET; THENCE RUN NORTH 41°01'14" WEST FOR A DISTANCE OF 11.67 FEET; THENCE RUN NORTH 51°13'29" WEST FOR A DISTANCE OF 27.63 FEET; THENCE RUN NORTH 18°13'37" EAST FOR A DISTANCE OF 29.08 FEET; THENCE RUN NORTH 48°38'18" EAST FOR A DISTANCE OF 43.37 FEET; THENCE RUN NORTH 72°22'56" EAST FOR A DISTANCE OF 43.05 FEET; THENCE RUN NORTH 86°41'35" EAST FOR A DISTANCE OF 44.39 FEET; THENCE RUN NORTH 64°34'07" EAST FOR A DISTANCE OF 49.20 FEET; THENCE RUN NORTH 10°44'18" EAST FOR A DISTANCE OF 28.46 FEET TO THE POINT OF BEGINNING.

ISLAND NO. 3

COMMENCE AT A 5/8 INCH IRON ROD AND CAP, (WILSONMILLER, LB 43) ABOVE REFERRED TO AS REFERENCE POINT "C" WITH GRID COORDINATES OF NORTHING 471002.9512, EASTING 1553634.3210. STATE PLANE COORDINATE SYSTEM, FLORIDA NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE RUN NORTH 87°44'04" WEST FOR A DISTANCE OF 976.33 FEET; THENCE RUN SOUTH 02°15'56" WEST FOR A DISTANCE OF 737.75 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, THENCE RUN SOUTH 78°48'58" EAST FOR A DISTANCE OF 57.64 FEET; THENCE RUN SOUTH 24°39'03" EAST FOR A DISTANCE OF 80.74 FEET; THENCE RUN SOUTH 05°39'55" EAST FOR A DISTANCE OF 82.59 FEET; THENCE RUN SOUTH 33°29'51" EAST FOR A DISTANCE OF 91.41 FEET; THENCE RUN SOUTH 22°20'39" EAST FOR A DISTANCE OF 105.73 FEET; THENCE RUN NORTH 82°52'45" EAST FOR A DISTANCE OF 103.44 FEET; THENCE RUN SOUTH 87°02'50" EAST FOR A DISTANCE OF 134.51 FEET; THENCE RUN NORTH 61°57'05" EAST FOR A DISTANCE OF 49.87 FEET; THENCE RUN NORTH 53°13'51" EAST FOR A DISTANCE OF 59.45 FEET; THENCE RUN NORTH 81°22'36" EAST FOR A DISTANCE OF 44.67 FEET; THENCE RUN NORTH 60°11'41" EAST FOR A DISTANCE OF 23.73 FEET; THENCE RUN NORTH 53°23'12" EAST FOR A DISTANCE OF 11.59 FEET; THENCE RUN SOUTH 18°38'49" EAST FOR A DISTANCE OF 29.59 FEET; THENCE RUN SOUTH 69°20'54" WEST FOR A DISTANCE OF 95.80 FEET; THENCE RUN SOUTH 11°18'22" WEST FOR A DISTANCE OF 56.55 FEET; THENCE RUN SOUTH 36°28'51" WEST FOR A DISTANCE OF 36.18 FEET; THENCE RUN SOUTH 61°01'25" WEST FOR A DISTANCE OF 15.97 FEET; THENCE RUN NORTH 75°33'40" WEST FOR A DISTANCE OF 38.72 FEET; THENCE RUN NORTH 35°61'45" WEST FOR A DISTANCE OF 40.06 FEET; THENCE RUN NORTH 85°34'14" WEST FOR A DISTANCE OF 42.23 FEET; THENCE RUN NORTH 83°46'25" WEST FOR A DISTANCE OF 52.79 FEET; THENCE RUN SOUTH 84°03'49" WEST FOR A DISTANCE OF 65.53 FEET; THENCE RUN SOUTH 73°50'15" WEST FOR A DISTANCE OF 70.83 FEET; THENCE RUN NORTH 61°19'04" WEST FOR A DISTANCE OF 21.83 FEET; THENCE RUN NORTH 19°26'53" WEST FOR A DISTANCE OF 26.49 FEET; THENCE RUN NORTH 02°09'40" EAST FOR A DISTANCE OF 66.29 FEET; THENCE RUN NORTH 32°49'22" WEST FOR A DISTANCE OF 45.78 FEET; THENCE RUN NORTH 43°37'44" WEST FOR A DISTANCE OF 72.38 FEET; THENCE RUN NORTH 75°23'46" WEST FOR A DISTANCE OF 34.38 FEET; THENCE RUN NORTH 68°40'37" WEST FOR A DISTANCE OF 43.40 FEET; THENCE RUN NORTH 54°26'38" WEST FOR A DISTANCE OF 43.00 FEET; THENCE RUN NORTH 79°47'59" WEST FOR A DISTANCE OF 39.45 FEET; THENCE RUN SOUTH 86°19'23" WEST FOR A DISTANCE OF 75.25 FEET; THENCE RUN NORTH 83°53'57" WEST FOR A DISTANCE OF 64.18 FEET; THENCE RUN NORTH 71°39'31" WEST FOR A DISTANCE OF 55.67 FEET; THENCE RUN NORTH 70°41'46" WEST FOR A DISTANCE OF 63.15 FEET; THENCE RUN NORTH 89°30'36" WEST FOR A

DISTANCE OF 45.11 FEET; THENCE RUN NORTH 80°39'36" WEST FOR A
 DISTANCE OF 69.49 FEET; THENCE RUN NORTH 76°37'38" WEST FOR A
 DISTANCE OF 105.41 FEET; THENCE RUN NORTH 70°23'24" WEST FOR A
 DISTANCE OF 87.95 FEET; THENCE RUN NORTH 31°49'15" WEST FOR A
 DISTANCE OF 26.40 FEET; THENCE RUN NORTH 56°26'33" WEST FOR A
 DISTANCE OF 23.90 FEET; THENCE RUN NORTH 79°21'23" WEST FOR A
 DISTANCE OF 105.04 FEET; THENCE RUN SOUTH 82°05'46" WEST FOR A
 DISTANCE OF 48.26 FEET; THENCE RUN NORTH 86°44'04" WEST FOR A
 DISTANCE OF 50.64 FEET; THENCE RUN NORTH 76°57'18" WEST FOR A
 DISTANCE OF 43.44 FEET; THENCE RUN SOUTH 89°56'53" WEST FOR A
 DISTANCE OF 48.00 FEET; THENCE RUN SOUTH 57°19'27" WEST FOR A
 DISTANCE OF 23.20 FEET; THENCE RUN NORTH 83°18'47" WEST FOR A
 DISTANCE OF 52.05 FEET; THENCE RUN NORTH 56°57'59" WEST FOR A
 DISTANCE OF 38.04 FEET; THENCE RUN NORTH 35°33'10" WEST FOR A
 DISTANCE OF 43.06 FEET; THENCE RUN NORTH 37°35'53" WEST FOR A
 DISTANCE OF 56.31 FEET; THENCE RUN NORTH 44°18'18" WEST FOR A
 DISTANCE OF 32.42 FEET; THENCE RUN NORTH 26°32'14" WEST FOR A
 DISTANCE OF 30.10 FEET; THENCE RUN NORTH 66°19'20" EAST FOR A
 DISTANCE OF 14.18 FEET; THENCE RUN SOUTH 68°01'59" EAST FOR A
 DISTANCE OF 31.88 FEET; THENCE RUN SOUTH 31°00'01" EAST FOR A
 DISTANCE OF 36.62 FEET; THENCE RUN SOUTH 69°49'37" EAST FOR A
 DISTANCE OF 45.80 FEET; THENCE RUN SOUTH 60°03'42" EAST FOR A
 DISTANCE OF 92.37 FEET; THENCE RUN SOUTH 85°09'11" EAST FOR A
 DISTANCE OF 73.93 FEET; THENCE RUN SOUTH 78°19'03" EAST FOR A
 DISTANCE OF 90.79 FEET; THENCE RUN SOUTH 85°08'17" EAST FOR A
 DISTANCE OF 65.36 FEET; THENCE RUN SOUTH 71°08'15" EAST FOR A
 DISTANCE OF 123.95 FEET; THENCE RUN SOUTH 73°56'43" EAST FOR A
 DISTANCE OF 81.10 FEET; THENCE RUN SOUTH 66°35'16" EAST FOR A
 DISTANCE OF 47.55 FEET; THENCE RUN SOUTH 75°40'20" EAST FOR A
 DISTANCE OF 53.75 FEET; THENCE RUN SOUTH 87°06'42" EAST FOR A
 DISTANCE OF 59.98 FEET; THENCE RUN SOUTH 72°48'51" EAST FOR A
 DISTANCE OF 110.42 FEET; THENCE RUN NORTH 89°31'58" EAST FOR A
 DISTANCE OF 80.88 FEET; THENCE RUN SOUTH 79°58'56" EAST FOR A
 DISTANCE OF 86.77 FEET; THENCE RUN NORTH 79°02'47" EAST FOR A
 DISTANCE OF 59.23 FEET; THENCE RUN NORTH 38°00'43" EAST FOR A
 DISTANCE OF 53.05 FEET; THENCE RUN NORTH 34°42'06" EAST FOR A
 DISTANCE OF 59.53 FEET TO THE POINT OF BEGINNING.

ISLAND NO. 4

COMMENCE AT A 5/8 INCH IRON ROD AND CAP, (WILSONMILLER, LB 43), ABOVE
 REFERRED TO AS REFERENCE POINT "B" WITH GRID COORDINATES OF NORTHING
 470434.1503, EASTING 1544795.7485, STATE PLANE COORDINATE SYSTEM, FLORIDA
 NORTH ZONE, NORTH AMERICAN DATUM OF 1983, ADJUSTMENT OF 1990; THENCE
 RUN SOUTH 84°26'21" EAST FOR A DISTANCE

OF 865.98 FEET; THENCE RUN NORTH 77°49'13" EAST FOR A DISTANCE OF 603.85 FEET; THENCE RUN SOUTH 12°10'47" EAST FOR A DISTANCE OF 205.69 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING THENCE RUN SOUTH 80°14'22" EAST FOR A DISTANCE OF 38.04 FEET; THENCE RUN SOUTH 49°25'59" EAST FOR A DISTANCE OF 19.33 FEET; THENCE RUN NORTH 66°44'12" EAST FOR A DISTANCE OF 20.59 FEET; THENCE RUN SOUTH 86°25'40" EAST FOR A DISTANCE OF 29.72 FEET; THENCE RUN NORTH 35°26'20" EAST FOR A DISTANCE OF 43.77 FEET; THENCE RUN SOUTH 80°13'05" EAST FOR A DISTANCE OF 61.80 FEET; THENCE RUN SOUTH 58°32'27" EAST FOR A DISTANCE OF 27.18 FEET; THENCE RUN NORTH 88°37'55" EAST FOR A DISTANCE OF 64.83 FEET; THENCE RUN NORTH 87°55'27" EAST FOR A DISTANCE OF 42.95 FEET; THENCE RUN SOUTH 71°56'14" EAST FOR A DISTANCE OF 22.24 FEET; THENCE RUN SOUTH 80°52'51" EAST FOR A DISTANCE OF 82.69 FEET; THENCE RUN SOUTH 81°25'41" EAST FOR A DISTANCE OF 43.85 FEET; THENCE RUN SOUTH 37°41'31" EAST FOR A DISTANCE OF 25.92 FEET; THENCE RUN SOUTH 61°57'59" EAST FOR A DISTANCE OF 66.13 FEET; THENCE RUN SOUTH 54°46'22" EAST FOR A DISTANCE OF 51.91 FEET; THENCE RUN SOUTH 64°04'22" EAST FOR A DISTANCE OF 55.13 FEET; THENCE RUN SOUTH 73°39'19" EAST FOR A DISTANCE OF 114.12 FEET; THENCE RUN SOUTH 80°05'52" EAST FOR A DISTANCE OF 91.78 FEET; THENCE RUN SOUTH 78°54'54" EAST FOR A DISTANCE OF 71.22 FEET; THENCE RUN SOUTH 80°08'12" EAST FOR A DISTANCE OF 47.57 FEET; THENCE RUN SOUTH 75°02'57" EAST FOR A DISTANCE OF 47.54 FEET; THENCE RUN NORTH 51°22'15" EAST FOR A DISTANCE OF 37.26 FEET; THENCE RUN SOUTH 69°05'14" EAST FOR A DISTANCE OF 51.97 FEET; THENCE RUN NORTH 60°45'19" EAST FOR A DISTANCE OF 27.47 FEET; THENCE RUN NORTH 76°34'42" WEST FOR A DISTANCE OF 55.76 FEET; THENCE RUN SOUTH 82°31'43" EAST FOR A DISTANCE OF 57.06 FEET; THENCE RUN NORTH 69°16'26" EAST FOR A DISTANCE OF 67.83 FEET; THENCE RUN SOUTH 85°55'59" EAST FOR A DISTANCE OF 97.47 FEET; THENCE RUN NORTH 79°23'00" EAST FOR A DISTANCE OF 123.18 FEET; THENCE RUN NORTH 81°52'35" EAST FOR A DISTANCE OF 89.82 FEET; THENCE RUN NORTH 80°41'31" EAST FOR A DISTANCE OF 105.13 FEET; THENCE RUN NORTH 69°49'00" EAST FOR A DISTANCE OF 88.90 FEET; THENCE RUN SOUTH 87°35'15" EAST FOR A DISTANCE OF 73.13 FEET; THENCE RUN NORTH 78°25'57" EAST FOR A DISTANCE OF 125.91 FEET; THENCE RUN NORTH 46°23'49" EAST FOR A DISTANCE OF 53.85 FEET; THENCE RUN NORTH 53°37'35" EAST FOR A DISTANCE OF 42.56 FEET; THENCE RUN NORTH 60°08'41" EAST FOR A DISTANCE OF 42.50 FEET; THENCE RUN NORTH 77°08'10" EAST FOR A DISTANCE OF 148.51 FEET; THENCE RUN NORTH 80°09'03" EAST FOR A DISTANCE OF 119.86 FEET; THENCE RUN NORTH 78°31'08" EAST FOR A DISTANCE OF 77.94 FEET; THENCE RUN NORTH 84°04'28" EAST FOR A DISTANCE OF 151.30 FEET; THENCE RUN NORTH 87°35'38" EAST FOR A

DISTANCE OF 97.45 FEET; THENCE RUN NORTH 80°19'35" WEST FOR A
 DISTANCE OF 108.78 FEET; THENCE RUN NORTH 73°31'40" EAST FOR A
 DISTANCE OF 100.43 FEET; THENCE RUN NORTH 85°00'13" EAST FOR A
 DISTANCE OF 75.70 FEET; THENCE RUN NORTH 78°21'58" EAST FOR A
 DISTANCE OF 78.90 FEET; THENCE RUN SOUTH 66°31'34" EAST FOR A
 DISTANCE OF 24.73 FEET; THENCE RUN NORTH 71°54'49" EAST FOR A
 DISTANCE OF 22.72 FEET; THENCE RUN SOUTH 60°16'41" EAST FOR A
 DISTANCE OF 17.97 FEET; THENCE RUN SOUTH 05°55'50" WEST FOR A
 DISTANCE OF 14.44 FEET; THENCE RUN SOUTH 43°54'38" WEST FOR A
 DISTANCE OF 20.66 FEET; THENCE RUN SOUTH 80°30'16" WEST FOR A
 DISTANCE OF 38.88 FEET; THENCE RUN SOUTH 82°28'59" WEST FOR A
 DISTANCE OF 86.94 FEET; THENCE RUN NORTH 82°30'17" WEST FOR A
 DISTANCE OF 37.23 FEET; THENCE RUN SOUTH 79°24'19" WEST FOR A
 DISTANCE OF 38.34 FEET; THENCE RUN SOUTH 80°30'46" WEST FOR A
 DISTANCE OF 57.19 FEET; THENCE RUN SOUTH 68°22'05" WEST FOR A
 DISTANCE OF 58.81 FEET; THENCE RUN SOUTH 78°18'28" WEST FOR A
 DISTANCE OF 55.11 FEET; THENCE RUN SOUTH 88°12'23" WEST FOR A
 DISTANCE OF 29.42 FEET; THENCE RUN NORTH 74°40'47" WEST FOR A
 DISTANCE OF 43.86 FEET; THENCE RUN SOUTH 70°31'50" WEST FOR A
 DISTANCE OF 32.87 FEET; THENCE RUN SOUTH 74°42'59" WEST FOR A
 DISTANCE OF 18.70 FEET; THENCE RUN NORTH 77°31'36" WEST FOR A
 DISTANCE OF 36.32 FEET; THENCE RUN SOUTH 85°39'21" WEST FOR A
 DISTANCE OF 49.32 FEET; THENCE RUN SOUTH 81°12'57" WEST FOR A
 DISTANCE OF 60.23 FEET; THENCE RUN SOUTH 74°12'46" WEST FOR A
 DISTANCE OF 51.75 FEET; THENCE RUN SOUTH 87°07'09" WEST FOR A
 DISTANCE OF 14.80 FEET; THENCE RUN SOUTH 77°19'21" WEST FOR A
 DISTANCE OF 70.40 FEET; THENCE RUN SOUTH 70°18'14" WEST FOR A
 DISTANCE OF 44.54 FEET; THENCE RUN SOUTH 84°05'35" WEST FOR A
 DISTANCE OF 34.68 FEET; THENCE RUN SOUTH 75°35'14" WEST FOR A
 DISTANCE OF 67.74 FEET; THENCE RUN SOUTH 63°35'34" WEST FOR A
 DISTANCE OF 43.30 FEET; THENCE RUN SOUTH 58°64'12" WEST FOR A
 DISTANCE OF 48.85 FEET; THENCE RUN SOUTH 38°10'05" WEST FOR A
 DISTANCE OF 42.33 FEET; THENCE RUN SOUTH 60°49'03" WEST FOR A
 DISTANCE OF 49.33 FEET; THENCE RUN SOUTH 76°00'41" WEST FOR A
 DISTANCE OF 68.14 FEET; THENCE RUN SOUTH 84°13'10" WEST FOR A
 DISTANCE OF 44.45 FEET; THENCE RUN SOUTH 83°39'09" WEST FOR A
 DISTANCE OF 52.09 FEET; THENCE RUN SOUTH 78°34'00" WEST FOR A
 DISTANCE OF 37.33 FEET; THENCE RUN SOUTH 80°36'16" WEST FOR A
 DISTANCE OF 40.14 FEET; THENCE RUN SOUTH 73°18'30" WEST FOR A
 DISTANCE OF 64.68 FEET; THENCE RUN NORTH 89°57'22" WEST FOR A
 DISTANCE OF 39.27 FEET; THENCE RUN SOUTH 72°53'59" WEST FOR A
 DISTANCE OF 83.28 FEET; THENCE RUN NORTH 84°54'16" WEST FOR A
 DISTANCE OF 13.81 FEET; THENCE RUN SOUTH 85°33'28" WEST FOR A
 DISTANCE OF 41.87 FEET; THENCE RUN SOUTH 86°48'16" WEST FOR A

DISTANCE OF 48.97 FEET; THENCE RUN SOUTH 65°18'19" WEST FOR A
DISTANCE OF 33.93 FEET; THENCE RUN SOUTH 79°19'20" WEST FOR A
DISTANCE OF 24.84 FEET; THENCE RUN SOUTH 67°56'17" WEST FOR A
DISTANCE OF 18.23 FEET; THENCE RUN NORTH 87°29'19" WEST FOR A
DISTANCE OF 12.83 FEET; THENCE RUN NORTH 74°57'18" WEST FOR A
DISTANCE OF 18.94 FEET; THENCE RUN SOUTH 85°38'48" WEST FOR A
DISTANCE OF 69.96 FEET; THENCE RUN SOUTH 58°05'48" WEST FOR A
DISTANCE OF 29.87 FEET; THENCE RUN NORTH 88°49'38" WEST FOR A
DISTANCE OF 45.09 FEET; THENCE RUN SOUTH 56°09'50" WEST FOR A
DISTANCE OF 18.20 FEET; THENCE RUN NORTH 86°44'00" WEST FOR A
DISTANCE OF 16.82 FEET; THENCE RUN SOUTH 88°46'17" WEST FOR A
DISTANCE OF 43.53 FEET; THENCE RUN SOUTH 63°43'28" WEST FOR A
DISTANCE OF 19.03 FEET; THENCE RUN NORTH 85°13'09" WEST FOR A
DISTANCE OF 38.77 FEET; THENCE RUN SOUTH 67°59'24" WEST FOR A
DISTANCE OF 25.99 FEET; THENCE RUN SOUTH 80°55'45" WEST FOR A
DISTANCE OF 42.27 FEET; THENCE RUN NORTH 64°32'41" WEST FOR A
DISTANCE OF 17.53 FEET; THENCE RUN NORTH 74°35'26" WEST FOR A
DISTANCE OF 39.73 FEET; THENCE RUN NORTH 54°58'46" WEST -FOR A
DISTANCE OF 27.28 FEET; THENCE RUN NORTH 59°42'18" WEST FOR A
DISTANCE OF 42.58 FEET; THENCE RUN NORTH 83°32'07" WEST FOR A
DISTANCE OF 64.83 FEET; THENCE RUN NORTH 84°36'21" WEST FOR A
DISTANCE OF 62.99 FEET; THENCE RUN NORTH 89°17'20" WEST FOR A
DISTANCE OF 47.80 FEET; THENCE RUN NORTH 86°48'25" WEST FOR A
DISTANCE OF 69.89 FEET; THENCE RUN NORTH 74°15'02" WEST FOR A
DISTANCE OF 20.33 FEET; THENCE RUN NORTH 18°38'24" WEST FOR A
DISTANCE OF 32.02 FEET; THENCE RUN NORTH 56°50'30" WEST FOR A
DISTANCE OF 27.26 FEET; THENCE RUN NORTH 78°19'48" WEST FOR A
DISTANCE OF 41.77 FEET; THENCE RUN NORTH 84°33'24" WEST FOR A
DISTANCE OF 31.31 FEET; THENCE RUN NORTH 38°64'01" WEST FOR A
DISTANCE OF 32.93 FEET; THENCE RUN NORTH 36°11'20" WEST FOR A
DISTANCE OF 47.67 FEET; THENCE RUN NORTH 57°24'12" WEST FOR A
DISTANCE OF 32.59 FEET; THENCE RUN NORTH 70°00'28" WEST FOR A
DISTANCE OF 42.57 FEET; THENCE RUN NORTH 85°24'03" WEST FOR A
DISTANCE OF 85.89 FEET; THENCE RUN NORTH 85°39'05" WEST FOR A
DISTANCE OF 87.95 FEET; THENCE RUN NORTH 89°30'16" WEST FOR A
DISTANCE OF 90.15 FEET; THENCE RUN NORTH 88°54'31" WEST FOR A
DISTANCE OF 116.59 FEET; THENCE RUN SOUTH 76°46'53" WEST FOR A
DISTANCE OF 25.95 FEET; THENCE RUN NORTH 79°44'58" WEST FOR A
DISTANCE OF 18.79 FEET; THENCE RUN NORTH 41°02'49" WEST FOR A
DISTANCE OF 28.01 FEET; THENCE RUN NORTH 27°25'27" EAST FOR A
DISTANCE OF 26.43 FEET TO THE POINT OF BEGINNING

SUBJECT TO A 500 FOOT WIDE SPOILAGE EASEMENT BENEFITING THE U.S.

ARMY CORPS OF ENGINEERS INTRACOASTAL WATERWAY RIGHT-OF-WAY.

LESS AND EXCEPT A 200 FOOT WIDE GULF POWER COMPANY RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS BOOK 44, PAGE 282, OFFICIAL RECORDS BOOK 539, PAGE 211, AND OFFICIAL RECORDS BOOK 542, PAGE 447, PUBLIC RECORDS OF SAY COUNTY, FLORIDA.

SAID LANDS LYING IN AND BEING A PORTION OF SECTIONS 14, 21, 22, 23, 24, 25, 25, 27 AND 28, TOWNSHIP 2 SOUTH, RANGE 16 WEST, BAY COUNTY, FLORIDA, AND CONTAINING AN AREA OF 59,369,29137 SQUARE FEET OR 1374.410 ACRES, MORE OR LESS.

TOGETHER WITH any parcel of land located in Bay County, Florida within a 1-mile radius of the perimeter boundaries of the above-described property or the property described on Exhibit "A."

LESS AND EXCEPT the property described on Exhibit "A."

Note to clerk and title examiners:

This Declaration is not intended to create an encumbrance on title to the property described on this Exhibit "B." Such title may be encumbered only with the consent of the owner by filing a Supplemental Declaration in accordance with Article IX.

EXHIBIT "C "
Initial Rules

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." In fact it is expressly intended that the Reviewer under Chapter 4, and the Board, as appropriate, have discretion to approve or disapprove items, or to enforce or not enforce technical violations of the Governing Documents, based upon aesthetic or other considerations consistent with the established guidelines. As such, while something may be approved or permitted for one Unit under one set of circumstances, the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following initial Rules shall be subject to amendment or modification in accordance with the procedures set forth in the Charter.

1. General. Units shall be used only for residential and ancillary purposes consistent with this Charter and any applicable Supplement

2. Restricted Activities. Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board or the Charter, the following activities are prohibited within the Community:

(a) Parking any vehicles on Roadways, or parking of commercial vehicles or equipment, motor homes, recreational vehicles, golf carts, boats, jet skis and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision during normal business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

(b) Raising, breeding, capturing, trapping, keeping, or killing of animals or wildlife, except that (i) a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit, and (ii) the Association, its contractors, agents, and employees may engage in such activities as part of a continuing resource management plan for the Community. Pets which are permitted to roam free, or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed from the Community upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law;

(c) Any activity that emits foul or obnoxious odors outside the Unit, or creates noise or other conditions that, in the Board's reasonable discretion, tend to disturb the peace or threaten the safety of or cause embarrassment discomfort, annoyance, or nui-

sance to, the occupants of other Units or persons using the Common Area, except that this Rule shall not restrict the ability of the Association and its contractors, agents, or employees to engage in such activities as part of a continuing resource management plan for the Community;

(d) Any activity that violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take action to enforce such laws or regulations or to prevent a violation;

(e) Pursuit of hobbies or other activities that tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit;

(f) Outside burning of trash, leaves, debris, or other materials, except that the Association and its contractors or agents may engage in ecological burning as part of a continuing resource management plan;

(g) Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except fire and security alarm devices used exclusively for such purposes;

(h) Use and discharge of firecrackers and other fireworks;

(i) Accumulation of rubbish, trash, or garbage except between regular garbage pick ups, and then only in approved containers;

(j) Discharge of firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;

(k) On-site storage of fuel, except that a reasonable amount of fuel maybe stored on each Unit for emergency purposes and operation of mowers and similar tools or equipment, and the Association shall be permitted to store and sell fuel for refueling of boats, operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Chapter 5;

(l) Dumping, pump out, or discharge of fuel, gray water, pesticides, or toxic substances onto the land or into bodies of water within or adjacent to the Community;

(m) Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Community or which use excessive amounts of water, or which result in unreasonable levels of sound or light pollution;

(n) Operation of motor bikes, mini-bikes, or all terrain vehicles anywhere in the Community, on or off of roadways;

(o) Launching of personal watercraft from boat ramps or other property within the Community;

(p) Conversion of any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit without prior approval pursuant to Chapters;

(q) Any construction or modification of any thing, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, or on or over any marsh, wetland, creek, pond, or waterway within or abutting any portion of the Community, except in strict compliance with the provisions of Chapters of the Charter. This shall include, without limitation, signs, basketball hoops, and swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles; above-ground swimming pools; docks, piers, and similar structures; hedges, walls, dog runs, animal pens, or fences of any kind; and satellite dishes and antennas; and

(r) Any activity that involves placing any temporary or permanent pier, dock or similar structure, whether fixed or floating, or otherwise anchoring or mooring boats or flotation devices, in waters or marshes within the Community or within 50 feet of any portion of the Community.

3. Prohibited Conditions. The following shall be prohibited in the Community:

(a) Accumulation or storage of combustible materials or debris on Units, except to the extent reasonably necessary during construction of a dwelling on the Unit. This Rule shall not preclude storage of a reasonable amount of firewood on a Unit provided it is stacked and stored in a safe manner and location; and

(b) Structures, equipment, or other items on the exterior portions of a Unit which have become rusty, dilapidated, or otherwise fallen into disrepair.

EXHIBIT "D"

By-Laws of RiverCamps on Crooked Creek Community Association, Inc.

BY-LAWS
OF
RIVERCAMPS ON CROCKED CREEK COMMUNITY
ASSOCIATION, INC.

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BY-LAWS
OF
RIVERCAMPS ON CROOKED CREEK COMMUNITY
ASSOCIATION, INC.

Article 1
Name, Principal Office, and Definitions

1.1. Name.

The name of the corporation is RiverCamps on Crooked Creek Community Association, Inc. (the "**Association**").

1.2. Principal Office.

The Association's principal office shall be located in Bay County, Florida. The Association may have such other offices as the Board may determine or as the Association's affairs require.

1.3. Definitions.

The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the meaning ascribed to them in the Community Charter for RiverCamps on Crooked Creek recorded by St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company, in the public records of Bay County, Florida, as it may be amended (the "Charter"). The term "majority," as used in these By-Laws, means those votes, Owners, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

Article 2
Membership: Meetings, Quorum, Voting, Proxies

2.1. Membership.

The Association shall have two classes of membership, Owner Membership and Founder Membership, as more fully set forth in the Charter. Provisions of the Charter pertaining to membership are incorporated by this reference.

2.2. Place of Meetings.

The Association shall hold meetings at the Association's principal office or at such other suitable place the Board may designate.

2.3. Association Meetings.

(a) **General.** The first Association meeting, whether a regular or special meeting, shall be held within one year after the Association's incorporation.

(b) **Annual Meetings.** The Board shall schedule regular annual meetings to occur within 90 days before or after the close of the Association's fiscal year, on such date and at such time and place as the Board shall determine.

(c) **Special Meetings.** The President may call special meetings. In addition, the President or the Secretary shall call a special meeting if so directed by Board resolution or upon a written petition of Members entitled to cast at least 10% of the total votes in the Association.

2.4. Notice of Meetings.

The President, the Secretary, or the officers or other persons calling a meeting of the Members shall deliver or cause to be delivered to each Member entitled to vote at such meeting a written notice stating the place, day, and hour of the meeting. In the case of a special meeting or when otherwise required by statute, the Charter, or these By-Laws, the purpose or purposes for which the meeting is called shall also be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

Such notice shall be delivered by such means as permitted under Section 10.5, at least 10 but not more than 50 days before the date of such meeting.

2.5. Waiver of Notice.

Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any Association meeting, either before or after such meeting. Attendance at a meeting by a Member or the Member's proxy shall be deemed a waiver by such Member of notice of the time, date, and place thereof, unless the Member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed a waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.6. Adjournment of Meetings.

If any Association meeting cannot be held because a quorum is not present, the Members entitled to cast a majority of the votes present at such meeting may adjourn the meeting to a time at least 5 but not more than 30 days from the scheduled date of the original meeting. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice to the Members of the time and place for reconvening the meeting in the manner prescribed for regular meetings.

Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Members to leave less than a quorum, provided at least a majority of the votes required to constitute a quorum must approve any action taken.

2.7. Voting.

Members shall have such voting rights as are set forth in the Charter, which provisions are specifically incorporated by this reference.

2.8. Proxies.

A Member may vote in person or by proxy, subject to the limitations of Florida law and subject to any specific provision to the contrary in the Charter or these By-Laws. Every proxy shall be in writing, shall identify the Unit for which it is given, shall be signed by the Member or the Member's duly authorized attorney-in-fact, and shall be dated and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless the proxy specifically provides otherwise, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

A proxy is effective only for the specific meeting for which it was originally given, as such meeting lawfully may be adjourned and reconvened, and automatically expires 90 days after the date of the meeting for which it was originally given. Every proxy is revocable at any time at the pleasure of the Member who executes the proxy.

2.9. Quorum.

Except as these By-Laws or the Charter otherwise provide, the presence of Member entitled to cast 10% of the total votes in the Association shall constitute a quorum at all Association meetings and the vote of Members entitled to cast a majority of the total eligible votes cast shall constitute the action of the Members.

2.10. Conduct of Meetings.

The President or a Board-approved designee shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are kept with the Association's books.

2.11. Action Without a Meeting.

Any action required by the Charter, the Articles, or Florida law to be taken at a meeting of the Members may be taken without a meeting, without prior notice, and without a vote if approved by Members entitled to cast at least the minimum number of votes in the Association necessary to authorize such action at a meeting, if all Members entitled to vote were present and

voted. Such approval shall be evidenced by one or more written consents specifically authorizing the proposed action, dated and signed by Members holding the requisite votes. The Association need not give prior notice before soliciting such consent; however, the Association must send written consent forms to all Members for action authorized pursuant to this section to be valid. Members shall sign, date, and deliver such consents to the Association within 60 days after the Association's receipt of the earliest dated consent. The Association's Secretary shall file (or cause to be filed) such consents with the Association's minutes and the consents shall have the same force and effect as a vote of the Members at a meeting.

Article 3

Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

3.1. Governing Body; Qualifications.

The Board shall govern the Association's affairs. Each director shall have one vote. Except with respect to directors appointed by the Founder Member, directors shall be Owners or residents. However, no Owner and resident representing the same Unit may serve on the Board at the same time. A "resident" shall be any natural person 18 years of age or older whose principal residence is a Unit within RiverCamps on Crooked Creek.

If an Owner is not an individual, any officer, director, partner, or any trust officer of such Owner shall be eligible to serve as a director unless a written notice to the Association signed by the Owner specifies otherwise. However, no Owner may have more than one such representative on the Board at a time except in the case of directors the Founder Member appoints.

3.2. Number of Directors.

The Board shall consist of three to seven directors, as provided in Section 3.3.

3.3. Selection of Directors; Term of Office.

(a) ***Initial Board.*** The initial Board shall consist of the three directors identified in the Articles of Incorporation, who shall serve until their successors are appointed or elected as provided in this Section.

(b) ***Directors During Founder Control Period.*** Except as otherwise provided in this subsection, the Founder Member may appoint, remove, and replace Board members until termination of the Founder Control Period. During such period, the Owner Members shall be entitled to elect a minority of the total number of directors according to the following schedule (directors elected by the Owners are referred to as "Owner Directors."):

(i) Within 60 days after the time that Owners other than Builders own 25% of the maximum number of Units permitted by the applicable zoning for the property described in the General Plan of Development or whenever the Founder earlier determines, the President shall

call for an election by which the Owner Members, as a group, shall be entitled to elect one of the three directors. The remaining directors shall be appointees of the Founder. The Owner Director shall be elected for a term of two years or until the happening of the event described in subsection (b)(ii) below, whichever is shorter. If such director's term expires prior to the happening of the event described in subsection (b) (ii), a successor shall be elected for a like term.

(ii) Within 60 days after the time that Owners other than Builders own 50% of the maximum number of Units permitted by the applicable zoning for the property described in the General Plan of Development or whenever the Founder earlier determines, the Board shall be increased to five directors and the President shall call for an election by which the Owner Members, as a group, shall be entitled to elect two of the five directors, who shall be elected at large. The Founder shall appoint the remaining three directors. The Owner Directors shall be elected for a term of two years or until the happening of the event described in subsection (c) (i) below, whichever is shorter. If such directors terms expire prior to the happening of the event described in subsection (c)(i) below, successors shall be elected for a like term.

(c) *Directors After the Founder Control Period.*

(i) Not later than termination of the Founder Control Period, the Board shall be increased to seven directors. The President shall call for an election by which the Owner Members shall be entitled to elect six directors. Three directors shall be elected to serve until the second annual meeting following their election and three directors shall be elected to serve until the third annual meeting following their election, as such directors determine among themselves.

(ii) The Founder shall be entitled to appoint, remove, and replace the seventh director until termination of the Founder Membership, at which time the director appointed by the Founder shall resign. The remaining directors shall be entitled to appoint a successor to fill the vacancy until the next annual meeting, at which time the Owner Members shall be entitled to elect a successor who shall be elected for a term of two years.

(iii) Upon expiration of the term of office of each Owner Director after termination of the Founder Control Period, the Owner Members shall be entitled to elect a successor to serve a term of two years. Owner Directors shall hold office until their respective successors have been elected. Directors may serve any number of consecutive terms.

The diagram below illustrates the concept of transition of control of the Board during and after the Founder Control Period.

TRANSITION OF CONTROL OF BOARD OF DIRECTORS				
Initial Board	25% of Total Units Conveyed	50% of Total Units Conveyed	Termination of Founder Control Period	Termination of Founder Membership
Founder	Owner	Owner	Owner	Owner
Founder	Founder	Owner	Owner	Owner
Founder	Founder	Founder	Owner	Owner
		Founder	Owner	Owner
		Founder	Owner	Owner
			Owner	Owner
			Founder	Owner

3.4. Nomination and Election Procedures.

(a) Nomination of Candidates. At least 30 days prior to any election of directors by the Owner Members, the Board shall appoint a Nominating Committee consisting of a chairman, who shall be a Board member, and three or more Owners or representatives of Owners. The Nominating Committee shall serve a term of one year or until its successors are appointed; The names of the Nominating Committee members shall be announced in the notice of each election. In preparation for each election, the Nominating Committee shall meet and make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled by the Owner Members at such election. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity that exists within the pool of potential candidates. Nominations shall also be permitted from the floor at the meeting at which any election is held. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(b) Election Procedures. At each election, voting shall be by written ballot. Each Owner Member may cast all votes assigned to the Units it represents for each position to be filled at such election.

3.5. Removal of Directors and Vacancies.

Any Owner Director may be removed, with or without cause, by the vote of Owner Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director by the Owner Members, the Owner Members shall elect a successor for the remainder of the term of such director.

At any meeting at which a quorum is present, a majority of the directors may remove any Owner Director who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent (or resides in a Unit owned by an Owner who is so delinquent) in

the payment of any assessment or other charge due the Association. The Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of an Owner Director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Owner Members shall elect a successor for the remainder of the term.

This Section shall not apply to directors the Founder appoints. The Founder may appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by the Founder.

B. Meetings.

3.5. Organizational Meetings.

The Board shall hold an organizational meeting within 10 days following each annual Association meeting at such time and place as the Board shall fix.

3.7. Regular Meetings.

The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least four times during each fiscal year with at least one meeting per quarter.

3.8. Special Meetings.

The President, Vice President, or any two directors may call a special meeting of the Board.

3.9. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The Board shall notify each director of meetings by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) facsimile, electronic mail, or other electronic communication device, with confirmation of transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five business days before the day of the meeting. The Board shall give notices by personal delivery, telephone, or electronic communication at least 72 hours before the time set for the meeting.

(b) Except in an emergency, the Board shall notify the Members of each Board meeting by either: (i) posting notice of the meeting in a conspicuous place in RiverCamps on Crooked Creek at least 48 hours in advance of the meeting; (ii) publication of a schedule of the Board meetings

in a newspaper, newsletter, on a community intranet or website, or by similar means at least 7 days prior to the meeting; or (iii) mailing notice of the meeting to each Member at least 7 days prior to the meeting.

(c) Transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each director not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Telephonic Participation in Meetings.

Members of the Board or any committee the Board designates may participate in a Board or committee meeting by conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

3.11. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless Florida law, these By-Laws, or the Charter specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the departure of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present may adjourn the meeting to a time not less than 5 nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business it might have transacted at the original meeting.

3.12. Conduct of Meetings.

The President or any designee the Board approves by resolution shall preside over all Board meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions and all transactions occurring at such meetings are included in the Association's records.

3.13. Open Meetings; Executive Session.

(a) Subject to the provisions of subsection 3.13(b) and Section 3.14, all Board meetings shall be open to all Members, but only directors may participate in any discussion or deliberation unless a director requests that attendees be granted permission to speak. In such case, the President may limit the time any such individual may speak.

(b) Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as proposed, pending, or threatened litigation, or other matters specified by law.

3.14. Action Without a Formal Meeting.

Any action to be taken or which may be taken at a Board meeting may be taken without a meeting if the directors sign a written consent, setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.15. Powers.

The Board shall have the power to administer the Association's affairs, perform the Association's responsibilities, and exercise the Association's rights as set forth in the Governing Documents and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things except those which the Governing Documents or Florida law require to be done and exercised exclusively by the membership generally.

3.16. Duties.

The Board's duties shall include, without limitation:

(a) preparing and adopting, in accordance with the Charter, an annual budget establishing each Owner's share of the Common Expenses and any Limited Common Expenses;

(b) levying and collecting assessments from the Owners;

(c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;

(d) designating, hiring, and dismissing personnel necessary to carry out the Association's rights and responsibilities and where appropriate, providing for compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) opening bank accounts on the Association's behalf and designating the signatories required;

(f) depositing all funds received on the Association's behalf in a bank depository which it shall approve and using such funds to operate the Association; however, in the Board's business judgment any reserve funds may be deposited in depositories other than banks;

(g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;

(h) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; however, the Association's obligation in this regard shall be conditioned in the manner provided in the Charter;

(i) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Charter, paying the cost thereof, and filing and adjusting claims, as appropriate;

(j) paying the cost of all services rendered to the Association;

(k) keeping a detailed accounting of the Association's receipts and expenditures;

(l) making available to any prospective purchaser of a Unit, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 10; and

(m) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required by Florida law, the Articles and these By-Laws.

3.17. Conflicts of Interest

Unless otherwise approved by a majority of the other directors, no Owner Director may transact business with the Association or any Association contractor during his or her term as director or within two years after the term expires. A director shall promptly disclose in writing to the Board any actual or potential conflict of interest affecting the directors relative to his or her performance as a director. A director's failure to make such disclosure shall be grounds for removal by a majority vote of the other Board members.

Notwithstanding the above, directors appointed by the Founder may be employed by or otherwise transact business with the Founder or its affiliate, and the Founder may transact business with the Association or its contractors.

Article 4

Transition from Founder to Owner Control

4.1. Transition Process.

Transition is a process by which control of the Board gradually shifts from the Founder to the Owners, as described in Section 33. The process concludes upon termination of the Founder Control Period, when the Owner Members will elect the entire Board. At that time, the Owner Members, through their newly-elected Board, will take responsibility for fulfilling the Association's responsibilities and exercising the Association's authority under the Governing Documents without the direct guidance or involvement of the Founder or Founder-appointed directors.

4.2. Education and Communication.

In anticipation of termination of the Founder Control Period, the Founder Member shall communicate with the Owners regarding the transition process, the anticipated timeline for transition, what to expect during and after the transition, and opportunities for Owner participation. Such communication shall be in writing and through one or more "town hall" meetings at which Owners have the opportunity to ask and obtain answers to questions in order to gain a better understanding of the transition process.

4.3. Transition Committee.

(a) *Appointment; Purpose.* At least six months prior to termination of the Founder Control Period, the Founder Member shall establish a Transition Committee comprised of 5 to 7 members, all of whom shall be Owners. The purpose of the Transition Committee shall be (i) to involve the Owners in facilitating a smooth transition of control of the Board from directors appointed by the Founder Member to directors elected by the Owner Members, and (ii) to help prepare the Board and the Owners to assume responsibility for carrying on Association operations once the Founder and its representatives are no longer directly involved.

(b) *Organizational Meeting.* The Founder shall call for a meeting of the Transition Committee within 30 days after its appointment. At such meeting, the Founder shall explain the transition process, advise the Transition Committee of its responsibilities, and facilitate the election of a chairperson from among the members of the Transition Committee. The Transition Committee shall establish a meeting schedule and a schedule for completing necessary tasks prior to the termination of the Founder Control Period. It may appoint such subcommittees as it deems appropriate to assist it in performing its responsibilities. Each subcommittee shall be chaired by a member of the Transition Committee and shall consist of at least two Owners.

(c) *Responsibilities.* The Transition Committee, with the assistance of such subcommittees as it may appoint pursuant to subsection (b), shall conduct a review and analysis of Association properties, facilities, records, and operations to familiarize itself with the history and status of such matters and make recommendations as to matters requiring future action. It shall prepare a report setting forth its findings and recommendations for distribution to the Owners and presentation to the newly-elected Board upon termination of the Founder Control Period. The Board will use such report to assist in understanding the scope of its responsibilities and as a planning tool. Specific areas to be addressed in the report shall include:

(i) the condition of Association property and facilities, identifying any immediate maintenance, repairs, or improvements needed and suggesting a proposed schedule for short and long-term maintenance, repairs, and replacements;

(ii) the financial condition of the Association, including the status of any outstanding accounts receivable and actions being taken to collect them, the adequacy of the Association's budgets and sufficiency of reserves, and the status of the Association's tax filings, tax liability, if any, and tax reporting responsibilities;

(iii) the nature and extent of insurance policies which the Association is required to maintain, the adequacy of current coverage and limits, renewal dates for all insurance policies, and the status of any pending insurance claims; and

(iv) the status of Association records and legal matters, identifying all existing contracts, permits, licenses, and warranties, if any, noting their expiration dates and making any recommendations as to their renewal; reporting on the status of ride to all Common Areas; reporting on the status of any pending lawsuits; and making recommendations as to any proposed changes or amendments to the Governing Documents that the Transition Committee feels are appropriate or advisable.

(d) Communication. The Transition Committee shall report to the Board at least monthly on the status of its work.

(e) Board Action. Upon termination of the Founder Control Period and election of a new Board pursuant to Section 3.3 (c), the Board shall review the Transition Committee's report and meet with the Transition Committee to discuss the Committee's findings and recommendations. It shall then use the Transition Committee's report as a planning tool in carrying out its responsibilities under the Governing Documents.

4.4. Professional Assistance.

The Board may, as a Common Expense, retain industry professionals, including association managers, attorneys, engineers, and accountants, as it deems necessary or appropriate to assist the Board in preparing for transition and to assist the Transition Committee in conducting its review.

Article 5 Officers

5.1. Officers.

The Association's officers shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the Board members; other officers may, but need not, be Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2. Election and Term of Office.

The Board shall elect the Association's officers at the first Board meeting following each annual meeting of the Association, to serve until their successors are elected.

5.3. Removal and Vacancies.

The Board may remove any officer whenever in its judgment the Association's best interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

5.4. Powers and Duties.

The Association's officers shall have such powers and duties as generally pertain, to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the Association's budgets as provided for in the Charter, and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

5.5. Resignation.

Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article 6 Committees

6.1. General.

In addition to the Transition Committee appointed pursuant to Article 4, the Board may appoint such other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

6.2. Covenants Committee.

In addition to any other committees that the Board may establish pursuant to Section 6.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Owners who shall not be officers, directors, or employees of the Association, or the spouse, parent, sibling, or child of any officer, director, or employee. Acting in accordance with the provisions of the Charter, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article 9 of these By-Laws. The Covenants Committee shall have no responsibility for seeking out violations of the Governing Documents.

Article 7

Standards of Conduct; Liability and Indemnification

7.1. Standards for Directors and Officers.

The Board shall exercise its powers in a reasonable, fair, nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

In performing their duties, directors and officers shall act as fiduciaries and shall be insulated from liability as provided for directors of corporations under Florida law and as otherwise provided by the Governing Documents. Directors and officers shall discharge their duties as directors or officers, and as members of any committee to which they are appointed, in a manner that the director or officer believes in good faith to be in the best interest of the corporation and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under Florida law.

7.2. Liability.

(a) A director or officer shall not be personally liable to the Association, any Member, or any other Person for any action taken or not taken as a director or officer if he or she has acted in accordance with Section 7.1.

(b) Pursuant to the business judgment rule, a director also shall not be personally liable for any action taken or not taken as a director if the director;

(i) acts within the expressed or implied scope of the Governing Documents and his or her actions are not *ultra vires*;

(ii) affirmatively undertakes to make decisions which are necessary for the Association's continued and successful operation and, when decisions are made, makes them on an informed basis;

(iii) acts on a disinterested basis, promptly disclosing any real or potential conflict of interests (pecuniary or other), and avoiding participation in decisions and actions on matters as to which he has a conflict of interest (beyond that which all directors have by virtue of their ownership or occupancy of a Unit); and

(iv) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

(c) The Association's officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability

with respect to any contract or other commitment made or action taken in good faith on the Association's behalf (except to the extent that such officers or directors may also be Members).

7.3. Indemnification.

Subject to the limitations of Florida law, the Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

(a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses incurred in connection with the proceeding if it is determined, by the court or in the manner provided above, that the individual met the relevant standard of conduct under Florida law; or

(b) to the extent that the individual is adjudged liable for conduct that constitutes:

(i) appropriation, in violation of his or her duties, of any business opportunity of the Association; or

(ii) intentional misconduct or knowing violation of the law; or

(iii) an unlawful distribution to members, directors or officers; or

(iv) receipt of an improper personal benefit.

This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

7.4. Advancement of Expenses.

In accordance with the procedures and subject to the conditions and limitations set forth in Florida law, the Board may authorize the Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

7.5. Board and Officer Training.

The Board may conduct or provide for seminars and continuing educational opportunities designed to educate and inform its officers and directors of their responsibilities as officers and directors. Such programs may include instruction on applicable Florida corporate and fiduciary

law principles, other issues relating to administering community affairs, and upholding and enforcing the Governing Documents. The Board may retain industry professionals, which may include property managers, attorneys, and accountants, as appropriate or necessary for such purpose. Each newly elected officer and director shall be encouraged to complete a training seminar within the first six months of assuming such position. The seminar may be live, video or audiotape, or in other format. The cost of such seminar shall be a Common Expense.

The Board also may provide, or provide for, Owner and resident education designed to foster a better understanding of the Community's governance and operations, and leadership training classes designed to educate Owners as to the nomination, election, and voting processes and the duties and responsibilities of directors and officers.

Article 8

Management and Accounting

8.1. Compensation of Directors and Officers.

The Association shall not compensate directors and officers for acting as such unless Members entitled to cast a majority of the total votes in the Association approve such compensation at an Association meeting. The Association may reimburse any director or officer for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director or officer, or any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and a majority of the Board, excluding any interested director, must approve such contract.

8.2. Right of Founder Member to Disapprove Actions.

So long as there is a Founder Membership, the Founder Member shall have a right to disapprove any action, policy, or program of the Association, the Board and any committee which, in the Founder Member's sole judgment, would tend to impair rights of the Founder or Builders under the Charter or these By-Laws, interfere with development or construction of any portion of the Community, or diminish the level of services the Association provides. The Board shall not implement any action, policy, or program subject to the right of disapproval set forth herein until and unless the requirements of this Section have been met,

(a) Notice. The Association shall give the Founder Member written notice of all meetings of the membership, the Board, and committees and any actions that any of them propose to take by written consent in lieu of a meeting. The Association shall give such notice by certified mail, return receipt requested, or by personal delivery at the address the Founder Member has registered with the Association; Such notice shall comply as to Board meetings with Section 3.9, and shall, except in the case of regular Board meetings pursuant to these By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting.

(b) *Opportunity to be Heard.* At any such meeting, the Association shall give the Founder Member the opportunity to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

The Founder Member, its representatives, or its agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Founder Member, acting through any officer or director, agent, or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action.

The Founder Member may use this right to disapprove to block proposed actions but shall not use it to require any action or counteraction of any committee, the Board, or the Association. The Founder Member shall not use its right to disapprove to reduce the level of services the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

8.3. Managing Agent

The Board may employ for the Association professional management agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. The Board may employ the Founder or its affiliate as managing agent or manager.

The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the managing agent or manager that might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Founder Control Period unless such contract contains a right of termination that may be exercised by the Association, with or without cause and without penalty, at any time after termination of the Founder Control Period upon not more than 90 days' written notice.

The managing agent shall not accept remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association. The managing agent shall promptly disclose to the Board any financial or other interest that it may have in any firm providing goods or services to the Association.

8.4. Accounts and Reports.

(a) The Board shall follow the following accounting standards unless the Board by resolution specifically determines otherwise:

(i) accounting and controls should conform to generally accepted accounting principles; and

(ii) the Association's cash accounts shall not be commingled with any other accounts, and during the Founder Control Period, operating accounts shall not be commingled with reserve accounts;

(b) Commencing at the end of the quarter in which the first Unit is sold and closed, financial reports shall be prepared for the Association within 60 days after the end of each quarter:

(i) an income statement reflecting all income and expense activity for the preceding period;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless the Board specifies otherwise by resolution). A copy of the quarterly financial report shall be made available at no charge to any Member requesting a copy.

(c) An annual report consisting of at least the following shall be made available for Members review within 180 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines.

8.5. Borrowing.

The Association shall have the power to borrow money for any legal purpose. However, the Board shall obtain membership approval in the same manner provided in the Charter for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 20% of the Association's budgeted gross expenses for that fiscal year.

8.6. Right to Contract.

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, coopera-

tives, or other owners or residents associations. The Board shall consent to any common management agreement.

8.7. Agreements, Contracts, Deeds, leases, Checks, Etc.

All Association agreements, contracts, deeds, leases, checks, and other instruments shall be executed by at least two officers or by such other person or persons as the Board may designate by resolution.

Article 9 Enforcement Procedures

The Association shall have the power, as provided in the Charter, to impose sanctions for any violation of the Governing Documents. To the extent specifically required by the Charter, the Board shall comply with the following procedures prior to imposition of sanctions:

9.1. Notice and Response.

The Board or its delegate shall serve the alleged violator with written notice describing (a) the nature of the alleged violation, (b) the proposed sanction to be imposed, (c) the alleged violator shall have 14 days to present a written request for a hearing before the Covenants Committee appointed pursuant to Article 6; and (d) a statement that the proposed sanction maybe imposed as contained in the notice unless a hearing is requested within 14 days of the notice.

The alleged violator shall respond to the notice of the alleged violation in writing within such 14-day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction. If the alleged violator cures the alleged violation and notifies the Board in writing within such 14-day period the Board may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 14-day period.

Prior to the effectiveness of sanctions imposed pursuant to this Article, proof of proper notice shall be placed in the minutes of the Board or Covenants Committee, as applicable. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative requests and appears at the hearing.

9.2. Hearing.

If a hearing is requested within the allotted 14-day period, the hearing shall be held before the Covenants Committee. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meetings of the Covenants Committee shall contain a written state-

ment of the results of the hearing (i.e., the Committee's decision) and the sanction, if any, to be imposed.

9.3. Appeal.

Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, the violator must deliver a written notice of appeal to the Association's manager, President, or Secretary within 10 days after the hearing date.

Article 10 Miscellaneous

10.1. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

10.2. Parliamentary Rules.

Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Florida law or the Governing Documents.

10.3. Conflicts.

If there are conflicts among the provisions of Florida law, the Articles of Incorporation, the Charter, and these By-Laws, the provisions of Florida law, the Charter, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

10.4. Books and Records.

(a) *Turnover of Books and Records.* Within 90 days after termination of the Founder Control Period, the Founder shall deliver to the Association all property and other items required by §720.308(3) of the Florida Homeowners' Associations Act.

(b) *Inspection by Members and Mortgagees.* The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the Governing Documents, the membership register, book of account, the minutes of meetings of the Members, the Board, and committees, and any other records as required by Florida law. The Board shall provide for such inspection to take place within 10 business days after receipt of a written request for access at the Association's office or at such other place within RiverCamps on Crooked Creek as the Board shall designate.

(c) *Rules for Inspection.* The Board shall establish rules with respect to:

- (i) the frequency and manner of inspection; and
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

(d) *Inspection by Directors.* Every director shall have the absolute right at any reasonable time to inspect all Association books, records, and documents and the physical properties owned or controlled by the Association. A director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

10.5. Notices.

(a) *Form of Notice and Method of Delivery.* Except as otherwise provided in the Charter or these By-Laws or by Florida law, all notices, demands, bills, statements, or other communications under the Charter or these By-Laws shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

(b) *Delivery Address.* Notices shall be delivered or sent to the intended recipient as follows:

(i) if to a Member, at the address, telephone facsimile number, or e-mail address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Member's Unit;

(ii) if to the Association, the Board, or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Association or its managing agent, or at such other address as the Association shall designate by notice in writing to the Members pursuant to this Section; or

(iii) if to the Founder, at the Founder's principal address as it appears on the Secretary of State's records, or at such other address as the Founder shall designate by notice in writing to the Association pursuant to this Section.

(c) *Effective Date.* Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, when deposited with the U. S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

10.6. *Amendment.*

(a) By Founder Member. Until termination of the Founder Control Period, the Founder Member may unilaterally amend these By-Laws, subject to the approval requirements in Chapter 16 of the Charter, if applicable.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members entitled to cast 67% of the total votes in the Association, and the consent of the Founder Member, if such exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall be come effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke, or modify any right or privilege of Founder or the Founder Member without the written consent of Founder, the Founder Member, or the assignee of such right or privilege.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of RiverCamps on Crooked Creek Community Association, Inc., a Florida not-for-profit corporation;

That the foregoing By-Laws constitute the original By-Laws of the Association, as duly adopted by resolution of the Board of Directors thereof on the 12th day of November, 2003.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 12th day of November, 2003.



Secretary



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

November 13, 2003

CSC

The Articles of Incorporation for RIVERCAMPS ON CROOKED CREEK COMMUNITY ASSOCIATION, INC. were filed on November 13, 2003 and assigned document number N03000009890. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: Compliance with the following procedures is essential to maintaining your corporate status. Failure to do so may result in dissolution of your corporation.

A corporation annual report must be filed with this office between January 1 and May 1 of each year beginning with the calendar year following the year of the filing date noted above and each year thereafter. Failure to file the annual report on time may result in administrative dissolution of your corporation.

A federal employer identification (FEI) number must be shown on the annual report form prior to its filing with this office. Contact the Internal Revenue Service to insure that you receive the FEI number in time to file the annual report. To obtain a FEI number, contact the IRS at 1-800-829-3676 and request form SS-4.

Should your corporate mailing address change, you must notify this office in writing, to insure important mailings such as the annual report notices reach you.

Should you have any questions regarding corporations, please contact this office at the address given below.

Loria Poole, Document Specialist
New Filings Section

Letter Number: 103A00061834

Account number: 072100000032

Amount charged: 78.75

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of RIVERCAMPS ON CROOKED CREEK COMMUNITY ASSOCIATION, INC., a Florida corporation, filed on November 13, 2003, as shown by the records of this office.

The document number of this corporation is N03000009890.



CR2EO22 (2-03)

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Thirteenth day of November, 2003

Glenda E. Hood

Glenda E. Hood
Secretary of State

**ARTICLES OF INCORPORATION
OF
RIVERCAMPS ON CROOKED CREEK COMMUNITY
ASSOCIATION, INC.**

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

03 NOV 13 PM 4:

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

Article 1. Name. The name of the Corporation is RiverCamps on Crooked Creek Community Association, Inc. For convenience, the Corporation shall be referred to in this instrument as the "Association."

Article 2. Address. The address of the initial principal office of the Association and the initial mailing address of the Association is 245 Riverside, Suite 500, Jacksonville, Florida 32202.

Article 3. Definitions. All capitalized terms used in these Articles of Incorporation which are not defined herein shall have the meaning set forth in the Community Charter for RiverCamps on Crooked Creek, recorded or to be recorded by St. Joe Timberland Company of Delaware, LLC, a Delaware limited liability company ("Founder"), in the public records of Bay County, Florida, as such Charter may be amended from time to time (the "Charter").

Article 4. Purposes. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its members. By way of explanation and not of limitation, the purposes for which the Association is organized are:

(a) to be and constitute the Association to which reference is made in the Charter, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as set forth in the Governing Documents and as provided by law; and

(b) to provide an entity for the furtherance of the interests of the owners of real property now and hereafter made subject to the Charter (such real property is referred to in these Articles as the "Community").

Article 5. Powers. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Charter or By-Laws of the Association, may be exercised by the Board of Directors:

(a) all of the powers conferred upon not-for-profit corporations by common law and Florida statutes in effect from time to time; and

(b) all of the powers necessary or desirable to perform the obligations and to exercise the rights and powers set out in these Articles, the By-Laws, and the Charter, including, without limitation, the following:

(i) to fix, levy, collect, and enforce payment of all charges or assessments authorized by the Charter by any lawful means; to pay all expenses in connection therewith and all administrative and other expenses incident to the conduct of the business of the Association including, without limitation, all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(ii) to manage, control, operate, maintain, repair, improve, and replace the common areas and facilities, and any property acquired by the Association, or any property owned by another for which the Association, by rule, regulation, Charter, or contract, has a right or duty to provide such services;

(iii) to make rules and regulations and to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Charter or By-Laws;

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all owners of property subject to the Charter;

(v) to buy, or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, own, hold, use, operate, and otherwise deal in and with, real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(vi) to borrow money for any purpose subject to such limitations as may be contained in the Charter and By-Laws;

(vii) to enter into, make, perform, and enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal the By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; however, such By-Laws may not be inconsistent with or contrary to any provisions of the Charter; and

(x) to provide any and all supplemental municipal services to the Community as may be necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 5 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 5,

Article 6. Members. The Association shall be a membership corporation without certificates or shares of stock. There initially shall be two classes of membership, as more fully set forth in the Charter. The Owner of each Unit shall be a member of the Association and shall be entitled to vote as provided in the Charter and the By-Laws. In addition, Founder shall be a Member for such period as provided in the Charter, regardless of whether Founder owns any Unit.

Change of an Owner's membership in the Association shall be established by recording in the Office of the Clerk of the Circuit Court of Bay County, Florida, a deed or other instrument establishing record title to a Unit. Upon such recordation, the Owner designated by such instrument shall become a member of the Association and the membership of the prior Owner shall terminate.

Article 7. Existence and Duration. Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State of the State of Florida. The Association shall exist in perpetuity.

Article 8. Board of Directors. The Association's business and affairs shall be conducted, managed, and controlled by a Board of Directors ("Board"). The Board may delegate its operating authority to such companies, individuals, or committees as it, in its discretion, may determine.

The Board shall initially consist of three members! as provided in the By-Laws. The names and addresses of the initial directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

KEVIN FOX, 1400 Oven Park Drive, Tallahassee, FL 32308
J. EVERITT DREW, 1400 Oven Park Drive, Tallahassee, FL 32308
MICHAEL N. REGAN, 245 Riverside Avenue Suite 500, Jacksonville, FL 32202

The method of election and removal of directors, filling of vacancies, and the term of office of directors shall be as set forth in the By-Laws.

Article 9. By-Laws. The By-Laws shall be adopted by the Board of Directors and may be altered, amended, or rescinded In the manner provided in the By-Laws.

Article 10. Liability of Directors. To the fullest extent that the Florida Not-for-Profit Corporation Act, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors or officers, no director or officer of the Association shall be personally liable to the

Association or its members for monetary damages for breach of duty of care or other duty as a director or officer. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director or officer of the Association for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

Article 11. Indemnification.

(a) Indemnity. The Association shall indemnify any person who was or is 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 or she is or was a director, employee, officer, or agent of the Association. Such indemnification shall include indemnification against expenses (including, without limitation, reasonable attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the indemnified person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceedings, such person had no reasonable cause to believe his or her conduct was unlawful. Notwithstanding the foregoing, 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 misfeasance or malfeasance in the performance of his or her duty to the Association, unless, and then only to the extent that, the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses as such court shall deem proper. 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 in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Association, and with a respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) Approval. Any indemnification under paragraph (a) above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification is proper under the circumstances because the person requesting indemnification has met the applicable standard of conduct set forth in paragraph (a) above. Such determination shall be made (i) by majority vote of the members of the Board of Directors who were not parties to such action, suit, or proceeding, if sufficient to constitute a quorum, or (ii) if a quorum of the Board is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, in a written opinion rendered by independent legal counsel engaged by the Association, or (iii) by a vote of the Members representing a majority of the total votes in the Association and the consent of the Founder.

(c) Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of

such action, suit, or proceeding as authorized by the Board of Directors in any specific case upon receipt of a written agreement by or on behalf of the affected director, officer, employee, or agent to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Association as authorized in this Article.

(d) Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled by law, under the Bylaws, or pursuant to any agreement, vote of Members, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs and personal representatives of such person.

(e) Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, regardless of whether the Association would have the power to indemnify him or her against such liability under the provisions of this Article.

Article 12. Interested Directors.

(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, or Association, or other organization in which one or more of its directors or officers are directors or officers have a financial interest, shall be invalid, void, or voidable solely for such reason, or solely because the director or officer is present at or participates in the meeting of the Board at which such contract or transaction was authorized, or solely because his, her, or their votes are counted for such purpose. No director or officer of the Association shall incur liability by reason of the fact that he or she is or may be interested in any 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 at which a contract or transaction with an interested director is to be considered.

Article 13. Amendments. Until termination of the Founder Control Period, Founder may unilaterally amend these Articles of Incorporation for any purpose. After termination of the Founder Control Period, amendments to these Articles of Incorporation may be adopted only upon a resolution of the Board and the affirmative vote or written consent of Members entitled to cast at least 67% of the total votes in the Association, No amendment may be in conflict with the Charter.


Article 14. Dissolution. The Association may be dissolved only upon (a) a resolution duly adopted by the Board, and (b) the affirmative vote of members who are Owners of not less than two-thirds (2/3) of the Units, and (c) so long as Founder or any

Founder Affiliate owns any property subject to the Charter or which may be unilaterally subjected to the Charter, the consent of Founder.

Article 15. Incorporator. The name of the incorporator of the Association is Bryan Duke, and such incorporated address is 3800 Esplanade Way, State 100, Tallahassee, Florida 32311.

Article 16. Registered Agent and Office. The initial registered office of the Association is 245 Riverside, Suite 500, Jacksonville, Florida 32202 and the initial registered agent at such address is Christine Marx.

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 7th day of November, 2003.


Susan G. Whitlatch
245 Riverside Avenue, Suite 500
Jacksonville, FL 32202


**CERTIFICATE DESIGNATING PLACE OF BUSINESS
FOR SERVICE OF PROCESS WITHIN THIS STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

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

That, **RiverCamps on Crooked Creek Community Association, Inc.** desiring to organize under the laws of the State of Florida, with its principal office at 245 Riverside, Suite 500, Jacksonville, Florida 32202 has named Christine Marx whose office is located at the principal office, as its agent to accept service of process within the State.

ACKNOWLEDGEMENT

Having been named to accept service of process for the above stated corporation, the place designated in this Certificate, Christine Marx hereby accepts to act in that capacity, and agrees to comply with the provisions of said Act relative to keeping open said office.


Christine M. Marx
245 Riverside, Suite 500
Jacksonville, Florida 32202

