

ARTICLES OF INCORPORATION

**SEA PALMS NORTH COTTAGES ASSOCIATION, INC.
A Nonprofit Corporation**

In compliance with the laws of the State of Georgia, the undersigned, all being sui juris and residents of Glynn County, Georgia, do hereby voluntarily associate ourselves for the purpose of forming a corporation not for profit and do hereby certify:

**ARTICLE I
NAME**

The name of the corporation is SEA PALMS NORTH COTTAGES ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE II

The Corporation is organized pursuant to the provisions of the Georgia Nonprofit Corporation Code.

**ARTICLE III
REGISTERED AGENT**

The initial registered Agent of the Association and its address are Mallie Price, 5445 Frederica Road, St. Simons Island, Glynn County, Georgia 31522.

**ARTICLE IV
PURPOSE AND POWERS**

The Association does not contemplate pecuniary gain or profit to its members. The specific purpose for which it is formed are to provide for the maintenance, preservation and architectural control of the residential lots, the residences constructed thereon, and the Common Areas all within that certain tract of property described in Exhibit A attached hereto, all for the mutual advantage and benefit of the members of this Association who shall be the owners of the Lots, and to promote the

health, safety and welfare of the owners of the Lots in the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. For such purposes, the Association shall have any exercise the following authority and powers:

a. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions, Restrictions and Limitations, (the Declaration), applicable to the property and recorded or to be recorded in the Office of the Clerk of Superior Court of Glynn County, Georgia, and as the same may be amended from time to time as therein provided. The Declaration is incorporated herein by this reference thereto as if set forth in detail.

b. To fix, levy, collect and enforce payment by any lawful means all charges and assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

c. To own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

d. To borrow money and, with the assent of seventy-five (75%) percent of the members, mortgage, pledge or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred.

e. To have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Georgia, by law, may nor or hereafter have or exercise.

ARTICLE V MEMBERSHIP

a. The objective of this corporation is the improvement of the quality of life of the residents of the subdivision known as SEA PALMS NORTH COTTAGES, located on ST. Simons Island in Glynn County, Georgia, who are members of this Association, by providing for Common Areas to be owned and managed in accordance with the provisions of the Declaration.

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

ARTICLE VI VOTING RIGHTS

The Association shall have two (2) classes of voting membership, as follows:

Class A. Class A members shall be all owners, with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, such persons shall be members of the Association. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Lot. When an entity (i.e. a corporation, company or partnership) holds an interest in any Lot, such entity must designate, in writing to the Association, the name of the officer or persons who will occupy such Lot and be designated as a voting member of this such Lot and be designated as a voting member of this Association. Such designation may not be changed within any twelve (12) month period without the written approval of the Board of Directors of this Association.

Class B. The Class B member shall be the Declarant and shall be entitled to two (2) votes for each vote of a Class A member of the Association. The Class B membership shall cease and be converted to a Class A membership upon the happening of either of the following events, whichever occurs earlier:

1. At such time as Declarant shall waive in writing its right to Class B membership.

**ARTICLE VII
BOARD OF DIRECTORS**

The affairs of this Association shall be managed by a Board of Directors, who shall be members of the Association, provided, however, that, until Class B membership has ceased and been converted to Class A membership, the Directors need not be members of the Association. The number of Directors of the Association shall not be less than three (3) nor more than nine (9). The names and addresses of the persons who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

<u>Name</u>	<u>Address</u>
S. Larry Singleton	Sea Palms Executive Offices 5445 Frederica Road St. Simons Island, Georgia 31522
Mallie Price	Sea Palms Executive Offices 5445 Frederica Road St. Simons Island, Georgia 31522

At the first annual meeting after Class B membership has ceased, the members shall elect one-third (1/3) of the Directors for a term of one (1) year, one-third (1/3) of the Directors for a term of two (2) years and one-third (1/3) of the Directors for a term of three (3) years; at each annual meeting

thereafter, the members shall elect one-third (1/3) of the Directors for a term of three years. Any vacancy on the Board of Directors shall be filled for the unexpired term of the vacated office by remaining Directors. While Class B membership is elected in accordance with the applicable provisions of the Bylaws of this Association.

ARTICLE VIII TERM OF EXISTENCE

This corporation shall have the perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the laws of the State of Georgia. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of the State of Georgia.

ARTICLE IX DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of each class of members in accordance with the provisions of the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of this Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created or for the general welfare of the residents of the county in which the property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE X OFFICERS

Subject to the direction of the Board of Directors, the affairs of this Association shall be administered by its officers, as designated in the Bylaws of this Association. Said officers shall be elected annually by the Board of Directors. The names and addresses of the officers who shall serve until the first annual meeting of the Board of Directors are:

Name and Title	Address
S. Larry Singleton President	Sea Palms Executive Offices 5445 Frederica Road St. Simons Island, Georgia 31522
Mallie Price Secretary/Treasurer	Sea Palms Executive Offices 5445 Frederica Road St. Simons Island, Georgia 31522

ARTICLE XI BYLAWS

The Bylaws of this Association shall be adopted by the first Board of Directors which Bylaws may be altered, amended, modified or repealed by a majority of the Directors or at any duly called meeting of the members of this Association in a manner provided for in the Bylaws.

ARTICLE XII AMENDMENTS

This Association reserves the right to amend or repeal any of the provisions contained in these Articles of Incorporation or any amendments hereto, provided, however, that any such amendment shall require the assent of seventy-five (75%) percent of the entire voting membership; and provided, further, that no amendment shall conflict with any provisions of the Declaration. Consent of these mortgages described in Article XI, Section 10 of the Declaration shall be required for any amendment

to these Articles which impair the rights, priorities, remedies or interest of such mortgages, and such consent shall be obtained in accordance with the terms and conditions, and subject to the time limitations, set forth therein.

ARTICLE XIII INDEMNIFICATION

This Association shall indemnify any and all of its directors, officers, employees or agents to the full extent permitted by law. Said indemnification shall include but not be limited to the expenses, including the costs of any judgments, fines, settlements and counsel's fees actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative and any appeals thereof to which any such persons or his legal representative may be made a party by reason of his being or having been a director, officer, employee or agent as herein provided. The foregoing right of indemnification shall not be inclusive of any other rights to which any director, officer, employee or agent may be entitled as a matter of law or which he may be lawfully granted. It shall be the obligation of the Association to obtain and keep in force a policy of officers' and directors' liability insurance.

ARTICLE XIV ADDRESS OF PRINCIPAL OFFICE

The mailing address of the initial principal office is 5445 Frederica Road, St. Simons Island, Glynn County, Georgia.

ARTICLE XV NAME OF INCORPORATOR

The name of the incorporator is Thomas J. Lee, whose address is Plantation Village Suite 201, 300 Main Street, St. Simons Island, Georgia 31522.

IN WITNESS WHEREOF, for the purpose of forming this Association under the Laws of the State of Georgia, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 8 day of May, 2000.

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Incorporator

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SECRETARY OF STATE
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