

**EXHIBIT "A"**  
**LAND INITIALLY SUBMITTED**

LEGAL DESCRIPTION "WETAPPO"

Commencing at a one half inch iron rod and cap No. 1999 marking the Northwest corner of Section 34, Township 5 South, Range 11 West, Gulf County, Florida, and run thence South 00 degrees 00 minutes 04 seconds West, for a distance of 69.49 feet to the South right of way line of Pleasant Rest Road (60 foot right of way); thence North 89 degrees 43 minutes 45 seconds East along said South right of way line, for a distance of 646.17 feet to the Westerly right of way line of a Florida Gas Transmission Line 50 foot right of way for POINT OF BEGINNING; from said Point of Beginning and leaving said South right of way line run thence South 31 degrees 23 minutes 52 seconds East, for a distance of 156.50 feet; thence South 30 degrees 38 minutes 02 seconds East, for a distance of 641.11 feet to a point on curve concave to the Southeasterly; thence Southwesterly along said curve with radius of 1,233.00 feet, through a central angle of 37 degrees 24 minutes 03 seconds, for an arc distance of 804.86 feet (chord of said arc being South 38 degrees 21 minutes 08 seconds West, 790.65 feet); thence North 58 degrees 30 minutes 15 seconds West, for a distance of 264.63 feet; thence South 89 degrees 59 minutes 47 seconds West, for a distance of 338.16 feet to the West boundary line of said Section 34; thence South 00 degrees 00 minutes 04 seconds West along said West boundary line for a distance of 3,172.66 feet to the approximate ordinary high water line of Wetappo Creek; thence Easterly along said approximate ordinary high water line as follows: South 62 degrees 17 minutes 53 seconds East, for a distance of 103.82 feet; thence South 73 degrees 13 minutes 42 seconds East, for a distance of 122.15 feet; thence South 86 degrees 25 minutes 22 seconds East, for a distance of 46.93 feet; thence South 60 degrees 41 minutes 14 seconds East, for a distance of 74.18 feet; thence South 72 degrees 11 minutes 02 seconds East, for a distance of 78.83 feet; thence South 81 degrees 26 minutes 08 seconds East, for a distance of 56.08 feet; thence North 79 degrees 36 minutes 30 seconds East, for a distance of 23.32 feet; thence North 50 degrees 25 minutes 20 seconds East, for a distance of 71.65 feet; thence North 61 degrees 57 minutes 34 seconds East, for a distance of 77.03 feet; thence North 71 degrees 07 minutes 49 seconds East, for a distance of 82.51 feet; thence North 76 degrees 27 minutes 46 seconds East, for a distance of 80.21 feet; thence North 69 degrees 25 minutes 02 seconds East, for a distance of 48.04 feet; thence North 85 degrees 56 minutes 41 seconds East, for a distance of 61.75 feet; thence South 66 degrees 28 minutes 49 seconds East, for a distance of 94.06 feet; thence South 37 degrees 15 minutes 48 seconds East, for a distance of 110.50 feet; thence South 17 degrees 35 minutes 17 seconds East, for a distance of 92.27 feet; thence South 17 degrees 36 minutes 56 seconds East, for a distance of 75.97 feet; thence South 14 degrees 04 minutes 27 seconds East, for a distance of 71.45 feet; thence South 52 degrees 23 minutes 53 seconds East, for a distance of 133.20 feet; thence South 69 degrees 43 minutes 45 seconds West, for a distance of 39.00 feet; thence South 77 degrees 59 minutes 48 seconds West, for a distance of 22.22 feet; thence South 09 degrees 45 minutes 00 seconds West, for a distance of 52.57 feet; thence South 35 degrees 22 minutes 34 seconds East, for a distance of 62.00 feet; thence South 36 degrees 58 minutes 29 seconds East, for a distance of 82.27 feet; thence South 52 degrees 58 minutes 13 seconds East, for a distance of 81.49 feet; thence South 42 degrees 48 minutes 49 seconds East, for a distance of 37.11 feet; thence South 03 degrees 58 minutes 54 seconds West, for a distance of 40.22 feet; thence South 55 degrees 43 minutes 14 seconds East, for a distance of 35.63 feet; thence South 05 degrees 39 minutes 20 seconds East, for a distance of 46.52 feet; thence South 08 degrees 16 minutes 30 seconds West, for a distance of 22.48 feet to the South boundary line of said Section 34; thence leaving said approximate ordinary high water line run thence East along said South boundary line, for a distance of 18.76 feet to the approximate ordinary high water line of said Wetappo Creek; thence Northeasterly along said approximate ordinary high water line as follows: North 09 degrees 25 minutes 56 seconds East, for a distance of 75.52 feet; thence North 33 degrees 25 minutes 55 seconds East, for a distance of 86.43 feet; thence North 52 degrees 08 minutes 13 seconds East, for a distance of 30.77 feet; thence North 62 degrees 23 minutes 08 seconds East, for a distance of 61.79 feet; thence North 81 degrees 57 minutes 20 seconds East, for a distance of 72.56 feet; thence South 88 degrees 48 minutes

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 960 DC, Rebecca L. Morris, Gulf County 8:375 P.960

38 seconds East, for a distance of 63.29 feet; thence South 72 degrees 22 minutes 43 seconds East, for a distance of 79.72 feet; thence South 67 degrees 17 minutes 08 seconds East, for a distance of 91.92 feet; thence South 59 degrees 33 minutes 46 seconds East, for a distance of 86.18 feet; thence South 51 degrees 20 minutes 06 seconds East, for a distance of 90.73 feet; thence South 51 degrees 36 minutes 40 seconds East, for a distance of 69.28 feet to the South boundary line of said Section 34; thence leaving said approximate ordinary high water line run East along said South boundary line for a distance of 1,878.54 feet to the approximate ordinary high water line of said Wetappo Creek; thence Northerly along said approximate ordinary high waterline as follows: North 07 degrees 01 minutes 34 seconds East, for a distance of 56.48 feet; thence North 19 degrees 43 minutes 56 seconds East, for a distance of 28.80 feet; thence North 02 degrees 26 minutes 48 seconds West, for a distance of 65.37 feet; thence North 30 degrees 07 minutes 17 seconds East, for a distance of 37.51 feet; thence North 10 degrees 24 minutes 43 seconds West, for a distance of 44.91 feet; thence North 49 degrees 23 minutes 02 seconds East, for a distance of 32.93 feet; thence North 21 degrees 20 minutes 38 seconds West, for a distance of 61.82 feet; thence North 27 degrees 57 minutes 03 seconds East, for a distance of 83.56 feet; thence North 35 degrees 49 minutes 07 seconds West, for a distance of 68.57 feet; thence North 22 degrees 34 minutes 09 seconds East, for a distance of 41.19 feet; thence North 18 degrees 33 minutes 23 seconds West, for a distance of 43.29 feet; thence North 16 degrees 20 minutes 06 seconds West, for a distance of 80.46 feet; thence North 04 degrees 02 minutes 33 seconds West, for a distance of 154.09 feet; thence North 46 degrees 52 minutes 14 seconds East, for a distance of 36.39 feet; thence North 13 degrees 39 minutes 13 seconds East, for a distance of 37.24 feet; thence North 58 degrees 26 minutes 54 seconds East, for a distance of 54.44 feet; thence South 52 degrees 56 minutes 19 seconds East, for a distance of 56.38 feet; thence South 71 degrees 57 minutes 39 seconds East, for a distance of 28.81 feet; thence leaving said approximate ordinary high water line thence North 00 degrees 08 minutes 52 seconds East, for a distance of 4,395.57 feet to the South right of way line of said Pleasant Rest Road; thence South 89 degrees 43 minutes 45 seconds West along said South right of way line for 3368.56 feet to the Point of Beginning. Containing 429.225 acres, more or less.

LESS & EXCEPT that part lying in the Florida Gas Transmission Line 50 foot right of way.

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BID DC, Rebecca L. Norris, GULF County B:375 P:961

## EXHIBIT "B"

INITIAL USE RESTRICTIONS AND RULES

These initial Use Restrictions apply to Wetappo Subdivision. The Reviewer under Article IV of the Declaration, and the Board, as appropriate, have discretion to approve or disapprove items, or to enforce or not enforce technical violations of the Governing Documents, including these Use Restrictions, based upon aesthetic or other considerations consistent with the established guidelines. As such, while something may be approved or permitted for one Lot under one set of circumstances, the same thing may be disapproved for another Lot 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 estop the Board from taking enforcement action in any appropriate circumstances.

Subject to the above, the following restrictions shall apply to all of the Community until such time as they are amended, modified, repealed or limited pursuant to the Declaration.

1. Animals and Pets

No animals of any kind, including livestock and poultry, shall be raised, bred, or kept on any portion of the Community, except that a reasonable number of usual and common household pets, as determined in the Board's discretion, may be kept on a Lot. Upon the Board's request, an Owner, at his or her expense, shall remove any pet which is permitted to roam free, or, in the Board's discretion, endangers health, makes objectionable noise or constitutes a nuisance or inconvenience to other Owners or residents of any portion of the Community. If the Owner fails to honor such request, the Board may cause the pet to be removed at the Owner's expense. No animals shall be kept, bred, or maintained for any commercial purpose. Pets shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside a structure.

2. Wildlife

Capturing, killing or trapping wildlife is prohibited within the Community, except in circumstances imposing an imminent threat to the safety of Persons or pets.

3. Firearms; Fireworks

The use and discharge of firearms within the Community is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The use and discharge of fireworks is prohibited except by license granted by the Association.

4. Nuisances

No Owner shall engage in any activity which constitutes a nuisance (meaning offensive or detrimental activity, as determined by the Board), or which materially disturbs or destroys the vegetation, wildlife, or air quality within the Community, or which results in unreasonable levels of sound or light pollution.

5. Garages

Garage doors shall remain closed except for temporary periods reasonably related to the active use of the garage, as determined in the Board's discretion. A garage or carport may not be converted to finished space for use as an apartment, an integral part of the Lot's living area, or for purposes other than parking vehicles and ancillary storage, without prior approval pursuant to Article IV.

6. Exterior Lighting

Excessive exterior lighting on any Lot is prohibited. The Board in its discretion shall determine whether any exterior lighting is excessive. Lighting requirements may differ between Residential and Non-Residential Lots or between Lots in different locations.

7. Storage of Goods

Storage of furniture, fixtures, appliances, machinery, equipment, or other goods and chattels on the Common Area is prohibited except by the Association. Except in approved structures or containers, storage of such items on any portion of a Lot which is visible from outside the Lot is prohibited. "Storage" shall include leaving items in view for extended periods when not in use.

8. Prohibited Conditions

The following conditions, structures, or activities are prohibited on any Lot:

- 8.1 Dog runs and animal pens of any kind, unless properly screened and approved in accordance with Article IV;
- 8.2 Shacks or other structures of a temporary nature on any Lot except as may be authorized by Declarant during the initial construction of improvements within the Community. Temporary structures used during the construction or repair of a dwelling or other improvements shall be removed immediately after the completion of construction or repair. Storage sheds may be permitted subject to prior approval in accordance with Article IV and compliance with applicable Design Guidelines;
- 8.3 Permanent basketball goals, basketball standards, or backboards which are or would be visible from any street or Common Area; provided, portable basketball goals may be used on a Lot without prior approval, but must be stored so as not to be visible from any street or Common Area overnight or otherwise when not in use;
- 8.4 Freestanding flagpoles; provided, flags may be displayed using a bracket or other approved device mounted to a dwelling so long as the size of the flag displayed does not exceed a standard size (as set forth in the Design Guidelines or determined in the Board's discretion and set forth in a Board rule);
- 8.5 Outdoor athletic and recreational facilities such as play sets, swing sets, and sport courts, unless properly screened and approved in advance in accordance with Article IV;
- 8.6 Outside clotheslines or other outside facilities for drying or airing clothes; and
- 8.7 Wall or window air conditioning units.

In any event, and notwithstanding the above list of prohibited conditions, any structure, improvement, or thing proposed for construction, erection, installation, or placement on a Lot requires prior Reviewer approval in accordance with Article IV, unless specifically made exempt under the Design Guidelines.

9. Quiet Enjoyment

Nothing shall be done or maintained in the Community which emits foul or obnoxious odors or creates noise or other conditions which tend to disturb the peace, quiet, safety, comfort, or serenity of the Members and their guests or tenants. Such restrictions shall not be applied to prohibit an otherwise permitted use of a Non-Residential Lot.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Community which, in the Board's reasonable determination, tends to cause embarrassment, discomfort, annoyance, or nuisance to others.

10. Signs

No sign of any type, including posters, circulars, and billboards, whether temporary or permanent, shall be erected within the Community, except those required by law; provided, the following types of signs may be erected on a Lot without the Board's written consent: (i) signs for identification of the occupant and its address, in a style and size

designated by the Design Guidelines or approved by the Reviewer; and (ii) security signs within ten feet of any entrance to a dwelling in a style, size and location designated in the Design Guidelines or approved by the Reviewer. This restriction shall not apply to entry, directional, and marketing signs installed by Declarant or any affiliate of Declarant. The Association, with the Board's approval, shall have the right to erect signs on the Common Area. No signs advertising or identifying a Lot as being for sale or rent may be erected unless approved by the Declarant during the Development and Sale Period or thereafter by the Board.

11. Docks and Piers

No dock or pier shall be erected on or connected to any Lot without the approval of the DRB and any government agency having jurisdiction. Lots 46 through 51, inclusive, may build small docks with the approval of the DRB and the appropriate governmental agencies. No structure shall be allowed on Lot 52, 53 and 54 within 25 feet of the water line shown on the Plat. Lots 55, 56, 57 and 58 shall be allowed to build a dock into the main branch of Wetappo Creek with the approval of the DRB and the appropriate governmental agencies; however, no such dock may extend into or across any other branch of Wetappo Creek or block access to the main branch of Wetappo Creek from any other branch. Obtaining the permits and approvals for the installation of such docks or piers shall be the sole cost and expense of the Owner. The Owner of any Lot on which any dock or pier is erected or connected shall maintain and repair such dock or pier in accordance with the Community standards and any requirements promulgated by the Association or the DRB, at the sole cost and expense of said Owner.

12. Holiday-Decorations

Owners may display holiday decorations on their Lots if the decorations are of the kinds normally displayed in single family residential neighborhoods, are of reasonable size and scope, and do not disturb other Owners and residents by excessive light or sound emission or by causing an unreasonable amount of spectator traffic. Permitted decorations may be displayed for such periods as are normal and customary for comparable residential communities, as determined in the Board's discretion.

13. Antennas and Satellite Dishes.

No antenna, satellite dish or other device for the transmission or reception of television or radio (including amateur or ham radios) signals is permitted outside the dwelling on a Lot except those devices whose installation and use is protected under federal law or regulations (generally, certain antennae under one meter in diameter). Notwithstanding such protection, an application for any such equipment or device must be submitted to the Reviewer for approval and approval will be granted only if:

13.1 First, the antenna or other device is designed for minimal visual intrusion (*i.e.*, is located in a manner which minimizes visibility from the street or an adjacent Lot and is consistent with the Community-Wide Standard); and

13.2 Second, the antenna or device complies to the maximum extent feasible with the Design Guidelines within the confines of the applicable federal regulations (*i.e.*, without precluding reception of a quality signal or unreasonably increasing the cost of the antenna or device).

14. Trash Containers and Collection

No garbage or trash shall be placed or kept on any Lot, except in covered "scavenger proof" containers of a type, size and style which are pre-approved by the Reviewer or specifically permitted under the Design Guidelines. Such containers shall be screened from view outside of the Lot except when they are being made available for collection and then only for the shortest time reasonably necessary to allow collection. Rubbish, trash, and garbage must be removed from the Lots and may not accumulate on any Lot. Outdoor incinerators may not be kept or maintained on any Lot.

15. Unightly or Unkempt Conditions.

All portions of a Lot outside enclosed structures shall be kept in a clean and tidy condition at all times. No rubbish

or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot in a manner which is unsanitary, unsightly, offensive, or detrimental to any other portion of the Community, as the Board may determine. Woodpiles or other material shall be properly screened and stored in such a manner so as not to attract rodents, snakes, and other animals and/or create a fire hazard, as the Board determines. No activities shall be conducted upon or adjacent to any Lot or within any structure on a Lot which are or might be unsafe or hazardous to any Person or property.

16. Grills and Fires

Open fires are prohibited within the Community, except in a contained outdoor fireplace or barbecue unit while attended and in use for cooking purposes. Portable grills or barbecue units must be stored out of sight when not in use. Built in grills, barbecue pits and outdoor fireplaces may not be constructed or installed except in conformance with the Design Guidelines and with the approval of the Reviewer.

17. Pools and Hot Tubs

No pool or hot tub shall be constructed or installed except in conformance with the Design Guidelines and with the approval of the Reviewer. Above ground pools are prohibited on any Lot. All pool equipment stored on any Lot shall be screened from view from outside the Lot.

18. Vehicles and Parking

As used in this Section, the term "vehicle" includes, without limitation, automobiles, trucks, boats, water craft of any kind, trailers, motorcycles, campers, vans, all terrain vehicles, golf carts, and recreational vehicles.

No vehicle may be left upon any portion of the Community except in a garage, driveway or other area the Board designates. The following vehicles may be parked only in an enclosed garage: a pick-up truck with a camper top or other raised enclosure, or with commercial lettering or logos, or any recreational vehicle, mobile home, trailer, camper, stored vehicle, commercial vehicle (including all vehicles with commercial lettering or logos), or any unlicensed or inoperable vehicle or vehicle undergoing repair. "Sports utility vehicles" and "mini-vans" (as such vehicles are commonly referred to, as determined in the Board's discretion) and pick-up trucks without raised enclosures or commercial writing or logos shall be treated as automobiles and may be parked in driveways outside of enclosed garages. Boats or other water craft may not be kept or stored on the street or in the driveway, front yard or side yard of a Lot. Boats or other water craft may be kept or stored only: i) within a garage or carport constructed in conformance with the Design Guidelines, or ii) in the back yard, so long as they are screened from view from outside of the Lot and subject to Reviewer approval of the method of screening. This Section shall not apply to emergency vehicle repairs or to construction, service, and delivery vehicles for periods necessary to perform the services or make a delivery.

A Member's guests and invitees shall park in the Member's garage or driveway or, if there is insufficient space in the garage and driveway, temporarily on the street.

19. Energy Generating Equipment.

No solar heating equipment, windmills, or other energy generating device is permitted outside the dwelling or other structures on a Lot except pool heaters, emergency generators (when electricity service is temporarily interrupted) and such devices whose installation and use is protected by federal or Florida law. Notwithstanding such protection, an application for any such equipment or device must be submitted for approval under Article IV prior to installation and approval will be granted only if:

19.1 such equipment or device is designed for minimal visual intrusion when installed (i.e., is located in a manner which minimizes visibility from the street or an adjacent Lot and is consistent with the Community-Wide Standard); and

19.2 the equipment or device complies, to the maximum extent feasible, with the Design Guidelines within the confines of the applicable governmental regulations.

20. Invasive or Exotic Species

The Design Guidelines may set forth prohibitions on the use of certain plant species. The use in landscaping of any plant species shall be subject to approval in accordance with Article IV and the Design Guidelines.

21. Wetlands, Lakes, and Other Water Bodies

Wetlands, lakes, ponds, creeks and streams within or adjacent to the Community, if any, are part of the Community's stormwater management system, and no active use of lakes, ponds, creeks streams, or other bodies of water within or adjacent to the Community is permitted; provided Declarant or the Association may construct and maintain pedestrian boardwalks or docks within wetlands areas and active use of Wetappo Creek and the docks extending into said Creek shall be permitted subject to the Board's right to enact rules governing such use.

No commercial watercraft of any type, size or description shall be docked, moored or anchored to any of the docks or common areas of the Community, or to any Lot or private dock or pier extending from a Lot, and no Owner, guest, invitee or tenant of any Owner shall dock, moor or anchor any such commercial watercraft in any waterway adjacent to the Community.

Swimming and diving are prohibited in the waters of any lake, pond, creek, stream or other body of water within or adjacent to the Community, and such activities shall not be conducted from any Common Areas of the Community. Owners may utilize the waters of any lake, pond, creek or stream within or adjacent to the Community for canoeing, fishing and similar leisure activities that are unlikely to disturb the Community or to cause injury to the participant, subject to regulation by the Board. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, creeks, streams, or other bodies of water within or adjacent to the Community, including, without limitation, Wetappo Creek. Neither the Association nor any Owner shall alter, modify, expand, or fill any lake, pond, creek, stream or wetlands located within, adjacent to or in the vicinity of the Community without the prior written approval of the U.S. Army Corps of Engineers, if applicable, and such other local, state, and federal authorities as may have relevant jurisdiction over such matters, including, with respect to such action by an Owner, the approval of the Association. In addition, during the Development and Sale Period, Declarant's consent shall be required for any such action.

22. Fences

Fencing on a Lot must be approved in accordance with Article IV.

23. Improper Disposal

Dumping of grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere within the Properties is prohibited, except that fertilizers may be applied to landscaping on Lots provided care is taken to minimize runoff, and Declarant and Builders may dump and bury rocks and trees removed from a building site on such building site.

24. Sewage Disposal

All federal laws, laws of the State of Florida, Gulf County, Florida, and any related rules and regulations of their respective administrative agencies now and hereafter in effect with regard to sewage disposal, water supply and sanitation are incorporated herein and made a part hereof. At the time of the recording of this Declaration, public central sanitary sewer systems are not available to the Properties, and each Owner shall be required to construct a septic tank as a part of the construction of a home upon a Lot. Septic Tank placement, mounding and contours shall be subject to review by the DRB or Reviewer. However, in the event that such central sanitary sewer systems are made available to a Lot in the future, the Owner of such Lot shall be required to attach to such systems within 180 days of availability.

All septic tanks shall be located to the rear of any main house constructed on any lot unless a different location is approved by the DRB.

EXHIBIT "C"

**ARTICLES OF INCORPORATION  
OF  
WETAPPO PRESERVE OWNER'S  
ASSOCIATION, INC.**

Ins:0020053459 Date:05/02/2005 Time:10:58  
BLO DC, Rebecca L. Norris, GULF County B:375 P:967



**Electronic Articles of Incorporation  
For**

WETAPPO PRESERVE OWNER'S ASSOCIATION, INC.

FILED  
December 15, 2004  
Sec. Of State  
bregister 968

The undersigned incorporator, for the purpose of forming a Florida not-for-profit corporation, hereby adopts the following Articles of Incorporation:

**Article I**

The name of the corporation is:

WETAPPO PRESERVE OWNER'S ASSOCIATION, INC.

**Article II**

The principal place of business address:

206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

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The mailing address of the corporation is:

206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

**Article III**

The specific purpose for which this corporation is organized is:

OPERATION AND MANAGEMENT OF HOMEOWNER'S ASSOCIATION

**Article IV**

The manner in which directors are elected or appointed is:

AS SET FORTH IN THE BYLAWS

**Article V**

The name and Florida street address of the registered agent is:

PAUL W GROOM II  
206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

I certify that I am familiar with and accept the responsibilities of registered agent.

Registered Agent Signature: PAUL W. GROOM II

NOV 15 2004  
FILED  
December 15, 2004  
Sec. Of State  
Register

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### Article VI

The name and address of the incorporator is:

THOMAS S. GIBSON  
206 E. 4TH STREET  
PORT ST. JOE, FL 32456

Incorporator Signature: THOMAS S. GIBSON

### Article VII

The initial officer(s) and/or director(s) of the corporation is/are:

Title: D  
THOMAS S GIBSON  
206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

Title: D  
WILLIAM J RISH JR.  
206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

Inst:0020053459 Date:05/02/2005 Time:10:56  
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Title: D  
BRENT FAISON  
206 E. 4TH STREET  
PORT ST. JOE, FL. 32456

### Article VIII

The effective date for this corporation shall be:

12/15/2004

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EXHIBIT "D"

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**BY-LAWS**  
**OF**  
**WETAPPO PRESERVE OWNER'S**  
**ASSOCIATION, INC.**

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**BY-LAWS  
OF  
WETAPPO PRESERVE  
OWNER'S ASSOCIATION, INC.**

**ARTICLE I: NAME, PRINCIPAL OFFICE, AND DEFINITIONS**

**1.1. Name**

The name of the corporation is Wetappo Preserve Owner's Association, Inc. ("Association").

**1.2. Principal Office**

The Association's principal office shall be located in Gulf County, Florida. The Association may have other offices, either within or outside Florida, as the Board of Directors determines or as the Association's affairs require.

**1.3. Definitions**

The words used in these By-Laws shall have their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions, and Restrictions for Wetappo, as it may be amended ("Declaration"), unless the context indicates otherwise.

**ARTICLE II: MEMBERSHIP: MEETINGS OF THE MEMBERS, QUORUM, VOTING, PROXIES**

**2.1. Membership**

The Association shall have two classes of membership, Class "A" and Class "B", as more fully set forth in the Declaration. The provisions in the Declaration pertaining to membership are incorporated by this reference.

**2.2. Place of Meetings**

The Association shall hold membership meetings in its principal office or at such other suitable place convenient to the Members as the Board may designate.

**2.3. Annual Meetings**

The Association shall hold its first meeting of members, whether a regular or special meeting, at any time during the Association's first full fiscal year. The Board shall set the date and time of subsequent regular annual meetings. Annual meetings may be conducted electronically (i.e., vial the Internet, intranet, or teleconference) if, and to the extent permitted by law.

**2.4. Special Meetings**

The President may call special meetings. In addition, it also shall be the President's duty to call a special meeting if so directed by Board resolution or upon petition of Members representing at least ten percent (10%) of the Association's total Class "A" votes.

If the President does not send notice of a special meeting pursuant to Section 2.5 within thirty (30) days after the date written demand is delivered to the Association's Secretary, any Class "A" Member signing the demand may set the time and place of the special meeting and give the Association notice pursuant to Section 2.5.

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#### 2.5. Notice of Meeting

The Association's Secretary shall cause written notice stating the place, day, and hour of any Association meeting to be given to Members in any manner permitted by Florida law. If permitted, notice may be posted in a conspicuous, prominent place within the Community, delivered by hand delivery, or sent by facsimile, electronic mail, or other electronic communication device, or such other manner which is reasonably calculated, as determined in the Board's discretion, to provide personal notice to the Members entitled to notice. Notice shall be given at least fourteen (14) but not more than fifty (50) days before the date of the meeting, by or at the direction of the President, the Secretary, or the officers or Persons calling the meeting. Failure to receive actual notice of an Association meeting shall not affect the validity of any action taken at such meeting.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No other business shall be transacted at a special meeting except as stated in the notice.

#### 2.6. Waiver of Notice

Waiver of notice of an Association meeting shall be the equivalent of proper notice. Any Member may waive, in writing, notice of any Association meeting, either before or after such meeting. A Member's attendance at a meeting shall be deemed a waiver by such Member of notice of the meeting unless the Member 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 the meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

#### 2.7. Adjournment of Meetings

If the Association cannot hold a meeting because a quorum is not present, a majority of the Members who are present may adjourn the meeting to a time at least five (5) but not more than thirty (30) days from the date called for 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 Association shall give the Members notice 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 withdrawal of enough Members to leave less than a quorum, provided that at least a majority of the votes required to constitute a quorum approve any action taken.

#### 2.8. Voting

Members shall have such voting rights as are set forth in the Declaration, which provisions are incorporated herein by this reference. Members may vote at a meeting by voice vote or ballot or may vote by mail without the necessity of a meeting, as determined by the Board; provided, the Board shall hold meetings when required by the Declaration, these By-Laws, or Florida law. Votes for the election of directors shall be cast by secret written ballot. All Member votes cast at meetings are subject to the quorum requirements of Section 2.11. The Board may permit votes to be cast electronically (i.e., via the Internet, intranet, or electronic mail) with sufficient verification of authenticity and if permitted by law.

#### 2.9. Proxies

On any matter as to which a Member is entitled personally to cast the vote for his Lot, such vote may be cast in person or by proxy, subject to Florida law. Every proxy shall be in writing specifying the Lot for which it is given, signed by the Member or his duly authorized attorney-in-fact, dated, and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, 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

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invalid.

Every proxy shall be revocable and shall automatically cease upon: (a) conveyance of any Lot for which it was given; (b) the Secretary's receipt of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is an individual; or (c) ninety (90) days from the meeting date for which the proxy was originally given, unless the proxy specifies a shorter period.

#### 2.10. Majority

As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

#### 2.11. Quorum

Except as these By-Laws or the Declaration otherwise provide, the presence of Members, either in person or by proxy, representing thirty percent (30%) of the total Class "A" votes in the Association shall constitute a quorum at all Association meetings.

#### 2.12. Conduct of Meetings

The President or other Board 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 recorded in the Association's minute book. Owners may tape record or videotape Association meetings subject to any reasonable rules the Board imposes. Members have the right to attend all membership meetings and to speak at any meeting with reference to all items opened for discussion or included on the agenda.

#### 2.13. Action Without a Meeting

Without holding a meeting pursuant to Sections 2.3 or 2.4, the Association may take any action that Florida law requires or permits the Members to take at a meeting (subject to any limitations imposed under the Declaration), if Members representing at least eighty percent (80%) of the Association's Class "A" votes sign a written consent specifically authorizing the proposed action. The Association need not give prior notice before soliciting such consent; provided, the Association must send written consent forms to all Members. To be valid, Members shall sign, date, and deliver such consents to the Association within sixty (60) days after the Association's receipt of the earliest dated consent. The Association's Secretary shall file 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. Within ten (10) days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

### ARTICLE III: BOARD OF DIRECTORS: SELECTION, MEETINGS, POWERS

#### 3.1. Overview

The Board of Directors shall govern the Association's affairs. Each director shall have one vote. Directors need not be Members or residents of the Community. A director must be at least eighteen (18) years old. In the case of a Member who is not an individual, any officer, director, partner, or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member; provided, no more than one such representative of any Member, nor more than one occupant of a particular Lot, may serve on the Board at any one time, except in the case of directors the Class "B" Member appoints.

#### 3.2 Number of Directors

The Board shall consist of three or five directors as provided in Section 3.5. The initial Board shall consist of the three directors identified in the Articles of Incorporation.

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### 3.3. Directors During Class "B" Control Period

The Class "B" Member shall have complete discretion in appointing its directors under Section 3.5. Class "B" Member-appointed directors shall serve at the pleasure of the Class "B" Member.

### 3.4. Nomination and Election Procedures

(a) Nominations and Declarations of Candidacy – Prior to each election of directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which every eligible person who has an interest in serving as a director may file as a candidate for any position to be filled by Class "A" votes. Except with respect to directors the Class "B" Member appoints, nominations for election to the Board shall be made in accordance with policies and procedures the Board establishes. Such policies and procedures may include, but are not limited to, permitting or requiring that nominations be made through a nominating committee and permitting "write-in" candidates. The Board also shall permit nominations from the floor at any election meeting.

The Board shall give each candidate a reasonable, equal opportunity to communicate his or her qualifications to the Members and to solicit votes.

(b) Election Procedures – A Member may cast the vote assigned to the Lot which he or she owns for each position to be filled from the slate of candidates on which he or she is entitled to vote. Cumulative voting is not allowed. That number of candidates which equals the number of positions to be filled and receiving the greatest number of votes shall be elected.

### 3.5. Election and Term of Office

Except as these By-Laws may otherwise specifically provide, election of directors shall take place at the Association's annual meeting. Notwithstanding any other provision of these By-laws:

(a) Within thirteen (13) months after the time that Class "A" Members other than Builders own twenty-five percent (25%) of the Lots anticipated for Wetappo under the Master Plan, or whenever the Class "B" Member earlier determines, the President shall call for an election by which the Class "A" Members other than Builders shall be entitled to elect one of the three directors. The remaining two directors shall be appointees of the Class "B" Member. The director elected by the Class "A" Members shall not be subject to removal by the Class "B" Member and shall be elected for a term of two years or until the happening of the event described in subsection (b), whichever is shorter. If such director's term expires prior to the happening of the event described in subsection (b), a successor shall be elected for a like term.

(b) Within sixty (60) days after the time that Class "A" Members other than Builders own fifty percent (50%) of the Lots anticipated for Wetappo under the Master Plan, or whenever the Class "B" Member earlier determines, the Board shall be increased to five directors. The President shall call for an election by which the Class "A" Members other than Builders shall be entitled to elect two of the five directors. The remaining three directors shall be appointees of the Class "B" Member. The directors elected by the Class "A" Members shall not be subject to removal by the Class "B" Member and shall be elected for a term of two years or until the happening of the event described in subsection (c) below, whichever is shorter. If such directors' terms expire prior to the happening of the event describe in subsection (c) below, successors shall be elected for a like term.

(c) Within ninety (90) days after termination of the Class "B" Control Period, the President shall call for an election by which the Class "A" Members other than Builders shall be entitled to elect three of the five directors. The remaining two directors shall be appointees of the Class "B" Member. The directors elected by the Class "A" Members shall not be subject to removal by the Class "B" Member and shall serve until the first annual meeting following the termination of the Class "B" Control Period. If such annual meeting is scheduled to occur within ninety (90) days after termination of the Class "B" Control Period, this subsection shall not apply and directors shall be elected in accordance with subsection (d) below.

(d) Not later than the first annual meeting after the termination of the Class "B" Control Period, an

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election shall be held at which the Class "A" Members other than Builders shall elect four of the five directors, with the two directors receiving the largest number of votes being elected for a term of two years and the remaining two directors being elected for a term of one year.

Until termination of the Class "B" membership, the Class "B" Member shall be entitled to appoint one director. Upon termination of the Class "B" membership, the director elected by the Class "B" Member shall resign and the remaining directors shall be entitled to appoint a director to serve until the next annual meeting, at which the Class "A" Member other than Builders shall be entitled to elect a director to fill such position. Such director shall be elected for a term of two years.

Thereafter, all successor directors (except those selected to fill an unexpired term) shall be elected to serve two-year terms. Notwithstanding the stated length of any term, directors shall hold office until their respective successors have been elected. Directors may not serve more than two consecutive two-year terms.

The directors which are not appointed by the Class "B" Member, are referred to collectively as "Class "A" Directors."

### 3.6. Removal of Directors and Vacancies

Any Class "A" Director may be removed, with or without cause, by the vote of Class "A" 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, a successor shall be elected by the Class "A" Members entitled to elect the director so removed to fill the vacancy for the remainder of such director's term. Class "A" Directors may not be removed by the Class "B" Member.

Any Class "A" Director who has three consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or occupies a Unit for which assessments are so delinquent) in the payment of any assessment or other charge due the Association, may be removed by a majority vote of the Board, excluding the director at issue. If the director is removed, 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 a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Class "A" Members entitled to fill such directorship may elect a successor for the remainder of the term.

This Section shall not apply to directors the Class "B" Member appoints nor to any director serving as Declarant's representative. The Class "B" Member or Declarant shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by or elected as a representative of the Class "B" Member or Declarant.

### 3.7. Organizational Meetings

The Board shall hold its first meeting within ten (10) days following each annual membership meeting at such time and place as the Board shall fix.

### 3.8. Regular Meetings

The Board may hold regular meetings at such time and place as the Board shall determine, provided, the Board shall hold at least once such meeting during each fiscal year.

### 3.9. Special Meetings

The Board shall hold special meetings when called by written notice signed by the President, Vice President, or any two directors.



### 3.10. Notice; Waiver of Notice

(a) **Notice to Directors** – 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 give notice to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone (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 the director's telephone number, facsimile number, electronic mail address, or sent to the director's address as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least five business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least seventy two (72) hours before the time set for the meeting.

(b) **Waiver of Notice** – 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 any approval of the minutes. The waiver of notice or consent need not specify the meeting's purpose. 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.

(c) **Notice to Members** – Except for emergency meetings, notice of a Board meeting shall be posted in a conspicuous place within the Community at least forty eight (48) hours in advance of the meeting or provided in any other manner reasonably anticipated to provide notice to all Members, including publication in an Association newsletter with community-wide circulation, posting on a Community cable television channel, or posting on a Community Internet or intranet page. In lieu of notice of each regular Board meeting, the Board may post or publish a schedule of upcoming Board meetings.

(d) **Consideration of Assessments and Rules** – Written notice of any meeting at which Special Assessments will be considered or at which rules that regulate the use of parcels in the Community may be adopted, amended, or revoked must be mailed, delivered, or electronically transmitted to the Members and delivered, or electronically transmitted to the Members and posted conspicuously not less than fourteen (14) days before the meeting. A written notice concerning changes to the rules that regulate the use of parcels in the Community must include a statement that changes to the rules regarding the use of parcels will be considered at the meeting.

### 3.11. Agenda Items by Members

If twenty percent (20%) of the Class "A" Members petition the Board to address an item of business, the Board shall at its next regular meeting or at a special meeting of the Board, but not later than sixty (60) days after the receipt of the petition, take the petitioned item up on an agenda. The Board shall give all Members notice of the meeting at which the petitioned item shall be addressed. Each member shall have the right to speak for at least three (3) minutes on each matter placed on the agenda by petition, provided that the Member signs the sign-up sheet, if one is provided, or submits a written request to speak prior to the meeting. Other than addressing the petitioned item at the meeting, the Board is not obligated to take any other action requested by the petition.

### 3.12. Telephonic Participation in Meetings

Members of the Board or any committee designated by the Board may participate in a Board or committee meeting by means of telephone or other electronic means, through which all persons participating in the meeting can hear each other. Participation in this manner shall constitute presence at the meeting for all purposes. Participants attending by electronic means may vote by electronic transmission.

### 3.13. 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 these By-Laws or the Declaration specifically provide otherwise. A meeting at which a quorum is initially present may continue, notwithstanding the withdrawal 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 at such meeting may adjourn the meeting to a time not less than five not more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

#### 3.14. Conduct of Meetings

The President shall preside over all Board meetings; provided, in the President's absence, the Vice President or another Board designee shall preside. The Secretary shall cause to be kept a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings. Owners may tape record or videotape Board meetings subject to reasonable rules the Board imposes.

#### 3.15. Open Meetings; Executive Session

Subject to the provisions of this Section 3.15, Members have the right to attend all meetings of the Board and to speak on any matter placed on the agenda by petition of the voting interests for at least three minutes.

Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than directors, to discuss with the Association's attorney matters relating to pending or threatened litigation which are protected by the attorney-client privilege, or to discuss among the Board any other matter of a sensitive nature, if Florida law permits.

#### 3.16. Powers

The Board shall have all of the powers and duties necessary 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.

#### 3.17. Duties

The Board's duties shall include, without limitation:

- (a) adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses and any Neighborhood Expenses;
- (b) providing for the operation, care, upkeep, and maintenance of the Common Maintenance Area consistent with the Community-Wide Standard;
- (c) 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 necessary equipment, supplies, and materials;
- (d) depositing all funds received on the Association's behalf in a bank depository which the Board shall approve, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board's business judgment, in depositories other than banks;
- (e) opening bank accounts on the Association's behalf and designating the signatories required;
- (f) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these By-Laws;

- (g) enforcing the Governing Documents by legal or equitable means and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;
- (h) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (i) paying the cost of all services rendered to the Association;
- (j) keeping books with detailed accounts of the Association's receipts and expenditures;
- (k) making available to any Owner and the holders, insurers, and guarantors of any Mortgage on any Lot current copies of the Governing Documents and all other Association books, records, and financial statements as provided in Section 6.3;
- (l) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Community;
- (m) indemnifying an Association director, officer, or committee member, or former Association director, officer, or committee member to the extent such indemnity is required by Florida law, the Articles of Incorporation, or the Declaration; and
- (n) maintaining, and retaining for the time periods required, the "official records" of the Association.

### 3.18. Compensation

The Association shall not compensate a director for acting as such, unless a majority of the Members otherwise approves. The Association may reimburse any director for expenses incurred on the Association's behalf if approved by a majority of the other directors. In addition, subject to Section 3.27, nothing herein shall prohibit the Association from compensating a director for services or supplies he or she furnishes to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association. The foregoing also applies to any entity with which a director is affiliated.

### 3.19. Right of Class "B" Member to Disapprove Actions

During the Class "B" Control Period, the Class "B" Member shall have a right to disapprove any action, policy, or program of the Association, the Board, and any committee which, in the Class "B" Member's sole and absolute judgment, would tend to impair rights or interests of Declarant, any Affiliate of Declarant, or Builders, interfere with development or construction of any portion of the Community, or diminish the level of services the Association provides.

- (a) Notice – The Association, the Board, and each committee shall give the Class "B" Member written notice of their meetings and proposed actions to be approved at their meetings (or by written consent in lieu of a meeting). The notice shall comply with Section 3.10 and shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth with reasonable particularity the agenda to be followed at such meeting.
- (b) Opportunity to be Heard – The Association, the Board, and each committee shall give the Class "B" Member the opportunity at any meeting 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 described in this Section.
- (c) Exercise of Rights – The Class "B" Member, its representatives or agents, shall make its concerns, thoughts, and suggestions known to the Board and/or the members or the subject committee. The Class "B" Member may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action was proposed or, if the action is approved without a meeting, at any time within ten (10) days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction by the

Association, the Board, or any committee. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

(d) Condition of Implementation – No action, policy, or program subject to the Class "B" Member's right of disapproval shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

### 3.20. Management

The Board may employ a professional management agent or agents, at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize and are otherwise within the scope of the Board's authority. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority or those duties set forth in Section 3.18(a) (with respect to adoption of the budget). The Board may contract with or employ Declarant or any Affiliate of Declarant as managing agent or manager.

The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

The Association shall not be bound, either directly or indirectly, by any management contract executed during the Class "B" Control Period unless such contract contains a right of termination which the Association may exercise with or without cause and without penalty at any time after termination of the Class "B" Control Period upon not more than ninety (90) days written notice. After the Class "B" Control Period terminates, the Association may not terminate any management contract, or retain a new managing agent, without the approval of Members representing a majority of the Association's total Class "A" votes and the Declarant, during the Development and Sale Period.

The Class "A" Members shall have no right to terminate a management contract during the Class "B" Control period. Unless the Board otherwise grants such right, or unless the management contract otherwise provides, the Board may act in its discretion with respect to executing and terminating management contracts during the Class "B" Control Period. Any management contract may, among other things, authorize the managing agent to act as the Association's agent with respect to the expenditure of Association funds within the scope of the approved Association budget; provided, the managing agent shall not be permitted to spend money in the excess of the budget or reallocate greater than ten percent (10%) of any budget line item without the Board's prior approval.

### 3.21. Accounts and Reports

The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accounting and controls should conform to generally accepted accounting principles;
- (b) the Association's cash accounts shall not be commingled with any other accounts;
- (c) the managing agent shall accept no remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finders fees, service fees, prizes, gifts, or otherwise; the Association shall benefit from anything of value received;
- (d) the managing agent shall disclose promptly to the Board any financial or other interest which it may have in any firm providing goods or services to the Association;
- (e) commencing at the end of the quarter in which the first Lot is sold and closed, the Board shall prepare financial reports for the Association at least annually containing:
  - (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 fifteenth (15th) day following the due date unless otherwise specified by Board resolution); and
- (f) an annual financial report consisting of at least the following shall be prepared within sixty (60) days after the close of the fiscal year: (i) a balance sheet showing actual receipts and expenditures; (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 required by law.

Within ten (10) days after preparation of the annual financial report, the Association shall provide each Owner or its authorized agent with a copy of the annual financial report or a notice that a copy of the financial report is available upon request at no charge to the Member.

### 3.22. Borrowing

The Association may borrow money for any legal purpose; provided, the approval of Members representing a majority of the Class "A" votes in the Association is required if (a) the proposed borrowing is for the purpose of making discretionary capital improvements; and (b) the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed twenty percent (20%) of the Association's budgeted gross expenses for that fiscal year. During the Class "B" Control Period, no Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent, or any combination thereof, of Members representing at least sixty seven percent (67%) of the total Class "A" votes. After the Class "B" Control Period terminates, no Mortgage lien may be placed on the Common Area, nor may assessments be pledged as security for any loan, without the approval of Members representing at least a majority of the total Class "A" votes in the Association and such other approval as the Declaration may require.

### 3.23. Right to Contract

The Association shall have the right to contract with any Person for the performance of various duties and functions. After termination of the Class "B" Control Period, if a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association that exceeds ten percent (10%) of the total annual budget of the Association, including reserves, then the Association must obtain competitive bids. However, the Association shall not be required to accept the lowest bid. The Association is not required to obtain competitive bids for the services of an attorney, accountant, architect, community association manager, engineer or landscape architect.

### 3.24. Enforcement

The Association may impose sanctions for any violation of the Governing Documents. To the extent the Declaration or Florida law requires an opportunity for a hearing, the Board shall comply with the following procedures prior to imposition of sanctions:

- (a) Notice – The Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than fifteen (15) days within which the alleged violator may present a written request for a hearing to the Board; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless the alleged violator challenges the violation within the time period specified in the notice. The Board or Covenants Committee may suspend any proposed sanction if the violation is cured, or if a diligent effort is made to cure, within the period during which a hearing may be requested. Such suspension 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 may be imposed without the necessity of a hearing; provided, the Association may not impose a fine or suspend Common Area use rights for any violation other than a failure to pay assessments, unless the Covenants Committee, by a majority vote, first approves the proposed fine or suspension.

(b) Hearing – If the alleged violator requests a hearing within the allotted period, the hearing shall be held before the Covenants Committee. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. 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 appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal – Following a hearing before the Covenants Committee, the alleged violator shall have the right to appeal the decision to the Board. To exercise this right, the alleged violator must submit a written notice of appeal to the Association's manager, President, or Secretary within ten (10) days after being informed of the results of the hearing by the Association's manager or another Board officer or representative.

(d) Additional Enforcement Rights – Notwithstanding anything to the contrary in this Article, if permitted under the Declaration, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, towing vehicles that violate parking rules) or, following compliance with the Declaration's dispute resolution procedures, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

### 3.25. Board Training Seminar

The Board may provide or provide for seminars and continuing educational opportunities designed to educate and inform directors of their responsibilities as directors. Such programs may include instruction on applicable Florida corporate and fiduciary law principles, other issues relating to administering the Community's 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. The Board may require that each newly elected, and each re-elected director complete a training seminar within the first six months of assuming the director position.

### 3.26. Board Standards

In performing their duties, directors and officers shall act as fiduciaries and are subject to insulation from liability as provided for directors of corporations by Florida law and as otherwise provided by the Governing Documents. Directors shall exercise the ordinary and reasonable care of directors of a corporation, subject to the business judgment rule. A director shall be considered to be acting in accordance with the business judgment rule so long as the director:

- (a) acts within the expressed or implied scope of the Governing Documents and his or her actions are not *ultra vires*;
- (b) affirmatively undertakes to make decisions which are necessary for the Association's continued and successful operation and, when decisions are made, they are made on an informed basis;
- (c) acts on a disinterested basis, promptly discloses any real or potential conflict of interests (pecuniary or other), and avoids participation in such decisions and actions; and

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

A director acting in accordance with the business judgment rule shall be protected from personal liability. Unless the Governing Documents require that specific action be taken, the failure to take such specific action shall not, without further showing that the Board acted in violation of the business judgment rule, be deemed a violation of a Board duty.

Board determinations of the meaning, scope, and application of Governing Document provisions shall be upheld and enforced so long as such determinations are reasonable. The Board shall exercise its power in a fair, nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

### 3.27. Conflicts of Interest; Code of Ethics

Unless otherwise approved by a majority of the other directors, no Class "A" Director may transact business with the Association or an 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 director 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. The Board may void any contract which creates a prohibited conflict of interest.

Notwithstanding the above, the directors appointed by the Class "B" Member may be employed by or otherwise transact business with Declarant or any Affiliate of Declarant, and Declarant and its Affiliates may transact business with the Association and its contractors.

The initial Board shall create and adopt a written "Code of Ethics" applicable to all directors and officers. The Code of Ethics shall incorporate the above standards and other conduct rules the Board deems appropriate. Each officer and director, as a precondition to service, shall acknowledge and agree, in writing, to abide by the Code of Ethics. The Code of Ethics may not be amended without the approval of Members representing at least a majority of the total Class "A" votes in the Association.

## ARTICLE IV: OFFICERS

### 4.1. Officers

The Association's officers shall be a President, Vice President, Secretary, and Treasurer. The officers may, but need not, be Board members, Owners, or residents of the Community. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more 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.

### 4.2. Election and Term Office

The Board shall elect the Association's officers at the first Board meeting following each Association annual meeting. Officers shall serve until their successors are elected. Officers may not hold the same office for more than two consecutive terms.

### 4.3. Removal and Vacancies

Any officer may be removed by a vote of at least two thirds (2/3) of the directors. The Board shall appoint a replacement to fill any vacancy in any office for the unexpired portion of the term.

### 4.4. Powers and Duties

The Association's officers each 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 supervise the preparation of the Association's budget, but shall delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The Secretary shall prepare or supervise the preparation of

meeting minutes as required by Florida law.

Inst:0020053459 Date:05/02/2005 Time:10:56  
BLD DC, Rebecca L. Norris, GULF County B:375 P:983

#### 4.5. Resignation

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

#### 4.6. Compensation

Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.19.

### ARTICLE V: COMMITTEES

#### 5.1. General

The Board may create such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. In an effort to encourage and incorporate a broad base of Owner and resident participation in community governance, it shall be the Association's policy that the Board create and delegate its responsibilities to committees as reasonably appropriate.

Committees shall exercise only such authority as granted by Board resolution, provided the Board may, in the exercise of its reasonable discretion, elect not to follow a committee's advice on the matter. Committees may not act without specific Board authority and may not bind the Association contractually or financially. Committee members may serve no more than two consecutive two-year terms on the same committee.

#### 5.2. Covenants Committee

The Board shall appoint a Covenants Committee consisting of at least three members. The Covenants Committee members shall be Members of the Association who are not directors, officers, or employees of the Association or the spouse, parent, child, brother, or sister of a director, officer, or employee. Acting in accordance with the provisions of the Declaration, these By-Laws, and any Board resolutions, the Covenants Committee shall be the Association's hearing tribunal and shall conduct all hearings held pursuant to Section 3.25. The Board may not impose a fine without a majority vote of the Covenants Committee.

#### 5.3. Other Committees

The Board may create such committees with such duties and responsibilities as it may decide. The Board shall establish by resolution the specific scope and limitations on the authority of any such committees.

### ARTICLE VI: MISCELLANEOUS

#### 6.1. Fiscal Year

The Association's fiscal year shall be the calendar year unless otherwise established by Board resolution.

#### 6.2. Parliamentary Rules

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



### 6.3. Books and Records

(a) Inspection by Members and Mortgagees – The Board shall make the Association's official records available for inspection and copying by any holder, insurer, or guarantor of a first Mortgage on a Lot, any Member or the duly appointed representative of any of the foregoing at any reasonable time. The Board is not required to make available records protected by attorney-client privilege or work product; information obtained by the Association in connection with the approval of the lease, sale or other transfer of a parcel; personnel records; or medical records of Members. The Board shall provide for such inspection to take place at the Association's office or at such other place within the Community as the Board shall designate.

(b) Rules for Inspection – The Board shall establish reasonable rules with respect to (i) notice to be given to the custodian of the records; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing documents requested. Records shall be made available within ten (10) business days of the receipt of a written request by an Owner or his or her authorized agent.

(c) 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 the Association owns or controls. The director's right of inspection includes the right to make a copy of relevant documents at the Association's expense.

### 6.4. Notices

Except as the Declaration or these By-Laws otherwise provide, all notices, demands, bills, statements, or other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid; or, if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail. Notices shall be delivered or sent to the intended recipient as follows:

(a) if to a Member, at the address or number 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 Lot of such Member;

(b) if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent or at such other address as shall be designated by notice in writing to the Members pursuant to this Section; or

(c) if to any committee, at the principal address of the Association or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Notices 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 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 facsimile or electronic mail, upon transmission.

If posted, notice shall be deemed delivered when posted.

### 6.5. Amendment

(a) By Class "B" Member – During the Class "B" Control Period the Class "B" Member unilaterally may amend these By-Laws. Thereafter, to the extent allowed by the law the Class "B" Member unilaterally may amend these By-laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the

Lots; or (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on Lots. No amendment may adversely affect the title to any Lot unless the Owner shall consent thereto in writing.

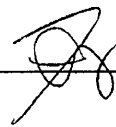
(b) By the Members – Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent of Members representing at least sixty seven percent (67%) of the Association's total Class "A" votes, and the consent of the Class "B" Member, if such exists. Notwithstanding the 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 become effective upon recording unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recording, or such amendment shall be presumed to have 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 Declarant or the Class "B" Member without the written consent Declarant, the Class "B" Member, or the assignee of such right or privilege. No amendment may remove, revoke, or modify any right or privilege assigned specifically to the Owners of Non-Residential Lots, if any, without such Owners' written consent.

The foregoing By-Laws were adopted as the By-Laws of Wetappo Preserve Owner's Association, Inc., a nonprofit corporation under the laws of the State of Florida, by its Board of Directors on the 31<sup>st</sup> day of March, 2005.

  
\_\_\_\_\_  
President

Attest:  
Secretary 

Inst:  Date:05/02/2005 Time:10:56  
 DC, Rebecca L. Norris, GULF County B:375 P:985

Prepared by:  
Paul W. Groom II  
Rish, Gibson & Scholz, P.A.  
Post Office Box 39  
Port St. Joe, Florida 32457  
RG&S File No: 04-1869

Inst:0020053459 Date:05/02/2005 Time:10:56  
130 DC, Rebecca L. Norris, GULF County B:375 P:986

**JOINDER IN AND CONSENT TO DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR WETAPPO**

BankTrust, the owner and holder of that Real Estate Mortgage and Assignment of Leases and Rents made by Wetapppo Preserve, LLC dated September 8, 2004 and recorded in Official Record Book 352 at Pages 71 and 83, respectively, of the public records of Gulf County, Florida, hereby joins in and consents to the recording of the Declaration of Covenants, Conditions and Restrictions for Wetapppo, a Subdivision, to which this Joinder and Consent is attached.

Executed this 31st day of March, 2005.

Witnesses:

Gloria J. Arnold  
Printed Name: GLORIA J. ARNOLD

BANK TRUST

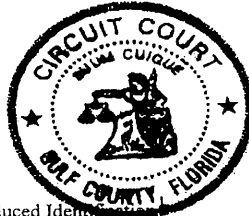
Belinda Sue Skinner  
Printed Name: Belinda Sue Skinner

By: Kimberly S. Molley, Its Vice President

STATE OF FLORIDA

COUNTY OF GULF WALTON

This document was acknowledged before me this 31st day of MARCH, 2005, by KIMBERLY S. MOLLEY, the Vice President of Bank Trust, on behalf of said Bank, who is personally known to me or who produced identification.



Gloria J. Arnold  
Typed Name: GLORIA J. ARNOLD  
Notary Public - State of Florida  
My Commission No: 00302120  
My Commission Expires: 3/22/08

Personally Known  Produced Identification

Type of Identification Produced \_\_\_\_\_

