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941044-WS

FORM 7
PAGE 1 OF 2

APPLICATION FOR NONPROFIT ASSOCIATION EXEMPTION
SECTION 367.022 (7), FLORIDA STATUTES
RULE 25-30.060 (3) (g), FLORIDA ADMINISTRATIVE CODE

NAME OF SYSTEM: Charlotte Harbor Water Assn.

PHYSICAL ADDRESS OF SYSTEM: 2515 Highlands Rd.
Harbour Heights, Fl. 33983

MAILING ADDRESS (IF DIFFERENT): _____

COUNTY: Charlotte

PRIMARY CONTACT PERSON:

NAME: Paul L. Brayton

ADDRESS: 2515 Highlands Rd.
Harbour Heights, Fl. 33983

ACK _____ PHONE #: (813) 625-2288

AGF _____ NATURE OF APPLICANT'S BUSINESS ORGANIZATION: (CORPORATION,
APR _____ PARTNERSHIP, SOLE PROPRIETOR, ETC.) Corporation

CAF _____ I believe this system to be exempt from the regulation of the
CMI _____ Florida Public Service Commission pursuant to Section 367.022 (7),
CTR _____ Florida Statutes, for the following reasons:

EAG _____ 1. The corporation, association, or cooperative is
LEG Edmond nonprofit.

LIN _____ 2. Service will be provided solely to members who own
OPC _____ and control it.

PCM _____ 3. The system provides (CHOOSE THE ONE THAT IS APPLICABLE):
SEC 1 Water only
WIS Water Wastewater only _____
OTH _____ Both _____

4. Charlotte Harbor Water Assn. will do the
billing for such service.

5. The service area is located at: 2515 Highlands Rd.
Harbour Heights, Fl. 33983

DOCUMENT NUMBER-DATE
17754 NOV 21 83

APPLICATION FOR NONPROFIT ASSOCIATION EXEMPTION

6. Attached are the articles of incorporation as filed with the Secretary of State and bylaws which clearly show the requirements for membership, that the members' voting rights are one vote per unit of ownership and the circumstances under which control of the corporation passes to the non-developer members. Control of the corporation must pass: 1) at 51 percent ownership by the non-developer members or 2) at some greater percentage delimited by a time period not to exceed 5 years from the date of incorporation.
7. Attached is proof of ownership of the utility facilities and the land upon which the facilities will be located or other proof of the applicant's right to continued use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost effective alternative.

I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in Section 775.082, S. 775.083, or S. 775.084.

ROBERT KOZOMAN
(Applicant please print or type)

11/16/94
(Date)

Robert Kozoman
(Signature)

PRESIDENT
(Title)

When you finish filling out the application, the original and two copies of the application, Articles of Incorporation, Bylaws and proof of ownership should be mailed to: Director, Division of Records and Reporting, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399-0850.

7/9/90

BY-LAWS OF THE CHARLOTTE HARBOR WATER ASSOCIATION, INC.

ARTICLE I - GENERAL PURPOSES

Section 1. The purpose for which this Corporation is formed, and the powers which it may exercise, are set forth in the articles of incorporation of the Corporation.

ARTICLE II - NAME AND LOCATION

Section 1. The name of the Corporation is the Charlotte Harbor Water Association, Inc.

Section 2. The principal office of this Corporation shall be located within the confines of the Association's service area. Other offices may be maintained in other areas of the County, at the discretion of the Board of Directors.

ARTICLE III - SEAL

Section 1. The seal of the Corporation shall have inscribed on thereon the name of the Corporation, the year of its organization and the words, "Corporation not for profit, Florida".

Section 2. The Secretary of the Corporation shall have custody of the seal.

Section 3. The seal may be used for causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE IV - FISCAL YEAR

Section 1. The fiscal year of the Corporation shall begin the first day of January in each year.

ARTICLE V - MEMBERSHIP

Section 1. Membership will be limited to property owners who sign a contract to obtain the organization's services, acquire a tangible interest in its assets in proportion to the business done with the organization and have a voice in its management.

Section 2. Every person (which word as used herein includes any legal entity) who is a record owner of a fee or undivided fee interest, in a property served by the water system may become a member of the Corporation upon signing such applications and agreements by the Corporation and upon the payment of such

connection fee as may be imposed by the Board of Directors. In cases of out of town owners, a temporary sixty day membership may be issued to persons having a substantial possessory interest in the property. Only one membership may be held with respect to property at one time. The Board of Directors shall cause to be issued appropriate certificates of membership, provided that membership shall not be denied because of the applicant's race, color, creed, or national origin. Membership may be denied if capacity of the Corporation's water system is exhausted by the needs of it's existing members, or, if the proposed use of the applicant is such that it would interfere with existing uses previously authorized by the Board of Directors.

A. A substantial possessory interest is one where the person or persons have a legal right to control and occupancy of a property but do not have the legal or the equitable ownership of the property. It may be under a lease or similar right to possession.

B. Where temporary membership is granted to one or more persons having a substantial possessory interest, the Corporation as a condition to the membership will require such applicant to post such collateral or bond as the Directors determine necessary to fully protect the Corporation from any additional risk that may be involved to the Corporation by reason of the lack of legal ownership in the applicant.

Section 3. Each member shall have only one membership for each property served, regardless of the number of service connections he may obtain to serve his property. Each membership certificate shall represent one vote. When more than one person holds the interest in a property served, the vote shall be exercised by the person in whose name the certificate is registered or by such person as the several persons may designate, but in no event shall more than one vote be cast with respect to any property.

Section 4. Membership shall not be transferable. When a member transfers ownership in his property, service will be discontinued. The new owner may make application for membership.

Section 5. Membership in the Corporation shall terminate upon the disposition or other termination of the member's interest in the property, regardless of whether or not the certificate is surrendered to the Corporation. Membership also may be terminated by action of the Board of Directors where the use of the property is changed so as to materially increase the amount of water consumed to the prejudice of other existing member's or to the prejudice of the orderly operation of the system.

Section 6. Termination of membership will not result in forfeiture of the former member's rights and interests in the organization's assets and he will not be precluded from receiving his proportionate share of any subsequent distribution of such assets by the organization.

Section 7. The termination of the membership of any member shall not disqualify for membership any other person who has or obtains an interest in the property of the terminated member and who otherwise meets the requirements of these by-laws.

Section 8. In the event a member's property interest is divested other than by voluntary means, such member's membership will pass to the trustee, receiver, executor, or the like, who will be entitled either in person or through a designated representative to exercise all of the rights incident to such membership, but subject to such duties and liabilities also applicable to the membership, the trustee, receiver, executor, or the like, may terminate such membership by written notice to such effect delivered or mailed to the Secretary of the Corporation.

Section 9. Upon the termination of a membership, the Corporation will look to the successor in interest for the payment of any past due amounts. The Corporation will seek collection from the individual who incurred such charges or assessments or from the property itself if a judgement lien had been duly perfected against such property. Water service shall not be restored until all charges have been paid in full.

ARTICLE VI - MEMBERSHIP CERTIFICATES

Section 1. This Corporation shall not have capital stock. Membership in the Corporation shall be represented by membership certificates. Such certificates shall represent the right to use and enjoy the benefits of the Corporation's water supply system upon the payment of necessary assessments. If any, and of reasonable charges based upon such use, provided such use and enjoyment are consistent with the rules, regulations and contracts affecting the same as may from time to time be prescribed by the Board of Directors.

Section 2. A membership certificate shall be issued to each holder of fully paid membership, numbered consecutively in accordance with the order of issue, and bear on its face the following statement:

This membership certificate, No.----- is issued and accepted in accordance with and subject to the conditions and restrictions stipulated in the articles and incorporation and by-laws and amendments to the same of the Charlotte Harbor Water Association, Inc.

ARTICLE VII - MEETINGS OF MEMBERS

Section 1. The Annual Meeting of the members of this Corporation shall be held in Charlotte County, Florida, on the fourth Monday in January of each year, if not a legal holiday, or if a legal holiday on the next business day following. The place, day and time of the Annual Meeting may be changed to any other convenient place, day and time in the County by the Board of Directors giving notice thereof to each member not less than ten days in advance thereof.

Section 2. Special meetings of the members may be called at any time by the action of the Board of Directors and such meetings may be called whenever a petition requesting such meeting is signed by at least ten per cent of the members and presented to the Secretary or the Board of Directors. The purpose of every special meeting shall be stated in the notice thereof, and no business shall be transacted thereat except such as is specified in the notice.

Section 3. Any proposal by a member intended to be presented at any Annual Meeting of the members shall be submitted, in writing, to the Secretary of the Corporation thirty days prior to the date of the next Annual Meeting.

Section 4. Notice of meetings of members of the Corporation, both regular and special, shall be given by notice mailed by First Class mail to each member of record, directed to the address shown upon the books of the Corporation, not less than ten (10) nor more than forty (40) days prior to such meeting. Such a notice shall state the nature, time, place and purpose of the meeting, but no failure or irregularity of notice of any Annual Meeting, regularly held, shall affect any proceedings taken thereat.

Section 5. The presence at the meeting of members entitled to cast in their own right or by proxy ten (10)% of the total number of votes shall constitute a quorum. All proxies shall be in writing filed with the Secretary. Such proxies may be general or restrictive. Proxies shall be revocable and shall not be valid beyond eleven (11) months, nor after termination of the membership by cessation of the member's interest in the property.

Section 6. Directors of this Corporation shall be elected at the Annual Meeting of the members as provided in Article VII, Section 1. No cumulative voting shall be allowed.

Section 7. The order of business at the regular meetings and in so far as feasible at all other meetings shall be:

1. Calling to order and proof of quorum
2. Proof of notice of meeting
3. Reading and action on any unapproved minutes
4. Reports of officers and committees
5. Election of Directors
6. Unfinished business
7. New business
8. Adjournment

ARTICLE VIII - DIRECTORS AND OFFICERS

Section 1. The Board of Directors of this Corporation shall consist of seven (7) members. All Directors shall be members of the Corporation, or of a Corporation or a partner in a commercial concern that is a member; or persons who in the opinion of the nominating committee have experience, training, or technical knowledge of special value to the Corporation. However, at no time shall more than two members of the Board of Directors be other than individual members.

Prior to each Annual Meeting, the President shall appoint a Nominating Committee, who shall search for and recommend suitable candidates for vacancies on the Board of Directors. Other nominations may be made from the floor at the Annual Meeting. At the 1988 Annual Meeting, the members shall elect two (2) Directors for three (3) year terms. The members shall elect three (3) Directors at the 1989 Annual Meeting and then two (2) at the 1990 Annual Meeting, all for terms of three (3) years. Each Director shall hold the office for the term to which he was elected or until his successor shall have been elected and qualified.

Section 2. The Board of Directors shall meet within thirty (30) days after the annual election of Directors and shall elect a President, Vice-President, Treasurer and Secretary. Each of whom shall hold office until the next Annual Meeting or until the election and qualification of his successor, unless removed by death, resignation or for cause. The offices of Secretary and Treasurer may be combined by action of the Board.

Section 3. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification or otherwise, except by removal from office, a majority of the remaining Directors, though less than a quorum, shall by a majority vote, choose a successor who shall hold office until the next regular meeting of the members of the Corporation, at which time the members shall elect a Director for the unexpired term or terms, provided that in the call of such regular meeting a notice of such election shall be given.

Section 4. A majority of the Board of Directors shall constitute a quorum at any meeting of the Board. The affirmative vote of the majority of the Directors at a meeting at which a quorum is present shall be the act of the Board.

Section 5. Officers and Directors shall receive no compensation for their services as such.

Section 6. Officers and Directors may be removed from office in the following manner: any member, Officer or Director may present charges against a Director or Officer by filing them in writing with the Secretary of the Corporation. If presented by a member, the charges will be accompanied by a petition signed by ten per cent of the members of the Corporation. Such removal shall be voted on at the next regular or special meeting of the members and shall be effective if approved by a vote of the majority of those voting if a quorum is present. The Director or Officer against whom such charges have been presented shall be informed, in writing, of such charges at least twenty days prior to the meeting and shall have the opportunity at such meeting to be heard in person or by counsel and to present witnesses; and the person or persons presenting such charges against him shall have the same opportunity. If the removal of a Director is approved, such action shall also vacate any other office held by the removed Director in the Corporation. A vacancy in the Board thus created shall be immediately filled by a vote of the majority of the members present and voting at such meeting, a vacancy in any office thus created shall be filled by the Board of Directors from among their number so constituted after the vacancy in the Board has been filled.

ARTICLE IX - DUTIES OF DIRECTORS

Section 1. The Board of Directors, subject to restrictions of law,

the articles of incorporation, and these by-laws, shall exercise all of the powers of the Corporation and, without prejudice to or limitation upon their general powers. It is hereby expressly provided that the Board of Directors shall have and are hereby given, full power and authority in respect to the matters as hereinafter set forth to be exercised, by resolution duly adopted by the Board:

A. To approve membership applications and to cause to be issued appropriate certificates of membership. The Board may make binding commitments to issue membership certificates and to permit the connection of properties to the system in the future in cases involving proposed construction or may issue such certificates prior to the commencement of the proposed construction.

B. To select and appoint all agents or employees of the Corporation, remove such agents or employees of the Corporation; prescribe such duties and designate such powers as may not be inconsistent with these by-laws; fix their compensation and pay for faithful services.

C. To borrow from any sources, money, goods, or services and to make and issue notes and other negotiable or non-negotiable instruments evidencing indebtedness of the Corporation; to make and issue mortgages, deeds of trust, pledges of revenue, trust agreements, security agreements and financing statements and other instruments evidencing a security interest in the assets of the Corporation; and, to do every act and thing necessary to effectuate the same.

D. To prescribe, adopt and amend from time to time such equitable uniform rules and regulations as, in its discretion may be deemed essential or convenient for the conduct of the business and affairs of the Corporation and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.

E. To order, at least once each year, an audit of the books and accounts of the Corporation by a competent public auditor or accountant. A financial report prepared by the Treasurer shall be presented to the members of the Corporation at their Annual Meeting, together with a proposed budget for the ensuing year. Copies of such financial statements, audits and budgets shall be submitted to such parties as may be required by other agreements.

F. To fix and alter the charges to be paid by each member for services rendered by the Corporation to the member, including connection fees where such are deemed to be necessary by the Directors, and to fix and alter the method of billing, time of payment, manner of connections, and penalties for late or non-payment of the same. The Board may establish one or more classes of users. All charges shall be uniform and non-discriminating within each class of users.

G. To require all officers, agents and employees charged with responsibility for the custody of any of the funds of the Corporation to give adequate bonds, the cost thereof to be paid by the Corporation, and it shall be mandatory upon the Directors to so require.

H. To select one or more banks to act as depositories of the funds of the Corporation and to determine the manner of receiving, depositing, and disbursing the funds of the Corporation and the form of checks and the person or persons by whom the same shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.

I. To Levy assessments against the members of the Corporation in such manner and upon such proportionate basis as the Directors deem equitable, and to enforce collection of such assessments by the suspension of water service or other legal methods. The Board of Directors shall have the option to suspend the service of any member who has not paid such assessment within thirty (30) days from the date the assessment was due, provided the Corporation will give the member at least fifteen days written notice at the address of the member on the books of the Corporation of its intention to suspend such service if the assessment is not paid. Upon payment of such assessments, any penalties applicable thereto, and a reconnection charge, if one is in effect, service will be promptly restored to such member.

ARTICLE X - INDEMNIFICATION

Section 1. This Corporation shall indemnify to the fullest extent permitted by law any of its officers or directors who was or is a party to any proceeding, against liability incurred in connection with such proceeding as such Officer or Director. Expenses in connection with any such proceeding shall be advanced by the Corporation to the extent permitted by law. No indemnification shall be made under this Article in circumstances in which indemnification is prohibited by law.

Section 2. The Board of Directors may authorize indemnification of other agents, employees and members upon such terms and conditions as the Board of Directors shall deem appropriate, and may enter into agreements therefor with any of such persons.

Section 3. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, agent, or member of the Corporation or who is or was acting on its behalf at its request, whether or not the Corporation would have the power to indemnify such person under the provisions of the Article.

Section 4. Indemnification and advancement of expenses as provided herein shall continue, unless otherwise provided when such indemnification was authorized or ratified, to persons who have ceased to be directors, officers, employees, agents or members of the Corporation, and shall inure to the heirs and personal representatives of such persons.

Section 5. The provisions of this Article shall not create any right of subrogation to any person, firm or corporation against this corporation, its officers, directors, members or employees.

Section 6. It is the intent of this Article to provide the maximum indemnification possible under applicable law in order to help induce competent persons to serve on behalf of the Corporation. The rights of officers, directors, agents, employees and members herein specified shall be in addition to any other rights such persons may have under the Articles of Incorporation or under the laws of the United States and the State of Florida. Subject only to the provisions of Section 2 hereof, it is specifically intended hereby to authorize and direct indemnification to the extent permitted or required by law, including, but not limited to Chapter 87-245, Laws of Florida, Acts of 1987 which, among other provisions, amends Sections 607.014 and 617.028 Fla. Stat., other statutes and case law of the State of Florida and the United States, as all of the same now exist and as they may, in the future be modified or amended. If any part of this Article shall be found to be invalid or ineffective in any action or proceeding, the validity and effect of the remaining part hereof shall not be affected.

ARTICLE XI - DUTIES OF OFFICERS

Section 1. Duties of President: The President shall preside over all the meetings of the Corporation and the Board of Directors, call special meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, and sign all papers of the Corporation as he may be authorized or directed to sign by the Board of Directors, provided the Board of Directors may authorize any person to sign any or all checks, contracts and other instruments in writing on behalf of the Corporation. The President shall perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice-President: In the absence or disability of the President, the Vice-President shall perform the duties of the President, provided, however, that in case of death, resignation, or disability of the President, the Board of Directors may declare the office vacant and elect his successor.

Section 3. Duties of the Secretary: The Secretary shall keep a record of all meetings of the Corporation and of the Board of Directors and shall have general charge and supervision of the books and records of the Corporation. He shall sign all membership certificates and other papers pertaining to the Corporation unless otherwise directed by the Board of Directors. He shall serve, mail, or deliver all notices required by law and by this by-laws and shall make a full report on all matters and business pertaining to his office to the members at the Annual Meeting or at such other time or times as the Board of Directors may require. He shall keep the corporate seal and membership certificate records of the Corporation, complete and attest all certificates issued and affix said corporate seal to all papers requiring seal. He shall see that a proper membership certificate record, showing the name of each member of the Corporation and date of issuance, surrender, transfer, termination, cancellation or forfeiture. He shall keep a master copy of the By-laws and amendments as part of the corporate records. He shall make all reports required by law and shall perform such other duties as may be required of him by the Corporation or the Board of Directors. Upon the election of his successor, the Secretary shall turn over all books and other property belonging to the Corporation that he may have in his possession.

Section 4. Duties of the Treasurer: The Treasurer shall be the principal financial officer of the Corporation. He will perform such duties with respect to financial records and matters of the Corporation as may be prescribed by the Board of Directors.

ARTICLE XII - BENEFITS AND DUTIES OF MEMBERS

Section 1. The Corporation will produce or purchase water, install, maintain and operate a main distribution pipeline or lines from the source of the water supply and service lines from the main distribution pipeline or lines to the property line of each member of the Corporation, at which points, designated as delivery points, meters to be purchased, installed, owned and maintained by the Corporation shall be placed. The Corporation will install a lockable cutoff valve in each service line from its main distribution line or lines, such cutoff valve to be owned and maintained by the Corporation and to be installed on some portion of the service line owned by the Corporation. The Corporation shall have the sole and exclusive right to use of such cutoff valve. However, the provisions of this section shall not be construed to require the acquisition or installation of meters or cutoff valves where the Directors determine under the circumstances of the system and the nature of the membership that the use of either or both of such devices is impractical, unnecessary to protect the system and the rights of the membership, and/or economically not feasible.

Section 2. Each member will be required at his own expense to have dug a ditch for the connection of the service line or lines from the property line of the member to his dwelling or other portion of his premises, and to purchase and have installed the portion of the service line or lines from his property line to the place of use on his premises. The member will maintain such portion of such service line or lines which shall be owned by the member at his own expense. In addition, each member shall pay such connection charge, if any, as may have been imposed by the Board of Directors before such member will be entitled to receive water from the system. A service line, on a member's property cannot be extended by the member, or anyone employed by him, to connect additional units, on or off the member's property, without prior approval of the Association. Service to each unit shall be effected by the installation of a water meter to record the water used by each unit, whether the unit is residential or commercial. Any variance from this rule must be approved by the Board of Directors of the Association.

Section 3. Each member may be permitted to have additional service lines from the Corporation's water system in the discretion of the Board of Directors upon proper application therefore and the tender of payment not to exceed the then existing connection charge. The approval by the Board of Directors of additional service lines to an existing member may be made conditional upon such provisions as the Board of Directors determines necessary to protect the interest of other members and to allow for the orderly expansion and extension of the system to serve other property that may need service along the distribution lines of the system. Each service line shall connect with the Corporation's water system at the nearest available place to the place of desired use by the member if the Corporation's water system has sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of water through a prior service line. If the Corporation's water system is inadequate to permit the delivery of water through a service line installed at such place without interfering with the delivery of water through a prior service line, then such service line shall be installed at such place designated by the Corporation.

Section 4. Each member may be permitted to purchase from the Corporation, pursuant to such agreement as may from time to time be provided and required by the Corporation, such water as is needed by him for domestic, commercial, agricultural, industrial or other purposes as a member may desire, subject, however, to the provision of these laws and to such rules and regulations as may be prescribed by the Board of Directors. Each member shall be entitled to have delivered to him through his service lines only such water as may be necessary to supply the needs of each member including his family, business, agriculture or industrial requirements.

Section 5. In the event the total water supply shall be insufficient to meet all needs of the members or in the event there is a shortage of water, the Corporation may prorate the water available among the members on such basis as is deemed equitable by the Board of Directors, and may also prescribe a schedule of hours covering use of water for commercial, agricultural or industrial purposes by particular members and require adherence thereto or prohibit the use of water for commercial, agricultural or industrial purposes; provided, that if at any time the total water supply shall be insufficient to meet all of the needs of all of the members for domestic, livestock, commercial, agricultural or industrial purposes, the Corporation should first satisfy all of the reasonable needs of the members for domestic purposes before supplying any water for livestock purposes and should satisfy all of the needs of all of the members for domestic and livestock purposes before supplying any water for commercial or industrial purposes; and, provided further, that where a member has more than one service line, the Corporation may cut off the flow of water to the nondomestic service lines until such time as the supply of water from the system is sufficient to meet the needs of all the members for domestic, livestock, and garden purposes. During such periods of shutoff of additional service lines, there shall be no minimum fee charged to the members having such additional service lines and the cost, if any, of resuming the flow of water to such additional service lines shall be born by the Corporation.

Section 6. The Board of Directors shall, with the consent of the Farmer's Home Administration, so long as it shall either hold any obligations or insure any financing of the system, prior to the beginning of each calendar year, determine the flat minimum monthly rate to be charged each member during the following calendar year for a specified quantity of water, such flat minimum monthly rate to be payable irrespective of whether any water is used by a member during the month. The amount of additional charges, if any, for additional water which may be supplied the members, and the amount of penalty for late payments and shall fix the date for the payment of such charges. A member to be entitled to the delivery of water shall pay such charges at the office designated by the Corporation at or prior to the dates fixed by the Board of Directors. The failure to pay water charges duly imposed shall result in the automatic imposition of the following penalties.

A. If not paid by the 10th of the month following reading date, a 10% penalty will be added. Such penalty may be changed at the discretion of the Board of Directors.

B. Non payment within thirty (30) days from the first of month following reading or non payment of penalty will result in the water being shutoff from the property, without any notice thereof to such delinquent member. Upon the payment by the delinquent member of past due water charges, penalties thereon, any reconnection or other charges, such member shall be entitled to resumption of the water supply. During the time of such suspension of water to a member, such member shall have no right to vote in the affairs of the Corporation.

C. For the purpose of receiving water from the Association, a unit shall be defined as:

1. Residential

- a. A building or structure that serves as living quarters
- b. A mobile home that is used as a dwelling
- c. An apartment in a building made up of individual living quarters
- d. A residential condominium unit
- e. Each dwelling unit of a duplex, triplex or other single structure containing more than one dwelling unit
- f. A single dwelling designated as a villa or garden apartment
- g. Any other building designed to serve as single living quarters

2. Commercial

- a. A store, restaurant, retail outlet, garage, service station, school, church, live aboard marina, hospital room or suite, condominium office unit and any other singly occupied entity designed to sell to or offer service to the public whether individually located or part of a common structure
- b. Warehouse or factory building - each entity in a single or common structure

Section 7. The Board of Directors shall be authorized to require each member to enter into water users agreement which shall embody the principles set forth in the foregoing provisions of these by-laws.

ARTICLE XIII - DISTRIBUTION OF SURPLUS FUNDS

Section 1. It is not anticipated that there will be any surplus funds or net income to the Corporation at the end of the fiscal year after provisions are made for the payment of the expenses of operation and maintenance and the funding of the various reserves for depreciation, debt retirement, and other purposes, including those required by the terms of any borrowing transaction. The occurrence in subsequent fiscal years of surplus funds or net income above the requirements of the Corporation as above mentioned, including, if any, a reserve for improvements and extension of the facilities shall be taken into consideration by the Board of Directors in determining the water rates to be charged the members.

Section 2. The organization will provide services substantially at cost. Dividends shall not be paid on the basis of membership or shares of stock in the organization. All funds from whatever sources remaining at the end of the year in excess of those needed to meet current losses and expenses will be distributed to members in proportion to the amount of business done by them during the year subject to concurrence of the Farmer's Home Administration or will be retained for such purposes as retiring indebtedness incurred in acquiring assets, expanding the organization's services, or maintaining reserves for necessary purposes. However, the organization will maintain records from which each member's rights and interest in the retained funds and assets acquired with such funds in a proportion to his business with the organization can be determined at any time. Required records for this purpose include financial records that show the organization's savings from all sources for each year and records, such as bills of receipts, showing the amount of each member's business annually with the organization.

Section 3. Upon dissolution, ownership of this Corporation and all of its assets shall vest in Charlotte County, a political subdivision of the State of Florida, upon retirement of all outstanding indebtedness of the Corporation unless title thereto shall theretofore have been transferred to and become a vested in a special taxing district or some other agency or political subdivision of the State of Florida.

ARTICLE XIV - AMENDMENTS

Section 1. These by-laws may be repealed or amended by a vote of a majority of the members present at any regular meeting of the Corporation, or at any special meeting of the Corporation called

for that purpose, 'excent that so long as any indebtedness is held by or guaranteed by the Farmer's Home Administration, the members shall not have the power to change the purposes of the Corporation so as to decrease its rights and powers under the laws of the State, or to waive any requirement of bond or other provision for the safety and security of the property and funds of the Corporation or its members, or so to amend the By-laws as to effect a fundamental change in the policies of the Corporation without the prior approval of the Farmer's Home Administration in writing.

Section 2. These By-laws as amended November 13, 1987 were approved by the Board of Directors and approved on January 25, 1988 at the regular meeting of the membership of the Charlotte Harbor Water Association, Inc. and supersede the previous by-laws and all amendments thereto.

State of Florida



Office of Secretary of State.

J. Tom Adams, Secretary of State of the State of Florida,
do hereby certify that the above and foregoing is a true and correct copy of

CERTIFICATE OF INCORPORATION

OF

CHARLOTTE HARBOR WATER ASSOCIATION, INC.,

a corporation not for profit organized and existing under
the Laws of the State of Florida, filed on the 19th day
of November, A. D., 1964 as shown by the records of
this office.

*Given under my hand and the Great Seal of
the State of Florida at Tallahassee, the Capital,
this the* 20th *day of* November,
A. D. 19 64.



J. Tom Adams
Secretary of State

VICTOR DESGUIN
 ARLOTTE COUNTY TAX COLLECTOR

1994 REAL ESTATE

0084206-000000-6

NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS

ACCOUNT NUMBER	OW CD	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0084206-000000-6		27,977	27,977		0306

CHARLOTTE HARBOR WATER ASSOC
 2515 HIGHLANDS RD
 PUNTA GORDA, FL 33983

HBH 005 0117 0072
 HRBR HTS SEC5 BLK117 LTS 72 73 74
 75 76 77 78 79 71/47 3
 801/100

AD VALOREM TAXES

ISSUING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0195	.00
54 Southwest FL Water Management	0.6170	.00
30 Charlotte County School Board	9.1250	.00
31 School Board Debt Service	0.5552	.00
90 Charlotte County	4.5038	.00
Land Use Code: 1000 TOTAL MILLAGE	16.3818	AD VALOREM TAXES .00

NON-AD VALOREM ASSESSMENTS

ISSUING AUTHORITY	RATE	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint.	Rate Varies	70.20
4H Harbour Hts. Street & Drainage Maint.	\$.50/FF	107.50
4H Harbour Hts. Street & Drainage Capital	\$.02/FF	176.30

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PRE-PAYMENT INFORMATION (813)743-1350 NON-AD VALOREM ASSESSMENTS 354.00

see reverse side for important information **COMBINED TAXES AND ASSESSMENTS 354.00**

Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 364.62
339.84	343.38	346.92	350.46	354.00	05/13-05/26 372.62

IF PAID BY

VICTOR DESGUIN
 CHARLOTTE COUNTY TAX COLLECTOR

1994 REAL ESTATE

0084193-000000-1

NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS

ACCOUNT NUMBER	AD VALOREM TAXES	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0084193-000000-1	93.455	93.455		6306

CHARLOTTE HARBOR WATER ASSOC
 2515 HIGHLANDS RD
 PUNTA GORDA, FL 33983

HBH 005 0117 0001
 HRBR HTS SEC 5 BLK 117 LTS 1 2
 & THAT PORTION OF VAC STR
 DESC IN 354/396 555/488 569/219

AD VALOREM TAXES

ISSUING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0195	.00
54 Southwest FL Water Management	0.6170	.00
80 Charlotte County School Board	9.1250	.00
81 School Board Debt Service	0.5552	.00
90 Charlotte County	4.5038	.00

Land Use Code: 9100	TOTAL MILLAGE	16.3818	AD VALOREM TAXES	.00
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NON-AD VALOREM ASSESSMENTS

ISSUING AUTHORITY	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint. Rate Varies	217.92
HH Harbour Hts. Street & Drainage Maint. \$.50/TF	57.00
HH Harbour Hts. Street & Drainage Capital \$.82/TF	93.48

PRE-PAYMENT INFORMATION (813)743-1350	NON-AD VALOREM ASSESSMENTS	368.40
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See reverse side for important information	COMBINED TAXES AND ASSESSMENTS	368.40
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Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 379.45
353.66	357.35	361.03	364.72	368.40	05/13-05/26 387.45

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ACCOUNT NUMBER	OW CD	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0084744-000000-5		299,927	299,927		0306

CHARLOTTE HARBOR WATER ASSOC
2515 HIGHLANDS RD
PUNTA GORDA, FL 33983

HBH 009 0000 0008
HRBR HTS SEC9 TRACT B UTILITY
PLANTS SITE PART 1 & 1/2
DEMASTER PKWY ADJ THERETO 397/556
412/443 720/1152 E928/1468 940/790

AD VALOREM TAXES

TAXING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0195	.00
54 Southwest FL Water Management	0.6170	.00
80 Charlotte County School Board	9.1250	.00
81 School Board Debt Service	0.5552	.00
90 Charlotte County	4.5038	.00

Land Use Code: 9100 TOTAL MILLAGE 16.3818 AD VALOREM TAXES .00

NON-AD VALOREM ASSESSMENTS

TAXING AUTHORITY	RATE	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint.	Rate Varies	54.96
HH Harbour Hts. Street & Drainage Maint.	\$.50/FF	640.00
HH Harbour Hts. Street & Drainage Capital	\$.82/FF	1,049.60

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PRE-PAYMENT INFORMATION (813)743-1350 NON-AD VALOREM ASSESSMENTS 1,744.56

See reverse side for important information COMBINED TAXES AND ASSESSMENTS 1,744.56

Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 1,796.90
1,674.78	1,692.22	1,709.67	1,727.11	1,744.56	05/13-05/26 1,804.90

IF
PAID
BY

CHARLOTTE COUNTY TAX COLLECTOR

NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS

ACCOUNT NUMBER	ROW CD	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0085007-002300-7		1.500	1.500		0107

CHARLOTTE HARBOR WATER ASSOC
 2515 HIGHLANDS RD
 PUNTA GORDA, FL 33983

HBH 010 0262 0023
 HRBR HTS SEC10 PT1 BLK262 LTS 23-
 24-25 604/188 659/528 CO

AD VALOREM TAXES

ISSUING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0105	.00
54 Southwest FL Water Management	0.6170	.00
80 Charlotte County School Board	9.1250	.00
81 School Board Debt Service	0.5552	.00
90 Charlotte County	4.5038	.00

Land Use Code: 0000 TOTAL MILLAGE 16.3818 AD VALOREM TAXES .00

NON-AD VALOREM ASSESSMENTS

ISSUING AUTHORITY	DATE	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint.	Rate Varies	39.00

PRE-PAYMENT INFORMATION (813)743-1350 NON-AD VALOREM ASSESSMENTS 39.00

See reverse side for important information COMBINED TAXES AND ASSESSMENTS 39.00

Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 40.17	05/13-05/26 48.17
37.44	37.83	38.22	38.61	39.00		

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NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS

ACCOUNT NUMBER	OW CD	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0077350-000100-3		3.486	3.486		6303

CHARLOTTE HARBOR WATER ASSOC
 2515 HIGHLANDS ROAD
 PUNTA GORDA, FL 33983

CHR 000 000G 0000
 CHARLOTTE HARBOR A 74X65 FT PARCEL
 IN NE COR BLK G & 1/2 VAC
 (PINE) ST ADJ THERETO 350/495

AD VALOREM TAXES

ISSUING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0195	.00
54 Southwest FL Water Management	0.6170	.00
80 Charlotte County School Board	9.1250	.00
81 School Board Debt Service	0.5552	.00
90 Charlotte County	4.5038	.00

Land Use Code: 100P TOTAL MILLAGE 18.3818 AD VALOREM TAXES .00

NON-AD VALOREM ASSESSMENTS

ISSUING AUTHORITY	RATE	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint.	Rate Varies	26.00

PRE-PAYMENT INFORMATION (813)743-1350 NON-AD VALOREM ASSESSMENTS 26.00

See reverse side for important information COMBINED TAXES AND ASSESSMENTS 26.00

Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 26.78
24.96	25.22	25.48	25.74	26.00	05/13-05/26 34.78

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VICTOR DESGUIN
 CHARLOTTE COUNTY TAX COLLECTOR

1994 REAL ESTATE

0084971-000200-7

NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS

ACCOUNT NUMBER	ROW CD	ASSESSED VALUE	EXEMPTIONS	TAXABLE VALUE	MILLAGE CODE
0084971-000200-7		6.165	6.165		0140

CHARLOTTE HARBOR WATER ASSOC
 2515 HIGHLANDS RD
 PUNTA GORDA, FL 33983

HBH 010 0260 0011
 HRBR HTS SEC10 PART1 BLK260
 LTS11 12 13 22 23 348/983
 524/509 532/720-1 555/486

AD VALOREM TAXES

ISSUING AUTHORITY	MILLAGE RATE (DOLLARS PER \$1,000 OF TAXABLE VALUE)	TAXES LEVIED
01 Greater Charlotte Lighting	0.3901	.00
08 Charlotte Public Safety Unit	1.1712	.00
50 West Coast Inland Navigation	0.0195	.00
54 Southwest FL Water Management	0.6170	.00
90 Charlotte County School Board	9.1250	.00
91 School Board Debt Service	0.5552	.00
99 Charlotte County	4.5038	.00

Land Use Code: 9100 TOTAL MILLAGE 16.3818 AD VALOREM TAXES .00

NON-AD VALOREM ASSESSMENTS

ISSUING AUTHORITY	AMOUNT
FD01 Charlotte Co. Fire Rescue Dept Maint. Rate Varies	65.00
H Harbour Hts. Street & Drainage Maint. \$.50/FF	60.00
H Harbour Hts. Street & Drainage Capital \$.82/FF	98.40

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PRE-PAYMENT INFORMATION (813)7743-1350 NON-AD VALOREM ASSESSMENTS 223.40

See reverse side for important information COMBINED TAXES AND ASSESSMENTS 223.40

Nov. 30 4% DISC	Dec. 31 3% DISC	Jan. 31 2% DISC	Feb. 28 1% DISC	Mar. 31 GROSS	04/01-05/12 230.10	05/13-05/26 238.10
214.46	216.70	218.93	221.17	223.40		

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