K28278

FILING COVER SHEET

98 MAY -4 PM 4:20
SECRETARY OF STATE
TALLAHASSEE, FLORIDA
FILED

REFERENCE: 0242.2365

DATE: 5-4-98

CONTACT: CINDY HICKS

FROM: CORPORATE & CRIMINAL RESEARCH SERVICES
103 N. MERIDIAN STREET
TALLAHASSEE, FL 32301

TELEPHONE: 222-1173

SUBJECT: Sands Harbor, Inc.

98 MAY -4 PM 12:54
DIVISION OF CORPORATION
RECEIVED

STATE FEES PREPAID WITH CHECK # 2420 FOR $ 87.50

300002509323--5
-05/04/98--01039--015
*****87.50 *****87.50

PLEASE FILE:

( ) **ARTICLES OF INC.** (X) **AMENDMENT** ( ) **DISSOLUTION**

( ) **ANNUAL REPORT** ( ) **MERGER** ( ) **WITHDRAWAL**

( ) **QUALIFICATION** ( ) **LIMITED PARTNERSHIP** ( ) **ANNUAL REPORT**

( ) **FICTITIOUS NAME** ( ) **LIMITED LIABILITY** ( ) **REINSTATEMENT**

( ) **TRADEMARK/SERVICE** ( ) **UCC-1** ( ) **UCC-3**

300002509323--5
-05/04/98--01039--016
******8.75 ******8.75

PROVIDE US WITH:

(X) **CERTIFIED COPY** TO DATE (X) **CERTIFICATE OF STATUS** ( ) **STAMPED COPY**

5/6 Joy
Amend
C.U.S.

Examiner's Initials

FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

Please give original submission date 5-4-98 as the file date. Thanks

May 5, 1998

CORPORATE & CRIMINAL RESEARCH SERVICES

TALLAHASSEE, FL

SUBJECT: SANDS HARBOR, INC.
Ref. Number: K28278

We have received your document for SANDS HARBOR, INC. and your check(s) totaling $96.25. However, the enclosed document has not been filed and is being returned for the following correction(s):

If shareholder approval was not required, a statement to that effect must be contained in the document.

If an amendment was approved by the shareholders, the date of adoption of the amendment and one of the following statements must be contained in the document:

(1) A statement that the number of votes cast for the amendment by the shareholders was sufficient for approval.

(2) If more than one voting group was entitled to vote on the amendment, a statement designating each voting group entitled to vote separately on the amendment and a statement that the number of votes cast for the amendment by the shareholders in each voting group was sufficient for approval by that voting group.

98 MAY -5 PM 2:49
DIVISION OF CORPORATIONS
RECEIVED

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6957.

Joy Moon-French
Corporate Specialist

Letter Number: 398A00024543

ARTICLES OF AMENDMENT

OF

SANDS HARBOR, INC.,

FILED

98 MAY -4 PM 4:20

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

1. The Articles of Incorporation of **SANDS HARBOR, INC., a Florida corporation,** are hereby amended by striking all of the present **ARTICLE III** and substituting the following **ARTICLE III**, which shall read as follows:

"ARTICLE III

The purpose of the Corporation is to engage solely in the following activities:

(a) to own and operate the real property described in Exhibit A annexed hereto (the "Property"); and

(b) to engage in any activity and exercise any powers permitted to corporations under the laws of the State of Florida that are incident to the foregoing and necessary, desirable or convenient to accomplish the foregoing."

2. The Articles of Incorporation of **SANDS HARBOR, INC., a Florida corporation,** are hereby further amended by adding new **ARTICLES X, XI AND XII,** which shall read as follows:

"ARTICLE X

The Corporation will conduct its affairs in accordance with the following provisions:

(a) the Corporation will establish an office through which its business will be conducted, which office will be separate and apart form that of any person or entity owning beneficially more than fifty percent (50%) of the outstanding shares of common stock of the Corporation ("Beneficial Owner") and will be separate and apart from that of any of such owner's subsidiaries or affiliates other than the Corporation;

(b) the Corporation will maintain separate corporate records and books of account from those of any Beneficial Owner;

(c) the Corporation's Board of Directors will hold regular meetings, not less frequently than once every calendar quarter, to review the actions of the officers of the Corporation and to authorize and approve (i) all transactions outside the ordinary course of the Corporation's business that are incidental, necessary, suitable or convenient for the accomplishment of the purposes set froth in ARTICLE III, and (ii) such other transactions, agreements and actions of the Corporation as the Board of Directors deems appropriate in connection with its review and supervision of the Corporation's actions;

(e) the Corporation shall not engage in any business other than those necessary for the ownership, management or operations of the Property and any business transactions with any Beneficial Owner or affiliate of the Corporation or any affiliate of any Beneficial Owner of the Corporation shall be entered into upon the terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties other than an affiliate of the Corporation or a Beneficial Owner or an affiliate of an Beneficial Owner or the Corporation;

(f) for so long as the loan from GMAC COMMERCIAL MORTGAGE CORPORATION, its successors and assigns, to the Corporation in the approximate amount of $4,000,000.00 (such loan, as modified, amended, or extended, the "Loan") shall remain in existence and unpaid, the Corporation shall not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than the Loan;

(g) the Corporation shall not make any loans or advances to any third party (including any affiliate of the Corporation or any Beneficial Owner or principal or an affiliate of any Beneficial Owner or principal of the Corporation);

(h) the Corporation shall be solvent and pay its liabilities from its assets as the same shall become due;

(i) the Corporation shall conduct and operate its business as presently conducted and operated;

(j) the Corporation shall maintain books and records and bank accounts separate from those of its affiliate, including its Beneficial Owners;

(k) the Corporation shall be, and at all time shall hold itself out to the public as, a legal entity separate and distinct from any other entity (including any affiliate thereof, including any Beneficial Owner or any affiliate of any Beneficial Owner of the Corporation);

(l) the Corporation shall file its own tax returns;

(m) the Corporation shall maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(n) for so long as the Loan remains outstanding, the Corporation shall not seek or consent to the dissolution or winding up, in whole or in part, of the Corporation; and

(o) the Corporation shall not commingle the funds and other assets of the Corporation with those of any Beneficial Owner of the Corporation, any affiliate of a Beneficial Owner of the Corporation or any other person.

ARTICLE XI

Notwithstanding any other provision of the Certificate of Incorporation, Bylaws or any provision of law that otherwise so empowers the Corporation as long as the Loan remains outstanding, the Corporation shall not:

(a) (i)engage in any business or activity other than as authorized by ARTICLE III hereof, (ii) dissolve or liquidate, in whole or in part or (iii) consolidate with or merge into any other entity or convey, transfer or lease its properties and assets substantially as an entirety to any entity, or permit any entity to merge into it or convey, transfer or lease its properties and assets substantially as an entirety to it; or

(b) amend, alter, change or repeal any of the following articles of this Amendment of Articles of Incorporation: ARTICLE III, ARTICLE X, ARTICLE XI or ARTICLE XII.

ARTICLE XII

The Corporation reserves the right to amend, alter, or repeal any other provision contained in this Amendment of Articles of Incorporation in the manner now or hereafter prescribed by statutes, and all rights of stockholders herein are subject to this reservation; provided, however, that ARTICLE III, ARTICLE X, ARTICLE XI and this ARTICLE XII may be amended only in accordance with ARTICLE XI of this Amendment of Articles of Incorporation."

3. The foregoing amendments were adopted by the Corporation directors and officers at a meeting at the office of the Corporation on April 20, 1998. The date of adoption was approved by the shareholders on April 20, 1998, and the number of votes cast was sufficient for approval.

IN WITNESS WHEREOF, the undersigned directors and officers of this corporation, have executed these Articles of Amendment this 1 day of May, A.D., 1998.

SANDS HARBOR, INC.,
a Florida corporation

By: Charles J. Seitz
CHARLES J. SEITZ
President/Director

By: Mary Martin
MARY MARTIN,
Assistant Secretary

STATE OF FLORIDA
§
COUNTY OF BROWARD

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared **CHARLES J. SEITZ** and **MARY MARTIN,** well known to me to be President/Director and Assistant Secretary, respectively, of **SANDS HARBOR, INC., a Florida corporation,** and that they severally acknowledged executing these Articles of Amendment freely and voluntarily under authority duly vested in them by said corporation.

WITNESS my hand and official seal in the State and County last aforesaid, this 1 day of May, A.D., 1998.

Holly Measel
NOTARY PUBLIC
PRINT NAME: Holly Measel
COMMISSION NO.: CC388699
COMMISSION EXPIRES: 6/29/98

OFFICIAL NOTARY SEAL
HOLLY MEASEL
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC388699
MY COMMISSION EXP. JUNE 29,1998

Exhibit "A"

That portion of the West one-half (W 1/2) of the Southwest one-quarter (SW 1/4) of the Southeast one-quarter (SE 1/4) of Section 31, Township 48 South, Range 43 East, Broward County, Florida, lying East of the East right-of-way line of the Intracoastal Waterway, West of the West right-of-way line of Riverside Drive, North of a line, said line being 180 feet North of (measured at right angle) the South boundary of said Section 31, and South of a line, said line being 338.40 feet South of (measured at right angle) and parallel to the North boundary of said West one-half (W 1/2) of the Southwest one-quarter (SW 1/4) of the Southeast one-quarter (SE 1/4).

A/K/A

Parcel "A", of SANDS YACHTEL, according to the Plat thereof, recorded in Plat Book 126, Page 36, of the Public Records of Broward County, Florida.