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**COVER LETTER**

**TO:** Registration Section  
Division of Corporations

**SUBJECT:** 1040 Biscayne Commercial LLC  
(Name of Limited Liability Company)

The enclosed Articles of Organization and fee(s) are submitted for filing.

Please return all correspondence concerning this matter to the following:

Randall Pierce  
(Name of Person)

1040 Biscayne Commercial LLC  
(Firm/Company)

2800 Biscayne Boulevard, Suite 300  
(Address)

Miami, FL 33137  
(City/State and Zip Code)

For further information concerning this matter, please call:

\_\_\_\_\_ at 305 ) 573-7655  
(Name of Person) (Area Code & Daytime Telephone Number)

Enclosed is a check for the following amount:

- \$125.00 Filing Fee
- \$130.00 Filing Fee & Certificate of Status
- \$155.00 Filing Fee & Certified Copy (additional copy is enclosed)
- \$160.00 Filing Fee, Certificate of Status & Certified Copy (additional copy is enclosed)

**Mailing Address**  
Registration Section  
Division of Corporations  
P.O. Box 6327  
Tallahassee, FL 32314

**Street/Courier Address**  
Registration Section  
Division of Corporations  
Clifton Building  
2661 Executive Center Circle  
Tallahassee, FL 32301

**ARTICLES OF ORGANIZATION  
OF  
1040 BISCAYNE COMMERCIAL, LLC**

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
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Pursuant to the provisions of Sections 608.407 and 608.408 of the Florida Limited Liability Company Act, the undersigned hereby adopts the following Articles of Organization:

**ARTICLE I**

The name of this limited liability company is 1040 BISCAYNE COMMERCIAL LLC. ("Company").

**ARTICLE II**

The Company shall exist for a period of thirty (30) years from the date of filing these Articles of Organization with the Florida Department of State, unless sooner dissolved by the Member(s) or as provided by statute.

**ARTICLE III**

The principal place of business and the mailing address of the Company is 2800 Biscayne Boulevard, Suite 300, Miami, FL 33137, or such other place or places as the Members from time to time may determine.

**ARTICLE IV**

The Company will be managed by a Manager. The name and address of the initial Manager is Gregory S. Covin, 2800 Biscayne Boulevard, Suite 300, Miami, FL 33137.

**ARTICLE V**

These Articles may be amended only with the consent of the sole Member, or by a unanimous vote of the Members if there be more than one.

**ARTICLE VI**

The street address of the Company's registered office is 2800 Biscayne Boulevard, Suite 300, Miami, FL 33137. The name of the initial registered agent is Gregory S. Covin.

**ARTICLE VII**

The purpose for which the Company is organized is limited solely to the development, construction, sale and leasing of a commercial condominium, within the development known as Ten Museum Park, and transacting any and all lawful business for which a limited liability company may be organized under the Florida Limited Liability Company Act that is incident, necessary or appropriate to accomplish the foregoing.

The Company's ability to enter into transactions with affiliates is limited only to transactions on an arm's length basis and on commercially reasonable terms.

No transfer of any direct or indirect ownership interest in the Company may be made unless such transfer is consented to by Lender if such consent is required by the documents evidencing or securing the Loan.

The Company covenants and is required:

To maintain books and records separate from any other person or entity;

To maintain its bank accounts separate from any other person or entity;

Not to commingle its assets with those of any other person or entity and to hold all of its assets in its own name;

To conduct its own business in its own name;

To maintain separate financial statements, showing its assets and liabilities separate and apart from those of any other person or entity;

To pay its own liabilities and expenses only out of its own funds;

To observe all limited liability company and other organizational formalities;

To maintain an arm's length relationship with its affiliates and to enter into transactions with affiliates only on a commercially reasonable basis;

To pay the salaries of its own employees from its own funds;

To maintain a sufficient number of employees in light of its contemplated business operations;

Not to guarantee or become obligated for the debts of any other entity or person;

Not to hold out its credit as being available to satisfy the obligations of any other person or entity;

Not to acquire the obligations or securities of its affiliates or owners, including partners, members or shareholders, as appropriate;

Not to make loans to any other person or entity or to buy or hold evidence of indebtedness issued by any other person or entity;

To allocate fairly and reasonably any overhead expenses that are shared with an affiliate, including paying for office space and services performed by any employee of an affiliate;

To use separate stationary, invoices, and checks bearing its own name;

Not to pledge its assets for the benefit of any other person or entity, except with respect to an existing subordinate mortgage in favor of Beauty and Health Institute, Beautymed, Inc., a Swiss corporation in an amount not exceeding \$16,000,000.00;

To hold itself out as a separate identity;

To correct any known misunderstanding regarding its separate identity;

Not to identify itself as a division of any other person or entity; and

To maintain adequate capital for its contemplated business operations.

Notwithstanding anything contained in these Articles of Organization or any other organizational document to the contrary, any obligation which the Company may owe to any of its officers, directors, partners, members, shareholders or affiliates, whether characterized as a salary, fee or indemnification, shall not constitute a claim against the Company until, and shall be subject to and fully subordinate to, the prior payment in full of the Loan. This Section shall not serve to prohibit the Company from compensating Gregory S. Covin or Kevin Venger for services rendered in accordance with the budget approved by the Lender in connection with the Loan.

The Company is prohibited from amending the provisions specified in this Article VII without approval of such amendment by the Lender so long as the Loan is outstanding. Any inconsistencies between this Article VII and the balance of these Articles of Organization shall be resolved in favor of this Article VII.

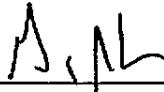
IN WITNESS WHEREOF, the undersigned has executed these Articles of Organization this 1<sup>st</sup> day of April, 2006.



\_\_\_\_\_  
Gregory S. Covin, Manager

ACCEPTANCE OF APPOINTMENT  
AS  
REGISTERED AGENT

Having been named as registered agent for 1040 Biscayne Commercial, LLC at the place designated in these Articles of Organization, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.



\_\_\_\_\_  
Greggory S. Covin

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