

N9200000099



ACCOUNT NO. : 072100000032
REFERENCE : 654966 84107A
AUTHORIZATION :
COST LIMIT : \$ 105.00

FILED STATE
SECRETARY OF CORPORATION
DIVISION OF CORPORATION
98 JAN -2 PM 3:33
EFFECTIVE DATE
SECRETARY OF STATE
TALLAHASSEE FLORIDA

ORDER DATE : December 31, 1997
ORDER TIME : 1:17 PM
ORDER NO. : 654966-005
CUSTOMER NO: 84107A

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-12/31/97-01070-015
****105.00 ****105.00

CUSTOMER: Cheryl R. Kraus, Esq
Cheryl R. Kraus, Esq
Suite 201
1100 Fifth Avenue, South
Naples, FL 34102

ARTICLES OF MERGER

WATERFORD IV, INC.
WATERFORD V, INC.

INTO

WATERFORD-WORTHINGTON WAY,
INC.

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

____ CERTIFIED COPY
XX PLAIN STAMPED COPY

CONTACT PERSON: Jon A. Bowling

EXAMINER'S INITIALS: _____

*Had to file in 1/2 in
order to have effective date
was authorization from Jon 1/2*

Morgan & N/C

VS JAN 2 1998

SECRETARY OF CORPORATION
97 OCT 31 11 21 AM
TALLAHASSEE FLORIDA

N92000000099

ARTICLES OF MERGER
Merger Sheet

MERGING: -----

WATERFORD V, INC., a Florida corporation, N93000002219

WATERFORD COMMONS ASSOCIATION II, INC., a Florida corporation,
N92000000092

INTO

**WATERFORD IV, INC. which changed its name to WATERFORD-
WORTHINGTON WAY, INC., a Florida corporation, N92000000099.**

File date: January 2, 1998 , effective April 1, 1998

Corporate Specialist: Velma Shepard

ARTICLES OF MERGER

WATERFORD IV, INC.
WATERFORD V, INC.
WATERFORD COMMONS ASSOCIATION II, INC.

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 JAN -2 PM 3:33
EFFECTIVE DATE
4/1/98

Pursuant to Section 617.1105, Florida Statutes, the undersigned corporations affirm and adopt the following:

1. The Plan of Merger of WATERFORD IV, INC., WATERFORD V, INC., and WATERFORD COMMONS ASSOCIATION II, INC. all Florida corporations not-for-profit, has been duly approved, as follows:
 - (a) By the Board of Directors of WATERFORD IV, INC., at a meeting held on September 29, 1997, and by the membership of that Association at a membership meeting held on November 3, 1997.
 - (b) By the Board of Directors of WATERFORD V, INC., at a meeting held on September 26, 1997, and by the membership of that Association at a membership meeting held on November 3, 1997.
 - (c) By the Board of Directors of WATERFORD COMMONS ASSOCIATION II, INC. at a meeting held on September 30, 1997, and by the Board on behalf of the membership at a meeting held on November 3, 1997.
2. The surviving corporation shall be the corporation formerly known as WATERFORD IV, INC. the name of which is now changed to WATERFORD-WORTHINGTON WAY, INC.
3. The Plan of Merger was adopted by at least two-thirds of the votes of which members present at such meeting or represented by proxy were entitled to cast at the membership meeting of the surviving corporations the dates referenced above.
4. The Plan of Merger is attached herewith to these Articles of Merger as Exhibit "1."
5. The Articles of Incorporation of the surviving corporation, are and shall be the Articles of Incorporation of the surviving corporation, except to the extent amended in the Plan of Merger.
6. The effective date of the merger shall be April 1, 1998.

Dated this 3 day of November, 1997.

By the Board of Directors of WATERFORD IV, INC.

By: X. H. Karstedt
K.H. KARSTEDT, President

Attest: Robert F. Henthorn
Robert F. Henthorn, Secretary

By the Board of Directors of WATERFORD V, INC.

By: Ulrich C. Bauser
Ulrich C. BAUSER, President

Attest: Donald L. Comstock
DONALD L. COMSTOCK, Secretary

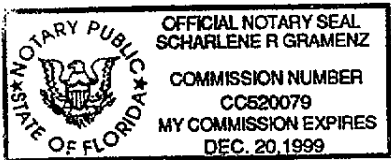
By the Board of Directors of WATERFORD COMMONS ASSOCIATION II, INC.

By: Walter G. Mendrick
WALTER G. MENDRICK, President

Attest: Charles M. Hill
CHARLES M. HILL, Secretary

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this 3 day of November, 1997, by Kenneth Karstedt, President, and Robert Benthorn, Secretary, of WATERFORD IV, INC., a Florida corporation not for profit, on behalf of the Association. They (choose one) () are personally known to me or () have provided _____ for identification and did not take an oath.

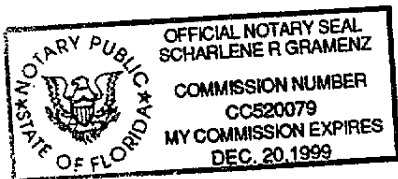


Scharlene R. Gramenz
Signature of Notary Public

SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12.20.99

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this 3 day of November, 1997, by Ulrich Bauser, President, and Donald Comstock, Secretary, of WATERFORD V, INC., a Florida corporation not for profit, on behalf of the Association. They (choose one) () are personally known to me or () have provided _____ for identification and did not take an oath.

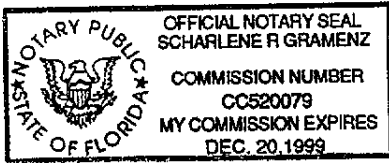


Scharlene R. Gramenz
Signature of Notary Public

SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12.20.99

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this ___ day of November, 1997, by Walter Mendrick, President, and Charles Hill, Secretary, of WATERFORD COMMONS ASSOCIATION II, INC., a Florida corporation not for profit, on behalf of the Association. They (choose one) () are personally known to me or () have provided _____ for identification and did not take an oath.



Scharlene R. Gramenz
Signature of Notary Public

SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12-20-99

PLAN OF MERGER

**WATERFORD IV, INC.
WATERFORD V, INC.
WATERFORD COMMONS ASSOCIATION II, INC.**

WHEREAS, WATERFORD IV, INC. is the corporate entity responsible for the operation and management of that certain condominium known as WATERFORD IV, a Condominium, as more particularly described in the Declaration of Condominium therefor located in O.R. Book 2354, at Page 2640, of the Official Records of Lee County, Florida; and

WHEREAS, WATERFORD V, INC. is the corporate entity responsible for the operation and management of that certain condominium known as WATERFORD V, a Condominium, as more particularly described in the Declaration of Condominium therefor located in O.R. Book 2388, at Page 0155, of the Official Records of Lee County, Florida; and

WHEREAS, WATERFORD COMMONS ASSOCIATION II, INC. is the corporate entity responsible for the operation and management of that certain property known as WATERFORD II COMMONS as more particularly described in the Declaration of Covenants, Conditions and Restrictions therefor located in O.R. Book 2354, at Page 2582, of the Official Records of Lee County, Florida; and

WHEREAS, the Boards of Directors of the various corporations have met and determined that there is no purpose served by the existence of three separate corporations and that simplicity of operation of the various condominiums and commonly utilized recreational and common facilities may be enhanced by the merger of the aforementioned corporations;

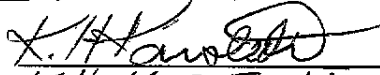
THEREFORE BE IT RESOLVED that pursuant to Section 617.1103, Florida Statutes, the following plan of merger is hereby adopted.


1. WATERFORD IV, INC., WATERFORD V, INC. and WATERFORD COMMONS ASSOCIATION II, INC. shall merge into WATERFORD IV, INC., the name of which shall be changed to WATERFORD-WORTHINGTON WAY, INC. upon the effective date of the merger, which shall be the surviving corporation, without prejudice of the right of surviving corporation to later effect a change of corporate name in the manner provided by law.
2. Subsequent to the merger, WATERFORD-WORTHINGTON WAY, INC., f/k/a WATERFORD IV, INC. shall continue to be subject to its Articles of Incorporation and By-Laws as they may be amended from time to time, and as they shall be amended as contemplated in this plan of merger.
3. WATERFORD-WORTHINGTON WAY, INC., f/k/a WATERFORD IV, INC., shall upon the merger, assume all powers, rights, duties, assets, and liabilities of WATERFORD V, INC., and WATERFORD COMMONS ASSOCIATION II, INC.

4. This plan of merger shall require each merging corporation to adopt amendments to their Declaration of Condominium, and for the surviving corporation to adopt amendments to its Declaration of Condominium, Articles of Incorporation, and By-Laws, all of which are attached to this plan of merger as Exhibits "A", "B", and "C."
5. Should any of the merging corporations fail to obtain the requisite approval of its Board of Directors and/or membership, then this Plan of Merger and the exhibits hereto shall be ineffective and the merger shall not proceed.
6. The adoption of this plan of merger shall not be construed as a consolidation of the various condominiums or properties operated by the merging corporations.
7. This plan of merger shall become effective on April 1, 1998 with the approval of the Board of Directors and membership of each merging corporation, pursuant to §617.1103, Florida Statutes, and filing of Articles of Merger with the Department of State pursuant to §617.1105, Florida Statutes.


APPROVED:

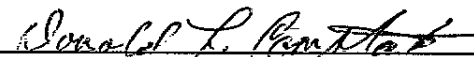
By Order of the Board of Directors of WATERFORD IV, INC.
dated this 3 day of November, 1997

By: 
K.H. KARSTEDT, President

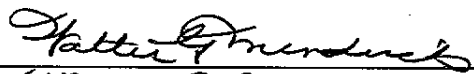
Attest: 
ROBERT F. HENTHORN, Secretary

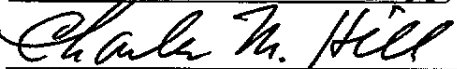
By Order of the Board of Directors of WATERFORD V, INC.
dated this _____ day of November, 1997

By: 
ULRICH C. BAUM, President

Attest: 
DONALD L. GAFSTAK, Secretary

By Order of the Board of Directors of WATERFORD
COMMONS ASSOCIATION II, INC. dated this _____ day of
November, 1997

By: 
WALTER G. MENDECK, President

Attest: 
CHARLES M. HILL, Secretary

APPROVED:

By Order of the Membership of WATERFORD IV, INC. dated
this 3 day of November, 1997

By: K. H. Karstent
K. H. KARSTENT, President

Attest: Robert F. Hawthorn
Robert F. Hawthorn, Secretary

By Order of the Membership of WATERFORD V, INC. dated
this 3 day of November, 1997

By: Ulrich C. Bauer
Ulrich C. BAUER, President

Attest: Donald L. Constock
DONALD L. CONSTOCK, Secretary

By Order of the Membership of WATERFORD COMMONS
ASSOCIATION II, INC. dated this 3 day of November, 1997

By: Walter G. Mendrick
WALTER G. MENDRICK, President

Attest: Charles M. Hill
CHARLES M. HILL, Secretary

(The space above this line is reserved for recording information.)

CERTIFICATE OF AMENDMENT
WATERFORD IV, A CONDOMINIUM

WE HEREBY CERTIFY that the following amendments to the Declaration of Condominium of Waterford IV, a Condominium, amendments to the By-Laws of Waterford IV, Inc., and amendments to the Articles of Incorporation of Waterford IV, Inc. which Declaration is recorded at O.R. Book 2354, Page 2640, of the Public Records of Lee County, Florida, were duly proposed by the Board of Directors and adopted by the Association membership at the duly noticed special member's meeting of the Association on the 3rd the day of November, 1997. Said amendments were passed by the concurrence of at least two-thirds (2/3) of the unit owners present in person or by proxy and voting at the meeting.

AMENDMENTS TO
DECLARATION OF CONDOMINIUM

Note: New language is underlined; language being deleted is shown in ~~struck through~~ type.

4. DEFINITIONS: The terms used in this Declaration and its exhibits shall have the meanings stated below and in Chapter 718, Florida Statutes, unless the context otherwise requires.

* * *

4.5 "Association" means WATERFORD IV, INC., a Florida corporation not for profit, the entity responsible for the operation of this Condominium. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, Association means the surviving corporation.

* * *

4.9 "Commons Association" means WATERFORD COMMONS ASSOCIATION II, INC., a Florida Corporation not for profit responsible for the ownership, maintenance and operation of certain property, parking areas and recreation facilities within the Waterford II Commons Complex. The Association shall be a member of the Commons Association. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties, assets and liabilities of the Commons Association shall be vested in the surviving corporation.

4.10 "Commons Documents" means the Articles of Incorporation, By-Laws and Rules and Regulations of the Commons Association attached hereto as Exhibits "E" through "E-4" and the Declaration of Covenants, Conditions and Restrictions for Waterford II Commons, including all exhibits thereto, attached hereto as Exhibit "E-4", as the same shall be amended from time to time In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties, assets and liabilities of the Commons Association shall be vested in the surviving corporation and only the Declaration shall remain operative subsequent to the merger.

* * *

9. ASSOCIATION: The operation of the Condominium is by Waterford IV, Inc., a Florida corporation not for profit, or in the event of a corporate merger then the surviving corporation, which shall perform its function pursuant to the following:

* * *

9.12 Membership in Commons Association. The Association shall be a member of Waterford Commons Association II, Inc., and cannot withdraw its membership in the Commons Association unless one hundred percent (100%) consent is received from the other member associations. The unit owners in this condominium shall have a non-exclusive right to use the common area and the facilities located on the common areas owned by the Commons Association; all use rights on property owned by the Commons Association are subject to its rules and regulations. The share of the expenses of the Commons Association for which this Association is liable shall be a fraction of the whole, numerator of which is thirty-six (36) and the denominator of which is the total number of dwelling units located in the Waterford II Commons Complex. ~~Proviso: until the Developer has turned over control of the Commons Association to the members as provided for in the By-laws of the Commons Association, the denominator shall be the number "92." The Commons Association shall be responsible for the maintenance and repair of Commons Association property.~~ In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties and liabilities of the Commons Association shall be vested in the surviving corporation. In the event a merger of all condominium associations within the Waterford II Commons Complex and the Commons Association, each unit owner shall be liable for a pro-rata 1/92 share of the expenses of operating the "commons" property, which shall be deemed a common expense hereunder.

* * *

11. MAINTENANCE; LIMITATION UPON ALTERATION AND IMPROVEMENT: Responsibility for the maintenance, repair and replacement of the condominium property and restrictions on its alteration and improvements shall be as follows:

* * *

11.5 Alterations and Additions to Common Elements and Association Property. The protection, maintenance, repair, insurance and replacement of the common elements and association property is the responsibility of the Association and the cost is a common expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to, the common elements which result in a material expense or material change in the common elements and Association property without the prior approval of at least a majority of the voting interests. However, if work reasonably necessary to protect, insure, maintain, repair or replace the common elements or Association property also constitutes a material alteration or substantial addition to the common elements or Association property, no prior unit owner approval is required. In the event of a merger, no material alteration or substantial addition to the common elements or Association property shall occur unless such material alteration or substantial addition has been approved by a majority of the voting interests of each condominium operated by the surviving corporation.

* * *

15. INSURANCE. In order to adequately protect the Association, the Association property and the condominium property required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions:

* * *

15.2 Association Insurance; Duty and Authority to Obtain. The Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry by law and under the condominium documents, and may obtain and keep in force any or all additional insurance coverage as it deems necessary. The name of the insured shall be the Association and the unit owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, the Association may self-insure. In the event of a merger, to the extent permitted by law, the Association may obtain a single policy for all condominiums operated by the surviving corporation.

* * *

22. AMENDMENT OF DECLARATION. Except as otherwise provided above as to amendments made by the Developer, amendments to this Declaration shall be proposed and adopted in the following manner:

* * *

22.10 Corporate Merger. Notwithstanding Section 22.9 above regarding a property merger or any contrary interpretation, a corporate merger may be accomplished in the manner provided by law.

22.11 Condominium Voting. All amendments to this Declaration of Condominium which require approval of unit owners shall only require approval from the requisite level of unit owners in this condominium, rather than the Association as a whole.

AMENDMENTS TO BY-LAWS OF WATERFORD IV, INC.

Note: New language is underlined; language being deleted is shown in ~~struck through~~ type.

1. GENERAL. These are the By-Laws of WATERFORD IV, INC., hereinafter the "Association", a corporation not for profit organized under the laws of Florida for the purpose of operating a condominium pursuant to the Florida Condominium Act. However, in the event of a corporate merger, as of the effective date of the merger, the name of this corporation shall be changed to WATERFORD-WORTHINGTON WAY, INC.

* * *

2. MEMBERS.

2.1 Qualifications. The members of the Association shall be the owners of legal title to the units in the condominiums operated by this Association. In the case of a unit subject to an agreement for deed, the purchaser in possession shall be deemed the owner of the unit solely for purposes of determining voting and use rights. Membership shall become effective upon the occurrence of the last to occur of the following events.

* * *

2.3 Approval or Disapproval of Matters. Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by any person authorized to cast the vote of such unit at an Association meeting as stated in Section 2.2 above, unless the joinder of record owners is specifically required. The Board of Directors shall have the discretion to determine whether a particular matter requiring the consent of the unit owners only affects a particular condominium. In that case, only approval from the requisite number of unit owners in the affected condominium, rather than the Association as a whole, need be obtained.

* * *

3. MEMBERS' MEETINGS.

* * *

3.13 Voting at Meetings of Master Association ~~and Waste Association~~; Voting Representative. In accordance with Section 3.6, of the By-Laws of the Master Association ~~and the Waste Association~~, an individual unit owner or a spouse of a unit owner elected at the Annual Meeting of the Members shall serve as the Association's Voting Representative to the Master Association ~~and the Waste Association~~. Notice of who will act in that capacity shall be made in writing to the Master

Association ~~and the Waste Association~~. The Voting Representative shall attend all meetings of the members of the Master Association ~~and the Waste Association~~ and shall cast, in a block, all votes of the members of this Association on any and all questions which may arise. The votes shall be cast in the manner directed by the Board of Directors, or absent such direction, in the manner determined by the Voting Representative. The Board of Directors shall have the discretion to determine whether a particular matter requiring the consent of the unit owners only affects a particular condominium. In that case, only approval from the requisite number of unit owners in the affected condominium, rather than the Association as a whole, need be obtained.

* * *

4. BOARD OF DIRECTORS. The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration, Articles of Incorporation, and these By-Laws, shall be exercised by the Board, subject to approval or consent of the unit owners only when such is specifically required.

4.1 Number and Terms of Service. The number of Directors which shall constitute the Board of Directors which shall be five (5). A Director will serve until his successor is duly elected unless he sooner resigns or is recalled as provided in 4.5 below. Directors shall be elected by the members at each Annual Meeting, or in the case of a vacancy, as provided in 4.4 below. In the event of a merger, the number of Directors may be decreased to three (3) or increased to seven (7) as determined by the Board, so long as such determination is made prior to giving the first notice of the annual election of Directors as required by Section 4.3 below. To the extent possible, the members of the Board subsequent to a merger shall consist of an equal number of representatives from each condominium plus one additional member elected from year to year from an alternate condominium. At the first election, which shall occur within fifteen (15) days of the effective date of the merger, the owners of Waterford V condominium shall be entitled to elect the additional board member, and thereafter each condominium will alternate electing the additional Director. The owners in each condominium shall vote separately, by plurality vote, to select the representative on the Board from their condominium.

* * *

4.3 Annual Elections. On the day of each annual election the members shall elect by written ballot as many Directors as there are regular terms of Directors expiring. Not less than sixty (60) days before the annual election, the Association shall mail or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each unit owner entitled to vote, a first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate must give written notice to the association not less than forty (40) days prior to the annual election. Candidates may also be nominated by any other number of method permitted by law. If the number of candidates exceeds the number of Directors to be elected, at least fourteen (14) ~~thirty (30)~~ days before the election, the Association shall mail or deliver a second notice with a ballot which shall list all qualified candidates. Upon timely request of a candidate, the Association shall include an information sheet, no larger than 8-1/2 inches by 11 inches furnished by

the candidate, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association. Directors shall be elected by a plurality of the votes cast in the election provided that at least twenty percent (20%) of the eligible voters cast ballots. Proxies may not be used in the election. In the event of a merger, the members from each condominium operated by the Association shall be entitled to select their representatives to the Board.

4.4 Vacancies on the Board. ~~Except as otherwise provided by law for the filling of vacancies during the time when the Developer is entitled to appoint at least one Director, i~~ If the office of any Director or directors becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected as follows:

- (A) If a vacancy is caused by the death, disqualification or resignation of a Director, a majority of the remaining Directors, though less than a quorum, shall appoint a successor, who shall hold office for the remaining unexpired term.
- (B) A vacancy occurring as a result of a recall and less than a majority of the Directors are recalled and removed, the vacancy may be filled by the appointment by a majority of the remaining Directors, even if the remaining Directors constitute less than a quorum. No recalled Director shall be appointed by the Board to fill a vacancy. Alternatively, the Board may, by affirmative vote of a majority of the remaining Directors, even if the remaining Directors constitute less than a quorum, call and conduct an election in the manner prescribed by law to fill the vacancy(ies). If vacancies occurring as a result of a recall in which a majority or more of the Directors are removed, the vacancies shall be filled in accordance with procedural rules to be adopted by the Division, governing the method of selecting successors, and providing for the operation of the Association during the period of recall but prior to the designation of successor Directors sufficient to constitute a quorum.
- (C) In the event of a merger, to the extent possible vacancies shall be filled by a representative from the condominium from which the vacating Director represented in accordance with this section.

4.5 Removal of Directors. Any or all Directors, ~~except those appointed by the Developer,~~ may be removed with or without cause by a majority vote of the entire membership, either by a written petition or at any meeting called for that purpose. If a meeting is held or a petition is filed for the removal of more than one Director, the question shall be determined separately as to each Director sought to be removed. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given. Removal from the Board shall be on a condominium by condominium basis, as in the case of election.

* * *

4.6 Organizational Meeting and Designation of Commons Association Director. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors at such place and time as may be fixed by the Directors at the annual meeting at which they were elected. The Board of Directors shall designate in writing at their organizational meeting the individual or individuals as required by the Commons Association By-laws who shall serve as a director or directors of the WATERFORD COMMONS ASSOCIATION II, INC.; the individual or individuals so designated must be a unit owner or the spouse of a unit owner, ~~or may be individuals appointed by the Developer during the period of Developer control.~~ In the event of a merger between the Commons Association and the other condominium associations within the Waterford II Commons Complex, no such designation shall be required.

* * *

6. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

* * *

6.2 Budget. The Board of Directors shall, at a meeting in ~~February~~ December each year, ~~or in the event of a merger prior to the beginning of each fiscal year,~~ adopt an annual budget for common expenses for the next fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting shall be mailed ~~or delivered~~ to or served on the owner of each unit not less than fourteen (14) days prior to that meeting. The proposed budget shall be detailed and shall show amounts budgeted by accounts and expense classifications.

6.3 Reserves for Capital Expenditures and Maintenance. In addition to annual operating expenses, the proposed budget must include reserve accounts for capital expenditures and deferred maintenance as required by law. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by a formula based upon estimated life and replacement cost of each item. These reserves shall be funded unless the members subsequently determine by majority vote of those present in person or by proxy at a duly called meeting to fund no reserves or less than adequate reserves for a fiscal year. The vote to waive or reduce reserves, if any is taken, may be taken only after the proposed budget has been mailed to the unit owners as required in 6.2 above. In the event of a corporate merger, voting on the waiver of reserves will be conducted on a condominium by condominium basis. Reserves funded under this paragraph shall be used only for the purposes for which they were reserved, unless their use for other purposes is first approved by a majority of the voting interests present and voting at a members' meeting called for the purpose.

* * *

6.12 Distribution of Assets Upon Merger. In the event of a corporate merger, all assets and liabilities shall be transferred into the name of the surviving corporation, except that reserves for capital expenditures and deferred maintenance shall continue to be maintained separately for each condominium as required by law. At such time the net value of the merged condominium corporations (excluding the Commons Association) shall be determined and an equitable adjustment shall be made to ensure that each merged condominium corporation makes an equal contribution per condominium unit to the surviving corporation. Accordingly, the surviving corporation shall transfer any excess amounts of the

net value of a merged condominium corporation's contribution into a separately held reserve account or accounts attributable to the condominium that the merged condominium corporation operated prior to the merger. The Board shall have discretion to determine into which reserve account or accounts that the excess net value will be transferred.

**AMENDMENTS TO ARTICLES OF INCORPORATION
OF WATERFORD IV, INC.**

Note: New language is underlined; language being deleted is shown in struck-through type.

ARTICLE I

NAME: The name of the corporation, herein called the "Association", is WATERFORD IV, INC., except that in the event of a corporate merger, as of the effective date of the merger, the name of this corporation shall be changed to WATERFORD-WORTHINGTON WAY, INC.

The principal mailing address of the corporation is 13550 Worthington Way, Bonita Springs, Florida 34135 33923.

ARTICLE II

PURPOSE AND POWERS: The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act for the operation of WATERFORD IV, A CONDOMINIUM, located in Lee County, Florida; and such other condominiums and other property as shall be subject to the jurisdiction of this corporation by virtue of a merger with any other Florida corporation not-for-profit.

(Remainder of Article Unchanged)

* * *

ARTICLE III

MEMBERSHIP:

- A. The members of this Association shall be record owners of a fee simple interest in one or more units in the Condominium, or other condominiums operated by this Association, as further provided in the Bylaws; after termination of the Condominium the members shall consist of those who are members at the time of such termination.

Dated this ____ day of November, 1997.

Witnesses:

Ulrich C. Bauer
Signature of Witness
Ulrich C. Bauer
Print name of Witness
Donald L. Comstock
Signature of Witness
DONALD L. COMSTOCK
Print name of Witness

WATERFORD IV, INC.

By: *K. Karstedt*
KIT KARSTEDT, President

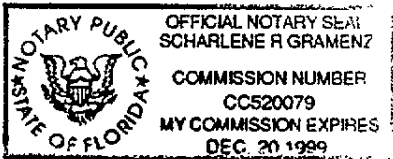
13500 Worthington Way
Bonita Springs, FL 34135

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this 3 day of November, 1997, by Kenneth Karstedt as President, of Waterford IV, INC., a Florida corporation not for profit, on behalf of the Association. She/He (choose one) (X) is personally known to me or () has provided _____ for identification and did not take an oath.

Scharlene R. Gramenz
Signature of Notary Public

SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12.20.99



(The space above this line is reserved for recording information.)

CERTIFICATE OF AMENDMENT

**DECLARATION OF CONDOMINIUM
WATERFORD V, A CONDOMINIUM**

WE HEREBY CERTIFY that the following amendments to the Declaration of Condominium of Waterford V, a Condominium, which Declaration is recorded at O.R. Book 2388, Page 0155, of the Public Records of Lee County, Florida, were duly proposed by the Board of Directors and adopted by the Association membership at the duly noticed special member's meeting of the Association on the 3rd day of November, 1997. Said amendments were passed by the concurrence of at least fifty-one percent (51%) of the unit owners present in person or by proxy and voting at the meeting.

Note: New language is underlined; language being deleted is shown in struck-through type.

4. DEFINITIONS: The terms used in this Declaration and its exhibits shall have the meanings stated below and in Chapter 718, Florida Statutes, unless the context otherwise requires.

* * *

4.5 "Association" means WATERFORD V, INC., a Florida corporation not for profit, the entity responsible for the operation of this Condominium. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, Association means the surviving corporation.

* * *

4.9 "Commons Association" means WATERFORD COMMONS ASSOCIATION II, INC., a Florida Corporation not for profit responsible for the ownership, maintenance and operation of certain property, parking areas and recreation facilities within the Waterford II Commons Complex. The Association shall be a member of the Commons Association. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties, assets and liabilities of the Commons Association shall be vested in the surviving corporation.

4.10 "Commons Documents" means the Articles of Incorporation, By-Laws and Rules and Regulations of the Commons Association and the Declaration of Covenants, Conditions and Restrictions for Waterford II Commons, including all exhibits thereto, as the same shall be amended from time to time. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties, assets and liabilities of the Commons Association shall be vested in the surviving corporation and only the Declaration shall remain operative subsequent to the merger.

* * *

9. ASSOCIATION: The operation of the Condominium is by Waterford V, Inc., a Florida corporation not for profit, or in the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex then by the surviving corporation, which shall perform its function pursuant to the following:

* * *

9.12 Membership in Commons Association. The Association shall be a member of Waterford Commons Association II, Inc., and cannot withdraw its membership in the Commons Association unless one hundred percent (100%) consent is received from the other member associations. The unit owners in this condominium shall have a non-exclusive right to use the common area and the facilities located on the common areas owned by the Commons Association; all use rights on property owned by the Commons Association are subject to its rules and regulations. The share of the expenses of the Commons Association for which this Association is liable shall be a fraction of the whole, numerator of which is fifty-six (56) and the denominator of which is the total number of dwelling units located in the Waterford II Commons Complex. ~~Proviso: until the Developer has turned over control of the Commons Association to the members as provided for in the By-laws of the Commons Association, the denominator shall be the number "92."~~ The Commons Association shall be responsible for the maintenance and repair of Commons Association property. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties and liabilities of the Commons Association shall be vested in the surviving corporation. In the event a merger of all condominium associations within the Waterford II Commons Complex and the Commons Association, each unit owner shall be liable for a pro-rata 1/92 share of the expenses of operating the "commons" property, which shall be deemed a common expense hereunder.

* * *

11. MAINTENANCE; LIMITATION UPON ALTERATION AND IMPROVEMENT: Responsibility for the maintenance, repair and replacement of the condominium property and restrictions on its alteration and improvements shall be as follows:

* * *

11.5 Alterations and Additions to Common Elements and Association Property. The protection, maintenance, repair, insurance and replacement of the common elements and association property is the responsibility of the Association and the cost is a common expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to, the common elements which result in a material expense or material change in the common elements and Association property without the prior approval of at least a majority of the voting interests. However, if work reasonably necessary to protect, insure, maintain, repair or replace the common elements or Association property also constitutes a material alteration or substantial addition to the common elements or Association property, no prior unit owner approval is required. In the event of a merger, no material alteration or substantial addition to the common elements or Association property shall occur unless such material alteration or substantial addition has been approved by a majority of the voting interests of each condominium operated by the surviving corporation.

* * *

15. INSURANCE. In order to adequately protect the Association, the Association property and the condominium property required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions:

* * *

15.2 Association Insurance; Duty and Authority to Obtain. The Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry by law and under the condominium documents, and may obtain and keep in force any or all additional insurance coverage as it deems necessary. The name of the insured shall be the Association and the unit owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, the Association may self-insure. In the event of a merger, to the extent permitted by law, the Association may obtain a single policy for all condominiums operated by the surviving corporation.

* * *

22. AMENDMENT OF DECLARATION. Except as otherwise provided above as to amendments made by the Developer, amendments to this Declaration shall be proposed and adopted in the following manner:

* * *

22.10 Corporate Merger. Notwithstanding Section 22.9 above regarding a property merger or any contrary interpretation, a corporate merger may be accomplished in the manner provided by law.

22.11 Condominium Voting. All amendments to this Declaration of Condominium which require approval of unit owners shall only require approval from the requisite level of unit owners in this condominium, rather than the Association as a whole.

IN WITNESS WHEREOF, we have affixed our hands this 3 day of November, 1997, at Lee County, Florida.

Witnesses:

WATERFORD V, INC.

KH Kiarstedt
Signature of Witness
KH KIARSTEDT
Print name of Witness

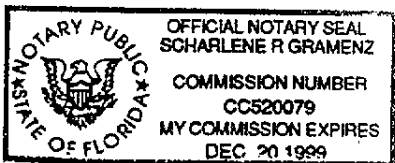
By: Ulrich C. Bauer
Ulrich C. Bauer, President

13500 Worthington Way
Bonita Springs, FL 34135

Robert F. Henthorn
Signature of Witness
ROBERT F. HENTHORN
Print name of Witness

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this 3 day of November, 1997, by Ulrich Bauer as President, of WATERFORD V, INC., a Florida corporation not for profit, on behalf of the Association. She (He) (choose one) is personally known to me or has provided for identification and did not take an oath.



Scharlene R. Gramenz
Signature of Notary Public
SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12-20-99

(The space above this line is reserved for recording information.)

CERTIFICATE OF AMENDMENT

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
WATERFORD II COMMONS**

WE HEREBY CERTIFY that the following amendments to the Declaration of Covenants, conditions and Restrictions of Waterford II Commons, a Condominium, which Declaration is recorded at O.R. Book 2354, Page 2582, of the Public Records of Lee County, Florida, were duly proposed by the Board of Directors and adopted by the Association membership at the duly noticed special member's meeting of the Association on the 3rd day of November, 1997. Said amendments were passed by the concurrence of at least fifty-one percent (51%) of the unit owners present in person or by proxy and voting at the meeting.

Note: New language is underlined; language being deleted is shown in struck-through type.

1. DEFINITIONS: The following definitions shall apply to the terms used in this Declaration and its recorded exhibits, unless the context clearly requires another meaning.

* * *

1.2 "Association" shall ~~initially mean and refer to Waterford IV, Inc., and shall subsequently mean and refer to all Condominium Associations created within the Waterford II Commons Complex.~~

* * *

1.4 "Board" shall mean and refer to the Board of Directors of Waterford Commons Association II, Inc. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, "Board" shall mean the Board of Directors of the surviving corporation.

* * *

1.6 "Commons Association" shall mean and refer to the Waterford Commons Association

II, INC., a Florida Corporation not for profit, which has its principal place of business in Lee County, Florida and its successors and assigns, whose Articles of Incorporation and By-Laws are attached hereto as Exhibit "B." In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, all rights, duties, assets and liabilities of the Commons Association shall be vested in the surviving corporation.

* * *

5. ASSOCIATION.

5.1 Members.

- A. The members of this Corporation shall be all the Florida non-profit corporations ("Associations") which are actually created for the purpose of operating residential condominium developments located within the Waterford II Commons Complex. If any member Association is voluntarily dissolved (except incident to a merger with this corporation), that Association's right to membership shall be transferred to another corporation, or to a trustee, which shall have and exercise such Association's membership rights, obligations and privileges as long as this Corporation exists. In the event of a corporate merger between the Commons Association and any of the condominium associations within the Waterford II Commons Complex, the members shall be the record owners of each condominium unit located within the Waterford II Commons Complex.

* * *

6. COMMON AREAS.

6.1 Members Rights and Easements.

- (A) Every member of the surviving Association in the event of a merger or every member of an Association which is a member of the Commons Association shall have a right and easement of enjoyment and use in and to the Common Areas. The right and easement shall be appurtenant to and shall pass with the title to every Unit, subject to any limitation set forth in this Declaration including:

* * *

6.2 Delegation of Right.

- (A) A unit owner who is a member of the surviving Association in the event of a merger or every member of an Association which is a member of the Commons Association may temporarily delegate his right of use in and to the Common Areas to his non-resident guests (if the guests are accompanied by a member) or to tenants who reside in the Living Unit of the unit owner, but only to the extent and subject to conditions, limitations and restrictions as may be provided for in the By-Laws and the Commons Association's rules and regulations. A fee may

be imposed for such a delegation, not necessarily limited to the cost of processing the delegation. No more than four transfers to tenants may be made in any given year and no such transfer shall be made for a period of less than one month.

11. INSURANCE: RECONSTRUCTION AFTER CASUALTY.

11.1 Required Coverage. The Commons Association shall obtain and maintain at all times the insurance policies listed below. The named insured on all insurance policies upon the Common Areas shall be the Commons Association individually and as the agent for each member and their respective unit owners, without naming them. In the event of a merger, to the extent permitted by law, the Association may obtain a single policy for all condominiums operated by the surviving corporation.

13. DURATION OF COVENANTS; AMENDMENT

13.3 Amendments by Members. This Declaration may be amended at any time provided that fifty-one percent (51%) of the unit owners within members of each of the respective condominiums located in the Waterford II Commons Complex member Associations at a duly called and held meeting of the respective owners or member Associations vote in favor of the proposed amendment; provided however, that if the affirmative vote required, for approval of action under the specific provision to be amended, is a higher or lower percentage, then such higher or lower percentage shall be required to approve amendment of that provision. Notwithstanding the provisions of this Section 13 regarding amendments or any contrary interpretation, a corporate merger may be accomplished in the manner provided by law.

(Remainder of Section Unchanged)

Dated this 3 day of November, 1997.

Witnesses:

WATERFORD COMMONS
ASSOCIATION II, INC.

Ulrich C. Bauer
Signature of Witness

Ulrich C. Bauer
Print name of Witness

By: Walter G Mendrick
WALTER G MENDRICK Resident

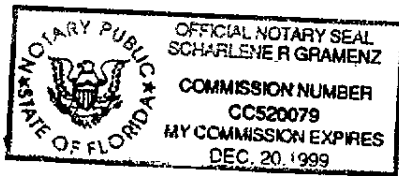
13500 Worthington Way
Bonita Springs, FL 34135

K Karstedt
Signature of Witness

K KARSTEDT
Print name of Witness

STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was executed before me this 3 day of November, 1997, by Walter Mendrick as President, of WATERFORD COMMONS ASSOCIATION II, INC., a Florida corporation not for profit, on behalf of the Association. She (He) (choose one) (X) is personally known to me or () has provided _____ for identification and did not take an oath.



Scharlene R. Gramenz
Signature of Notary Public

SCHARLENE R. GRAMENZ
Print Name of Notary Public (SEAL)
My Commission Expires: 12.20.99