

CANDLER & ASSOCIATES
FINANCIAL CONSULTANTS

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SEBRING, FLORIDA 33870
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L950000000709

Department of State
Division of Corporations
P. O. Box 6327
Tallahassee, Florida 32314

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****285.00 ****285.00

Re: FLAMINGO ISLAND GROUP, L.C.

Dear Sirs:

Enclosed are the original and one copy of the Certificate and Articles of Organization, and the Designation of Resident Agent for the above-named proposed Florida Limited Liability Company. Also enclosed is a check in the amount of \$285.00, representing the fees for filing, being \$250.00 and \$35.00 respectively.

Please return conformed copies of these documents to this office.

Sincerely,



Asa W. Candler, III,

AWC/smp
Enclosure

SEP 15 1995

BSb

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

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CERTIFICATE AND ARTICLES OF ORGANIZATION, ^{FILED} _{SEP 13 1995} ^{FILED} _{SEP 13 1995}

OF

FLAMINGO ISLAND GROUP, L.C.

THIS CERTIFICATE AND ARTICLES OF ORGANIZATION, (The "Agreement") is made and entered into as of the 28 day of August 1995, by and among ASA W. CANDLER, now or formerly of Sebring, Florida, and JAMES HOWINGTON, now or formerly of Ft Myers, Florida, (the "Managing Members"), and such other persons who may be admitted to the Company as additional members (the "Investor Members" or "Investors"), and such other persons who may be admitted to this Company from time to time by amendment to this Agreement hereinafter sometimes collectively referred to as "members" and individually as the "members" or the "parties", in accordance with the provisions of the Florida Limited Liability Company Act, (the "Act"), (Section 608.401-608.514, et seq., of the Florida Statutes, as amended.)

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("THE FEDERAL ACT"), THE FLORIDA SECURITIES ACT, AS AMENDED, ("THE FLORIDA ACT"), OR THE SECURITIES LAWS OF ANY STATE, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE FEDERAL ACT AND VARIOUS APPLICABLE STATE LAWS. IN ADDITION, THE TRANSFER OF SECURITIES IS SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT. THESE SECURITIES MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED, OR TRANSFERRED EXCEPT IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THE ARTICLES OF ORGANIZATION HEREOF. FURTHER, THE SECURITIES MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED, OR TRANSFERRED UNLESS SUCH TRANSFER IS UNDER CIRCUMSTANCES WHICH, IN THE OPINION OF LEGAL COUNSEL ACCEPTABLE TO THE COMPANY, DO NOT REQUIRE THAT THE SECURITIES BE REGISTERED UNDER THE FEDERAL ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR SUCH TRANSFER IS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE FEDERAL ACT OR ANY APPLICABLE STATE SECURITIES LAWS.

WITNESSETH

WHEREAS, the parties hereto desire to form a limited liability company for the purpose of developing, owning, operating, and otherwise engaging in the flea market business on a that certain 11.82 acre site on the north side of Bonita Beach Road near it's intersection with the west side of the I-75 expressway, in Bonita Springs, Lee County, Florida

NOW, THEREFORE, in consideration of \$1.00 and mutual benefits, the parties hereby agree as follows

1. **Formation.** The Members hereby form a limited liability company (the "Company") pursuant to the laws of the State of Florida
2. **Name.** The business of the Limited Liability Company shall be conducted under the name of FLAMINGO ISLAND GROUP, L.C.
3. **Term.** The Company shall commence on the effective date of this Agreement and shall continue until December 31, 2015, or until earlier terminated as provided in this Agreement.
4. **Purpose and Business of the Company.** The business and purpose of the Company shall be to acquire the 11.82 acres on Bonita Beach Road in Bonita Springs, Lee County, Florida, (the "Land") and to develop, own, operate, lease, and otherwise manage, for income and investment purposes, a flea market project to be known as the Flamingo Island Flea Market (the "Market").
5. **Place of Business.** The initial principal office, mailing address, and street address of the Company shall initially be located at 6750 U.S. 27 North, No. A-26, Sebring, Florida 33870, or at such other place as determined by the Managing Members from time to time. The initial registered agent at such address shall be Asa W. Candler. The place of business and registered office address shall be changed to that of the Market upon completion of construction and opening for business.
6. **Members of the Company**

6.1 **Managing Members.** The names of the Managing Members, their Titles, and their addresses are as follows:

ASA W. CANDLER	MANAGING DIRECTOR
6750 U.S. 27 North, No. A26	
Sebring, Florida 33870	

JAMES HOWINGTON	GENERAL MANAGER
20 Circle Drive	
Ft. Myers, Florida 33908	

6.2 Investor Members: The Investor Members shall consist of those persons who purchase Units of investor interest who shall be admitted to the Company as Investor Members by amendment to this Agreement.

6.3 Investor Members and Private Placement of Units: The Company intends to make a private placement of thirty (30) Units of Investor Member interest and to admit as Investor Members the persons whose subscriptions for such Units are accepted by the Managing Members. The Managing Members and their affiliates may subscribe for one or more Units on the same basis as Investor Members.

6.4 Admission of Investor Members: The Units will be offered to subscribers from the commencement of the offering until the earlier of the date on which all Units have been sold or September 30, 1995 (or November 30, 1995 if the Managing Members elect to extend the offering) (the "Closing Date"). The proceeds will be placed in an interest-bearing escrow account in the First National Bank of Naples in Naples, Florida until the Closing Date. If all Units are subscribed and accepted by the Managing Members by the Closing Date, the subscribers will be admitted as Investor Members by amendment to this Agreement. If, by the Closing Date, all thirty (30) Units have not been subscribed and accepted, the Managing Members or their affiliates, in their sole discretion, may acquire any unsold Units and acquire the rights of and be subject to the liabilities incident to such ownership. Neither the Managing Members nor their affiliates are under any obligation to purchase any Unit(s). Any Units purchased by the Managing Members or their affiliates will be bought for investment on the same terms of purchase as those offered to other investors. However, if all Units are not sold and the Managing Members do not purchase unsold Units to meet the escrow requirements by the Closing Date, the offering will terminate, and all funds will be returned promptly to subscribers in full with interest.

7. Contributions to Capital by Members.

7.1 Investor Member's Contributions: The Investor Members, in addition to their obligations as Members, agree to contribute to the Company as capital a total of One Million Five Hundred Thousand Dollars (\$1,500,000.00) in thirty (30) Units of Fifty Thousand Dollars (\$50,000.00) per Two Percent (2%) Unit, represented by Twenty Thousand (20,000) Shares of ownership.

7.2 Additional Contributions: No additional capital contributions shall be assessed against the Investor Members. However, in the event that the Investor Members determine such additional capital is required and unanimously consent, such additional capital shall be contributed pro rata to ownership of shares in the Company.

7.3 Investor Member's Interest: The Members intend that they will own the following interest in the Company: The Investor Members will own a total of Sixty Percent (60%) of the Company, being 600,000 of 1,000,000 shares issued and outstanding. Each Investor Member Unit of \$50,000.00 is allocated Two percent (2%) of the total ownership of the Company. Share Certificates will be issued to evidence such ownership.

7.4 Managing Member's Contributions The Managing Members, Asa W. Candler and James Howington have contributed \$2,000.00 and \$1,000.00 in cash respectively. In addition, they have contributed their contract to purchase to Land, and \$15,000.00 reimbursable earnest money deposit on the land purchase contract. In addition they have contributed their interest in over \$600,000.00 in annualized first year lease income to the Company by and through their leasing efforts.

7.5 Managing Member's Interest The Managing Members shall own a combined total of 400,000 shares representing Forty Percent (40%) of the ownership of the Company. Asa W. Candler shall own 266,666 shares, and James Howington shall own 133,334 shares.

7.6 Admission of Additional Members The Managing Members may offer and sell additional Investor Member shares or Units in the Company from the Managing Member's ownership positions on terms which they determine to be commercially reasonable without the consent of the Investor Members. However, a majority consent of the Investor members is necessary in the event additional shares or units are offered which would dilute or diminish the percentage ownership of the original Investor Members in the profits and losses of the Company. In any offer of additional shares to third parties or Managing Members, the shares must first be offered to all Investor Members, and, in no event, may the additional shares be offered to anyone on terms which are more favorable than those made available to the Investor Members.

8. Liability of Investor Members and Managing Members. Neither the Investor Members, nor the Managing Members of the Company, being a Limited Liability Company managed by a manager or managers, can be held personally liable under a judgment, decree, court order, or in any other manner, for a debt, obligation, or liability of the Company. The exception to this general rule applies only to the particular member(s) who committed a fraud, or criminal act which gave rise to the liability. Managing Members may be liable to Investor Members for violation of prohibited acts as provided under Section 12, herein, or as provided under Section 608.4362, Florida Laws.

9. Definitions The following terms used in this Agreement shall (unless otherwise expressly provided herein or unless the context otherwise requires) have the following respective meanings:

(a) "Affiliate" shall mean, when used with reference to a specified person, (i) any person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with the specified person, (ii) any person that is an executive officer of, member in, or serves in a similar capacity to the specified person or of which the specified person is an executive officer or member or with respect to which the specified person serves in a similar capacity, or (iii) any person or entity owning or controlling 10% or more of the outstanding voting securities of such other entity.

(b) "Capital Contribution" shall mean the total investment and contribution to the capital of the Company in cash by a Member.

(c) "Capital Events Preferred Return" shall refer to an amount of net proceeds from disposition or refinancing of the Property distributed to Investor Members which shall be identical to Cash Flow Preferred Return, as hereinabove defined in paragraph 9, such distribution being made in the event of disposition or refinancing of the Property

(d) "Cash Flow" shall mean the excess of the total operating revenues generated by the Company's business operations and other investments, less aggregate cash expenditures, including without limitation the operating salaries and expenses, debt amortization, interest, capital improvements and replacement expenditures, other operating expenditures, and Company expenses and amounts set aside for the creation and restoration of reserves

(e) "Cash Flow Incentive Fee" shall refer to the fee (if any) to be paid to the Managing Members upon terms specified in an addendum to this Agreement as an incentive to the Managing Members to manage the Company business so as to maximize Cash Flow. No such fee shall exist unless proposed and approved by a majority of the Investor Members.

(f) "Cash Flow Preferred Return" shall refer to an annual cumulative, noncompounded amount of the Company's Cash Flow distributed to Investor Members equal to twelve (12%) and/or twenty four percent (24%) of the Investor Members' Invested Capital beginning on the day that the business of the Company opens to the public as defined in paragraph 12.2

(g) "Closing Date" means the earlier of the date on which thirty (30) Units have been subscribed and accepted or September 30, 1995 (or November 30, 1995 if the Managing Members elect to extend the offering)

(h) "Managing Members" shall refer to the person or persons appointed by the members in accordance with these Articles of Organization, being Asa W. Candler, and James Howington, and to any other person, corporation, or entity that may become a Managing Member

(i) "Invested Capital" shall mean, with respect to any Member at any time, the difference between (i) his cash capital contribution and (ii) any prior cash distributions to such Member.

(j) "Investor Member" or "Investor Members" shall refer to the purchasers of Units in the Company who have been admitted as investor members by amendment to this Agreement.

(k) "Liquidator" shall mean the person who, at the request of the Managing Members or in the absence of a Managing Member, shall carry out the duties set forth in the relevant article below. The Liquidator shall be either an attorney at law or a certified public accountant who has been approved by a written affirmative vote of at least eighty (80%) percent of the Units held by the Investor Members.

(l) "Net Profit" and "Net Loss" shall mean the taxable income or loss of the Company from the operation and management of the Company's property after all expenses incurred in connection with the Company business have been paid or provided for, excluding any gain or loss realized by the Company on the sale or other disposition of the Company's assets. Consistent with

the foregoing definition, net profit and net loss shall be as determined for federal income tax purposes

(m) "Operating Reserve" shall mean those cash reserves to be utilized by the Company for working capital purposes

(n) "Operating Revenues" shall mean the cash receipts of the Company derived in the ordinary course of its business, but not including cash receipts provided to the Company from the sale or refinancing of Company property

(o) "Members" shall refer to the Managing Members, and/or the Investor Members

(p) "Person" means an individual, company, corporation, trust, or other entity.

(q) "Property" refers to eleven point eight two (11.82) acres on the north side of Bonita Beach Road and the flea market building structures and other improvements expected to be constructed thereon and placed in service in early 1996, all of which are known as the Flamingo Island Flea Market, in Bonita Springs, Lee County, Florida

(r) "Sharing Ratio" as of any date shall mean, as to each Investor Member, the ratio which the number of Units or fractions thereof owned by him as of that date bears to the total number of Units or fractions thereof owned by all of the Investor Members as of that date. The initial sharing ratio shall be 1/30th of the Investor Group allocation

(s) "Units" shall mean the investor interests, being twenty thousand shares, representing two (2%) percent of the total shares of the Company and entitle the holder thereof to the rights and interests of a Investor Member as herein provided

10. Management of the Company.

10.1 Powers and Duties of the Managing Members: The Managing Members shall have full and complete charge of all affairs of the Company, and the management and control of the Company's business shall rest exclusively with the Managing Members, subject to the terms and conditions of this Agreement. The Managing Members may, without the consent of the Investor Members, sell, encumber, or refinance any Company property. The Managing Members may, from time to time, employ on behalf of the Company such persons, firms, or corporations as they in their sole judgment shall deem advisable in the operation of the business of the Company, including accountants, attorneys, firms, or persons affiliated with or related to the Managing Members, on such terms and for such compensation as the Managing Members, in their sole judgment, shall determine. The Managing Members shall have the rights, powers, and authority granted to the Managing Members hereunder or by law, or both, to obligate and bind the Company and, on behalf and in the name of the Company, to take such action as the Managing Members deem necessary or advisable including (without limitation) making, executing, and delivering loan, purchase and sale, management, and other agreements; leases, assignments, deeds, and other transfers and conveyances; agreements to purchase, sell, lease, or otherwise deal

with personal property, pledges, deeds of trust, and other security agreements; promissory notes, checks, drafts, and other negotiable instruments, and all other documents and agreements which the Managing Members deem reasonable or necessary in connection with the acquisition of the land or development of the project and any other Company assets and the operation and management thereof. The execution and delivery of any such instrument executed by the Managing Members shall be sufficient to bind the Company. However, unless the prior consents of the Investor Members holding a majority of the Units held by Investor Members (who are not members or affiliates of a Managing Member) are obtained, the Managing Members shall be prohibited from:

- (a) Executing or delivering any assignment for the benefit of the creditors of the Company;
- (b) Releasing, assigning, transferring, or selling a Company claim, security, commodity, or any other asset of the Company or Company property without full and adequate consideration;
- (c) Confessing a judgment against the Company, or
- (d) Possessing Company property, or assigning any rights in specific Company property, for other than a Company purpose

10.2 Liability, Indemnification. Except in the case of their willful misconduct or gross negligence, the Managing Members and the Investor Members shall not be liable, responsible, or accountable in damages or otherwise to any other Member or the Company for the doing of any act or the failure to do any act, the effect of which may cause or result in loss or damage to the Company. The Managing Members, or any Company employee or agent shall be entitled to be indemnified by the Company from the assets of the Company or as an expense of the Company, but not from the Investor Members, against any liability or loss as a result of any claim or legal proceeding relating to the performance or nonperformance of any act, in the capacity of Managing Members or in the capacity of employee or agent of a Managing Member, concerning the activities of the Company, except in the case where such person is guilty of willful misconduct or gross negligence. The indemnification authorized by this paragraph shall include the payment of reasonable attorneys' fees and other expenses (not investor to taxable costs) incurred in settling or defending any claims, threatened action, or finally adjudicated legal proceedings.

10.3 Powers and Duties of the Investor Members. The Investor Members shall not participate in the control of the business affairs of the Company, transact any business on behalf of the Company, or have any power or authority to bind or obligate the Company, unless the Investor Members, by a vote of 80% of the investor ownership interest, elects to take an active role in the said management, and an Addendum describing such action and management role has been added to this Agreement.

10.4 Reimbursement of Expenses of the Managing Members. The Managing Members shall be entitled to prompt reimbursement by the Company of all costs paid or incurred by the Managing Members incidental to the organization and syndication of the Company, including, without limitation, attorneys' and accountants' fees. In addition, the Managing Members shall be

entitled to reimbursement for, or the Company shall pay all reasonable costs and expenses of the Managing Members incurred in connection with managing the assets and the business of the Company

10.5 Termination of Managing Member's Operating Management Role One or all Managing Members may be removed from a salaried management position, and/or Company management position by a vote of the Investor Members representing 80% or more of the investor ownership interest after the first year of operation in the event that the business fails to provide a net profit in any given twelve month period, or for exceeding the limitations on authority as stated in paragraph 9.1 above. A Managing Member's ownership interest will not be affected by such action, however. Removal of a Managing member shall not terminate the Company

11. Fees and Salary Compensation

The Managing Members shall receive from the Company on the terms and conditions hereinafter set forth certain fees and salary compensation described as follows, which shall be in addition to their interest in profits and losses, distributable cash, and sale proceeds. Such fees and compensation may be paid from the capital contributions of the Investor Members or out of operating revenue

(a) Project Supervision Fee (Construction Phase). As compensation for their services in coordinating and overseeing the activities of the contractors, subcontractors, engineers, architects, and others involved in the day to day construction activities of the project, the Managing Members shall receive a project supervision fee of \$18,000.00 payable upon closing of the land acquisition.

(b) Administrative Fee (Construction Phase). The Managing Partners will be paid an administrative fee of \$7,200.00 payable upon closing of the land acquisition, to cover the administrative costs associated with the project supervision described in (a) above.

(c) Legal Fees. Asa W. Candler, a licensed Georgia attorney, will oversee the legal work performed by outside law firms or attorneys retained by the Company to handle zoning, permitting, land acquisition, investor documents, and escrow or other financial related matters. Mr. Candler may prepare certain documents or perform certain activities which do not involve the rendering of a legal opinion and be compensated therefor from the \$36,000.00 legal budget established for the development phase of the Company business, which is payable upon closing of the land acquisition. Mr. Candler and Mr. Howington shall personally be at risk concerning legal fees unless and until the all zoning matters have been resolved and the land is purchased.

(d) Operating Salaries. The Managing Members shall be paid operating salaries, increased 5% per year, as follows: Asa W. Candler, Managing Director and Chief Financial Officer: \$4,000.00 per month. James Howington, General Manager: \$4,000.00 per month. Operating salaries to begin on day of opening of business to the public. Note: After the first year of operation, if the Investor Members are not satisfied with the management or business

performance of the Company, or otherwise as described in paragraph 10.5, they may remove the above named Managing Members from the salaried operating management positions by a vote of holders of 80% of the investor member ownership interest.

12. Financial and Tax Matters.

12.1 Tax Status of Company. The Company shall not be taxed on income at the Company level. All items of taxable income and loss shall be passed through to the Members in accordance with their respective ownership interest. Financial allocations shall be made as herein provided.

12.2 Allocation of Cash Flow and Other Items.

(a) The Cash Flow of the Company shall be distributed monthly, quarterly, or no less frequently than annually in accordance with the vote of a majority of the investor members.

(b) The net distributable Cash Flow for each fiscal year of the Company shall be allocated and distributed in accordance with the preferential return provisions of paragraph 12.3 hereinabove, first to the Investor Members, and then to Managing Members, each Investor Member receiving his percentage share as determined by his Sharing Ratio.

(c) The Company's Net Profit for each year shall be allocated in the same manner as Cash Flow. The Net Loss, if any, shall be allocated in accordance with the share ownership percentage of the Investor and Managing Members.

(d) Except as specified in "Special Allocation of Tax Benefit" at para. 12.5 below, any allocation to a Member of a portion of the Company income or losses shall be deemed to be an allocation to that Member of the same proportionate part of each item of income, gain, loss, deduction, or credit that is earned, realized, or available by or to the Company for federal or state income tax purposes.

(e) In determining the interest of a Investor Member for purposes of the allocations provided for in this paragraph 12, the varying interests of an Investor Member during the Company's year shall be taken into account either (i) through an interim closing of the Company's books or (ii) through apportioning such items among the Investor Members in the ratio which the product of the number of Units owned by a Investor Member multiplied by the number of days in which the Investor Member owns such Units during the Company's fiscal year bears to the sum of such products for all Investor Members. The Managing Members, in their sole discretion, shall determine which method shall apply.

12.3. Preferential Profit Participation and Cash Distributions. The Investor Members shall be allocated a preferential profit participation (cash flow preferential return) as follows: Each year, defined as each 12 month period from the date of opening of the flea market to the public, 100% of all net profits remaining each month from rental income or sale proceeds after payment of operating expenses including a reasonable reserve and the land mortgage payment ("distributable income", or "profits") will be allocated and distributed to the Investor Members as

a group until such time as the investors have received in cash an amount equivalent to a 12% return on their investment. The next profit distributions will be allocated and paid 80% to the investors, and 20% to the management group until such time as the investors have received cash distributions equal to a 24% return on their investment. The owners of each 2% Investor Unit shall be allocated and paid One-Thirtieth (1/30th) of the amounts which have been preferentially allocated to the Investor Members as a group (the "Sharing Ratio") each month, or such other distribution period as agreed by the Investor Members. After the Investment Members have received a 24% return on their investment (\$12,000 cash per \$50,000 unit) distributable net income will be paid to the Managing Members until they have received an amount equivalent to two fifths of the profits previously distributed to the Investor Members. Thereafter, all remaining distributable income or losses during the particular 12 month period shall be distributed in accordance with prorata share ownership, being 60% to the Investor Members, and 40% to the Managing Members.

12.4 Allocation of Gain and Losses. Allocation of gains and losses from disposition of Company assets and net proceeds of any refinancing of Company assets or the disposition of Company assets not in liquidation shall be applied and distributed as follows and in the following order of priority:

(a) First, to the Investor Members to the extent of their preferred return due under the provisions of paragraph 12.3, herein.

(b) Second, to the Managing Members in accordance with paragraph 12.3.

(c) Then, to the extent any funds remain available for distribution after payment of the preferred return, sixty percent to the Investor Members and forty (40%) percent to the Managing Members, with each Investor Member receiving his percentage share as determined by his Sharing Ratio.

12.5 Special Allocation of Tax Benefit. The Members do hereby acknowledge and agree that each Member's interest in the profits and losses of the Company is attributable solely to such Member's contributions to the capital of the Company. In the event, however, that any of the Members is determined for income tax purposes to have received all or any part of his interest in the profits and losses of the Company (as distinguished from his interest in the capital of the Company) as compensation for services and, as a result of such determination, is required to recognize compensation income for federal or state income tax purposes with respect to such interest in the Company, any corresponding federal or state income tax benefit inuring to the Company as a result of such determination, whether in the form of a deduction for compensation paid, a deduction for depreciation or amortization of any asset of the Company, a reduction in the gain required to be recognized by the Company upon a sale of any of its assets or otherwise, shall be allocated for income tax purposes solely to the Members required to recognize such compensation income in an amount to each such Member equal to the amount that bears the same ratio to any such income tax benefit as the amount of such compensation income required to be recognized by such Member bears to the total amount of such compensation income required to be recognized by any or all of such Members.

13. Capital Accounts

A capital account shall be maintained for each Member. This capital account shall be maintained in accordance with tax accounting principles, with the capital account of each Member being credited with his capital contributions and shares of Company Net Profits and Company gain and being charged with his shares of Company Net Losses, loss from the sale or other disposition of Company assets, and distributions of Cash Flow and proceeds from refinancing or disposition of any Company asset.

14. Books of Account, Financial Statements, and Fiscal Matters

14.1 Books of Account. The Managing Members shall keep adequate books of account of the Company wherein shall be recorded and reflected all of the contributions to the capital of the Company and all of the expenses and transactions of the Company. Such books of account shall be kept at the principal place of business of the Company, and each Investor Member and his authorized representatives shall have at all times, during reasonable business hours, free access to and the right to inspect and copy such books of account and all records of the Company, including a list of the names and addresses of the Investor Members. The Managing Members shall select the method of accounting to be used by the Company for income tax purposes. The annual accounting period which the Company shall adopt for federal and state tax purposes shall be the calendar year.

14.2 Reports and Financial Statements. The Managing Members shall, within 90 days after the end of each fiscal year, provide the Investor Members all information necessary for the preparation of their federal income tax returns, together with a copy of the Company's federal tax return as filed on Form 1065. Such information and such return shall be prepared by the firm of certified public accountants retained by the Company.

14.3 Bank Accounts. The funds of the Company shall be deposited in such bank or banks as the Managing Members shall deem appropriate. Such funds shall be withdrawn only by the Managing Members or their duly authorized agents.

14.4 Adjustment of Tax Basis. Upon the transfer of an interest in the Company (including a purchase of such interest by the Company), the Company may, in the sole discretion of the Managing Members, elect pursuant to Section 754 of the Internal Revenue Code of 1954, as amended (the "IRC"), to adjust the basis of Company property as allowed by Sections 734(b) and 743(b) of the IRC. The election, if made, shall be filed with the Company information income tax return for the first taxable year to which the election applies.

14.5 Reserves. The Managing Members shall maintain reasonable reserves for normal repairs, replacements, working capital, and contingencies.

15 Transferability of Interests

15.1 Consent Required for Transfer No Member shall transfer, assign, pledge, or otherwise dispose of or encumber all or any portion of its interest in the Company without the prior written consent of all its Members. Any permitted transferee of a membership interest in the Company must accept and agree in writing to be bound by all the terms and provisions of this Agreement and all amendments thereto.

15.2 Withdrawal of Investor Member No Investor Member shall be entitled to require the Company to repurchase all or any of his Units.

15.3 Death of a Investor Member The death of an Investor Member shall not terminate the Company. Upon the death of a Investor Member, the personal representative of the deceased Investor Member shall have all the rights and obligations of the Investor Member in the Company to the extent of the deceased Investor Member's interest therein, subject to the terms and conditions of this Agreement.

16 Sale of Property or Termination of the Company

16.1 The Company may be dissolved at any time upon the unanimous consent of the Members, and shall be dissolved upon the sale or by taking by condemnation or by eminent domain of all or substantially all of its property. A vote of the Managing Members together with the majority of the Investor members is required in order to sell the Company, all, or a majority of its assets.

16.2 Upon the voluntary dissolution of the Company, the sale, or taking by condemnation or by eminent domain of all or substantially all of the property, or any other dissolution of the Company in accordance with the provisions of this Agreement, the Company shall wind up its affairs and shall then be liquidated as provided herein, and a Certificate of Cancellation of the Company, if required by law, shall be filed, provided, however, that following the sale of all or substantially all of the property, the Members may defer final liquidation and dissolution of the Company until such time as all deferred payments due to the Company upon such sale, including, without limitation, payments due to the Company under any purchase money mortgage given to the Company as part of the purchase price, shall have been paid in full.

17. Distribution on Dissolution or Sale. Upon the sale of the Company or its assets, or dissolution of the Company, the following shall be accomplished:

17.1 The property and assets of the Company shall be liquidated as promptly as possible, but in an orderly and businesslike manner so as not to involve undue sacrifice. Notwithstanding the foregoing, the Members may determine not to sell all, or any portion of the property and assets of the Company, in which event such property and assets shall be distributed in kind.

17.2 The proceeds of sale and all other assets of the Company shall be applied and distributed as follows in the following order of priority:

17.2.1 To the payment of the debts and liabilities of the Company and the expenses of liquidation in the order of priority, then

17.2.2 To the establishment of, or addition to, any reserves deemed necessary by the Members, for any contingent or unforeseen liabilities or obligations of the Company, to be held in escrow, which at the appropriate time shall be distributed to the Members in accordance with their ownership interest, then

17.2.3 To the repayment of any debts owed any of the Members, then

17.2.4 To the Members in accordance with Section 12

17.3 For the purposes of this Agreement A taking of all or substantially all of the Company's property and assets in condemnation or by eminent domain shall be treated in all respects as a sale of the Company property and assets upon the termination and liquidation of the Company pursuant to this Article 17. In such event, subject to the section sentence of Section 17.1, any portion of the property and assets of the Company not so taken shall be sold and the proceeds, together with the condemnation award, distributed in the manner provided for in this Article.

18. Power of Attorney, Certificates and Other Documents

18.1 Power of Attorney Each Investor Member, by becoming a Member, hereby constitutes and appoints Asa W. Candler, James Howington, and their successors and assigns in interest, individually and severally, as the true and lawful attorneys of and in the name, place, and stead of such Member, from time to time:

(a) To make all agreements amending this Agreement, as now or hereafter amended, that may be appropriate to reflect:

(i) a change of the name or the location of the principal place of business of the Company;

(ii) the disposal by a Member of his interest in the Company in any manner permitted by this Agreement and any return of the capital contribution of a Member (or any part thereof) provided for by this Agreement,

(iii) a person becoming a Member of the Company as permitted by this Agreement;

(iv) a change in any provision of this Agreement or the exercise by any person of any right or rights thereunder not requiring the consent of such Member; and

(v) the exercise by any person of any right or rights under this Agreement requiring the consent or approval of a majority or a specified percentage in interest of the Members (or certain Members) and the required consent or approval has been given;

(b) To make such certificates, instruments, and documents in connection with the use of the name of the Company by the Company, including the Company's initial Certificate of Investor Company and Fictitious Business Name Statements, as may be required by, or may be appropriate

under, the laws of any state or other jurisdiction in which the Company is doing or intends to do business;

(c) To make and or file such certificates, instruments, and documents, including amendments to this Agreement and to the Certificate of Investor Company, as the Member may be required or as may be appropriate for the Member to make under the laws of any state or other jurisdiction to reflect

(i) a change of address of such Member,

(ii) any changes in or amendments to this Agreement, or pertaining to the Company, of any kind referred to in subparagraph 18.1(a) of this Article, and

(iii) any other changes in or amendments to this Agreement, but only if and when Members sufficient to cause such change or amendment to occur have agreed to such other changes or amendments by signing, either personally or by either duly appointed attorney, an agreement amending this Agreement, and

(d) To make any conveyancing document, including a deed or deeds to secure debt or easement concerning the property, when a conveyance, whether outright or as security, is permitted by the Managing Members hereunder

Each of the agreements, certificates, instruments, and documents shall be in such form as such attorneys-in-fact and counsel for the Company shall deem appropriate. The powers hereby conferred to make agreements, certificates, instruments, and documents shall be deemed to include the powers to sign, execute, acknowledge, swear to, verify, deliver, file, record, and publish the same. Each Investor Member authorizes such attorneys to take any further action which they shall consider necessary or convenient in connection with any of the foregoing hereby giving them full power and authority to do and perform each and every act and thing whatsoever requisite and necessary to be done in and about the foregoing, as fully as the Member might or could do if personally present, and hereby ratifying and confirming all that the attorneys shall lawfully do or cause to be done by virtue hereof

The powers hereby conferred shall continue from the date the Investor Member becomes a Member in the Company until the Member shall cease to be such a Member and, being coupled with an interest, shall be irrevocable.

19. Continuation. The Members hereby agree to continue the operation of the business in the event of the death, retirement, resignation, expulsion, or bankruptcy of any Managing Member or Investor Members. The remaining members may hire employees or appoint one or more investor members to fill the management position of a former Managing Member.

20. Meetings of and Actions by the Investor Members.

20.1 Meetings of the Investor Members to vote upon any matters as to which the Investor Members are authorized to take action under this Agreement, as the same may be amended from time to time, may be called at any time by the Managing Members by delivering written notice to the Investor Members entitled to vote at such meeting that a meeting will be held

at a time and place fixed by the Managing Members, convenient to the Investor Members, which is not less than 14 days nor more than 60 days after the filing of the notice of the meeting. Included with the notice of a meeting shall be a detailed statement of the action proposed and of any proposed amendment to this Agreement, as the same may from time to time be amended. All expenses of the meeting and notification shall be borne by the Company.

20.2 Investor Members holding in excess of fifty (50%) percent of the Units held by the Investor Members (who are not shareholders, officers, directors, or affiliates of a Managing Member) shall constitute a quorum for the transaction of that specific action at any meeting. Personal presence of the Investor Members and the Managing Members shall not be required, provided an effective written consent to or rejection of such proposed action is submitted to the Managing Members. Attendance by a Member at any meeting and voting in person shall revoke any written consents or rejections of such Investor Members or Managing Members submitted with respect to action proposed to be taken at such meeting. Submission of a later written consent or rejection with respect to any action shall revoke an earlier one as to such action.

20.3 Each Investor Member entitled to vote on any action shall be entitled to as many votes as he has Units.

20.4 Notwithstanding the above, the Managing Members, in their sole discretion, may notify the Investor Members that an action which the Investor Members are authorized to take under this Agreement or under law is to be taken by the Investor Members by votes submitted through the mails or by telephone and is to be valid and effective as if such action had been taken by the Investor Members at a meeting assembled.

21. Investment Intent. Each Member hereby represents, warrants, and acknowledges that:

(a) The Member is acquiring an interest in the Company solely for the Member's own account for investment purposes and not with a view or interest of participating, directly or indirectly, in the resale or distribution of all or any part thereof;

(b) The Member's interest in the Company is to be issued and sold to the Member without registration and in reliance upon certain exemptions under the Federal Act, the Florida Act, and other applicable state securities law;

(c) The Member has received copies of this Agreement and has had an opportunity to review it and have it reviewed by the Member's representative;

(d) The Member's investment in the Company has a high degree of risk, and the Member has the net worth to sustain such risk; and

(e) The Member will make no assignment or transfer of the Member's interest except in compliance with the Federal Act, the Florida Act, and other applicable securities laws.

The Member's acknowledge and agree that a legend reflecting the restrictions imposed upon the transfer of their membership interests under this Agreement, the Federal Act, the Florida Act, and any other applicable state securities laws has been placed on the first page of this Agreement

22. Captions - Pronouns Any titles or captions of articles or paragraphs contained in this Agreement are for convenience only and shall not be deemed part of the text of this Agreement. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural, as the identification of the person or persons, firm or firms, corporation or corporations may require

23. Further Assurances Each party to this Agreement agrees to execute, acknowledge, deliver, file, record and publish such further certificates, amendments to certificates, instruments and documents, and do all such other acts and things as may be required by law, or as may, in the opinion of the Members, be reasonably necessary or advisable to carry out the intents and purposes of this Agreement

24. Amendment of the Agreement Except for amendments of any kind referred to in paragraph 18 above, this Agreement may be amended only upon the approval of the Managing Members and those Investor Members holding in excess of fifty (50%) percent of the Units held by Investor Members (who are not affiliates of a Managing Member)

25. Notices Unless otherwise specified in this Agreement, all notices, demands, requests or other communications which any of the parties to this Agreement may desire or be required to give hereunder (hereinafter referred to collectively as "notices") shall be in writing and shall be given by personal delivery to the party to whom addressed, or by mailing the same by first class mail, postage prepaid, addressed to the party at the last address provided by said party to the Company.

26. Entire Agreement This Agreement contains the entire understanding and agreement among the parties hereto respecting the within subject matter, and there are no representations, agreements, arrangements, or understandings, oral or written, between and among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

27. Competing Activities Nothing in this Agreement shall be deemed to restrict in any way the freedom of any Member to conduct any business activity whatsoever without any accountability to the Company or the Members even if such business or activity competes with the business of the Company.

28. Successors and Assigns This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and all persons hereafter having or holding an interest in this Company, whether as assignees, substituted investor members, or otherwise, and their respective executors, administrators, legal representatives, heirs, successors and assigns

29. Income Taxes All items of income, gain, deduction or loss shall, for income tax purposes, be credited or charged as the case may be, to each of the Members in accordance with Section 12, and no income tax shall be paid or payable by the Company. The Managing Members shall provide to the Investor Members within 90 days of the end of the calendar year all information necessary for the preparation of their federal income tax returns as well as a copy of the Company's federal tax return as filed on Form 1065.

30. Place of Residence. The place of residence of each Member is as set forth by his or her name below.

31. Counterparts and Execution This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement and all of which shall constitute one Agreement, by each of the parties hereto on the dates respectively indicated with the signature of the parties, notwithstanding that all of the parties are not signatories to the original or the same counterpart, to be effective as of the day first above written.

IN WITNESS WHEREOF, the parties to this Agreement, referred to in it as Members, have signed and sealed this Agreement on the 28 day of Aug, 1995.

Witness

Albert R. ...

Asa W. Candler, III

Asa W. Candler, III, Managing Member
6750 U.S. 27 North, A-26
Sebring, Fl. 33870

Deborah J. Apicerno
Notary Public

Witness

Albert R. ...

James H. Howington

James Howington, Managing Member
18 Circle Drive
Ft. Myers, Fl 33908

Deborah J. Apicerno
Notary Public



AFFIDAVIT

We, JAMES HOWINGTON, and ASA W. CANDLER, the undersigned, under oath and in the presence of Deborah J. Apicerno, a Notary Public, in and for the State of Florida, and with the understanding that this statement shall be used as part of the original filing documents in the organization of the hereinafter described Limited Liability Company, do hereby state the following:

1. That the undersigned are the original initial Members (the "Managing Members") of FLAMINGO ISLAND GROUP, L.C., (the "Company") a newly formed Florida Limited Liability Company.

2. That the Company shall at all times have at least two members

3. That the managing Members have contributed cash and valuable property or services in consideration of their respective interests in the Company as follows:

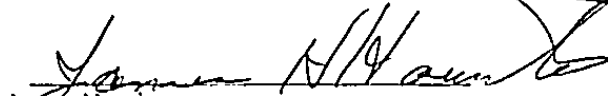
(a) James Howington: \$1,000.00 in cash and Leases with a value of over \$600,000.00 in annual income to the project to be owned and operated by the Company.

(b) Asa W. Candler: \$2,000.00 in cash, professional organizational services over a period of 18 months, and contribution of a land purchase contract with substantial appreciated value.


4. That it is anticipated that up to 30 additional members shall be admitted as "Investor Members" on the basis of an anticipated contribution of \$50,000.00 per two percent (2%) ownership interest.

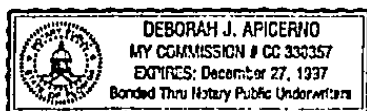
In Witness hereof, I have signed this Affidavit this 28 day of Aug. 1995.

AFFIANT:


James Howington


Asa W. Candler


Notary Public



DESIGNATION OF REGISTERED AGENT/OFFICE

FILED

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of F.S. 608.415, the undersigned Limited Liability Company organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent in the State of Florida.

1. The name of the Limited Liability Company is FLAMINGO ISLAND GROUP, L.C.
2. The name of the registered agent is Asa W. Candler, III.
3. The address of the registered agent and registered office is 6750 U.S. 27 North, Suite A-26, Sebring, Fl. 33870.

Acceptance

Having been named as registered agent and designated to accept service of process for the above Limited Liability Company, 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.


Asa W. Candler, III

Date: July 14, 1995