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QUAIL HOLLOW INVESTMENT GROUP, INC.

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**ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
QUAIL HOLLOW INVESTMENT GROUP, INC, A FLORIDA
CORPORATION**

Pursuant to the provisions of Section 607.1006, Florida Statutes, this Florida Profit Corporation adopts the following amendment to its Articles of Incorporation:

- A. **ARTICLE III, "BUSINESS AND PURPOSE"**, is hereby amended and replaced in its entirety with the following provision:

"Notwithstanding any provision hereof to the contrary, the following shall govern: The nature of the business and of the purposes to be conducted and promoted by the Corporation is to engage solely in the activity of acting as the general partner of QUAIL HOLLOW INVESTMENT GROUP, LTD., a Florida limited partnership (the "Partnership") whose limited purpose is own, hold, sell, assign, transfer, operate, lease, mortgage, pledge and otherwise deal with certain real estate project known as Carmel Village Shopping Center, located at the N.E. corner of N.C. Highway 51 and Carmel Road, in Mecklenburg County, North Carolina, as more particularly described on Exhibit "1", together with all improvements located thereon (the "Property").

The Corporation shall exercise all powers enumerated in the General Corporation Law of Florida necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein."

"Notwithstanding any provision hereof to the contrary and for so long as any mortgage lien in favor of Wachovia Bank, National Association, its successors or assigns (the "First Mortgage") exists on any portion of the Property and the Partnership is the owner of the Property, the following shall govern:

- (i) The Corporation shall only incur or cause the Partnership to incur indebtedness in an amount necessary to acquire, operate and maintain the Property and shall not and shall not cause the Partnership to incur, assume, or guaranty any other indebtedness.
- (ii) The Corporation shall not and shall not cause the Partnership to consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity unless (i) the entity (if other than the Corporation or Partnership) formed or surviving such consolidation or merger or that acquired by conveyance or transfer of the properties and assets of the Corporation or Partnership substantially as an entirety (a) shall be organized and existing under the laws of the United States of America or any State or the District of Columbia, (b) shall

include in its organizational documents the same limitations set forth in this Article III and in Article XII, and (c) shall expressly assume the due and punctual performance of the Corporation's or Partnership's obligations; and (ii) immediately after giving effect to such transaction, no default or event of default under any agreement to which it is a party shall have been committed by this Corporation or the Partnership and be continuing.

(iii) The Corporation shall not voluntarily commence a case with respect to itself or cause the Partnership to voluntarily commence a case with respect to itself, as debtor, under the Federal Bankruptcy Code or any similar federal or state statute without the unanimous consent of the Board of Directors.

(vi) In the event the life of the Partnership is not continued or any other event of dissolution, the Corporation shall not cause the Partnership to liquidate the Property."

B. **ARTICLE X - "INDEMNIFICATION"** is hereby amended by adding the following provision:

"Notwithstanding any provision hereof to the contrary, any indemnification shall be fully subordinated to any obligations respecting the Partnership or the Property, including, without limitation the First Mortgage on the Property, and shall not constitute a claim against the Corporation in the event that cash flow is insufficient to pay such obligations."

C. The following **Article XII** is hereby added as follows:

ARTICLE XII - SEPARATENESS COVENANTS

Notwithstanding any other provision of this Amendment to Articles of Incorporation, for so long as the First Mortgage exists on any portion of the Property and the Partnership is the owner of the Property, in order to preserve and ensure its separate and distinct corporate identity, in addition to the other provisions set forth in the certificate of incorporation, the Corporation shall conduct its affairs in accordance with the following provisions:

(i) It shall not and shall not cause the Partnership to materially amend, modify or otherwise change its articles or certificate of incorporation, partnership certificate, bylaws, partnership agreement, or other formation agreement or document, as applicable, in any material term or manner, or in a manner which adversely affects the Corporation's or Partnership's existence as a single purpose entity.

(ii) It shall not liquidate or dissolve or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of any entity.

(iii) It does not own and shall not own any asset other than its general partnership interest in the Partnership.

(iv) It is not engaged and shall not engage, either directly or indirectly, in any business other than acting as corporate general partner of the Partnership.

(v) It shall not enter into any contract or agreement with any affiliate or partner of the Partnership, as applicable, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties other than an affiliate.

(vi) It has not incurred and shall not incur, and shall not cause the Partnership to incur, any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than (A) the debt evidenced by the first mortgage lien on the Property, and (B) affiliate advances or trade payables or accrued expenses incurred in the ordinary course of business of operating the Property and no other debt will be secured (senior, subordinate or pari passu) by the Property.

(vii) It has not made and will not make any loans or advances to any third party.

(viii) It is and, to the extent there is adequate cash flow from the Property, shall be solvent and pay its debts from its assets as the same shall become due.

(ix) It has done or caused to be done and will do all things necessary to preserve its existence, and will observe all formalities applicable to it.

(x) It will conduct and operate its business in its own name and as presently conducted and operated.

(xi) It will be, and at all times shall hold itself out to the public as, a legal entity separate and distinct from any other entity (including, without limitation, the Partnership and any affiliate or partner of the Partnership).

(xii) It shall file its own tax returns.

(xiii) To the extent there is adequate cash flow from the Property, it shall maintain adequate capital for the normal obligations reasonably

foreseeable in a business of its size and character and in light of its contemplated business operations.

(xiv) It has and shall maintain its assets in such a manner that it is not costly or difficult to segregate, ascertain or identify its individual assets from those of the Partnership, any affiliate or any other person.

(xv) It shall fairly and reasonably allocate any overhead for shared office space.

(xvi) It shall maintain separate corporate records, financial statements and books of account from those of the Partnership and any affiliate.

(xvii) It shall not commingle assets with those of the Partnership or any affiliate.

(xviii) It shall pay any liabilities out of its own funds, including salaries of any employees, not funds of the Partnership or any affiliate.

(xix) It shall not guarantee or become obligated for the debts of any other entity, including the Partnership or any affiliate or hold out its credit as being available to satisfy the obligations of others.

(xx) It shall use stationery, invoices and checks separate from the Partnership or any affiliate.

(xxi) It shall not pledge its assets for the benefit of any other entity, including the Partnership or any affiliate.

For purpose of this Article, the following terms shall have the following meanings:

"affiliate" means any person controlling or controlled by or under common control with the parent, including, without limitation (i) any person who has a familial relationship, by blood, marriage or otherwise with any director, officer or employee of the corporation, its parent, or any affiliate thereof and (ii) any person which receives compensation for administrative, legal or accounting services from this corporation, its parent or any affiliate. For purposes of this definition, "control" when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

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"parent" means, with respect to a corporation, any other corporation owning or controlling, directly or indirectly, fifty percent (50%) or more of the voting stock of the corporation.

"person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization, or government or any agency or political subdivision thereof.

D. The following Article XIII is hereby added as follows:

ARTICLE XIII - VOTING

"Notwithstanding any provision hereof to the contrary, when voting on matters concerning the Partnership, notwithstanding that the Partnership is not then insolvent, the Corporation shall take into account the interest of the Partnership's creditors, as well as those of its partners."

To the extent that there is any conflict between the terms of this Amendment and the terms of the original Articles of Incorporation, the terms of this Amendment shall prevail.

This Amendment was approved by the shareholders. The number of votes cast for the amendment by the shareholders was sufficient for approval.

The date of Amendment approval: May 31, 2006


 Adam Kanter, President

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