

09/28/2005 13:32:15 C T CORP PAGE 01/09
P05000129082

Florida Department of State
Division of Corporations
Public Access System

Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

(((H05000222623 3)))

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To: Division of Corporations
Fax Number : (850) 205-0381

From: Account Name : C T CORPORATION SYSTEM
Account Number : FCA000000023
Phone : (850) 222-1092
Fax Number : (850) 878-5926

2005 SEP 19 P 12:44
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

FLORIDA PROFIT CORPORATION OR P.A.

Lido Development Management Corporation

Certificate of Status	1
Certified Copy	1
Page Count	08
Estimated Charge	\$87.50

Electronic Filing Menu

Corporate Filing

Public Access Help

9-20-05
WC

02/09
FILED
2005 SEP 19 P 12:11
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF
LIDO DEVELOPMENT MANAGEMENT CORPORATION**

The undersigned incorporator hereby files these Articles of Incorporation for the purpose of forming a corporation pursuant to the provisions of the Florida Business Corporation Act:

**ARTICLE I
NAME**

The name of this corporation is "LIDO DEVELOPMENT MANAGEMENT CORPORATION", a Florida corporation, hereinafter referred to as the "Corporation".

The street address of the initial principal office of the Corporation is 1001 East Atlantic Avenue, Suite 202, Delray Beach, Florida 33483.

**ARTICLE II
NATURE OF BUSINESS**

The nature of the business to be conducted and promoted by the Corporation is to engage solely in the following activities:

1. To own a 0.5% membership interest in Lido Development LLC, a Florida limited liability company (the "Company").
2. To manage the Company, pursuant to the provisions of the Florida Limited Liability Company Act, as amended.
3. To exercise all powers enumerated in the Florida Business Corporation Act necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

**ARTICLE III
POWERS**

The Corporation shall have the following powers:

1. All of the common law and statutory powers of a corporation under the laws of the State of Florida.

2. To administer, enforce, carry out and perform all of the acts, functions, rights and duties of the Corporation.

ARTICLE IV **CAPITAL STOCK**

The maximum number of shares of stock that the Corporation is authorized to have outstanding at any one time is one thousand (1,000) shares of common stock having \$.01 par value per share.

ARTICLE V **ADDRESS**

The street address of the registered office of the Corporation is 1001 East Atlantic Avenue, Suite 201, Delray Beach, Florida 33483, and the name of the registered agent of the Corporation at that address is Richard H. Critchfield.

ARTICLE VI **BOARD OF DIRECTORS**

1. Number. The affairs of the Corporation will be managed by the Board. The number of Directors on the Board shall be determined pursuant to the By-Laws and in any event shall always be an odd number. In the absence of a determination of a different number of Directors, the Board shall consist of three (3) Board Members.

2. Election or Appointment. All Directors elected or appointed shall be elected or appointed in the manner provided by the By-Laws of the Corporation.

ARTICLE VII **SPECIAL LIMITATIONS**

For so long as the loan from Morgan Stanley Mortgage Capital Inc., a New York corporation, its successors and/or assigns ("Lender") to the Corporation (the "Loan") is outstanding, in order to preserve and ensure its separate and distinct corporate identity, in addition to the other provisions set forth in this certificate of incorporation, the Corporation shall conduct its affairs in accordance with the following provisions:

(a) The Corporation will not engage in any business other than the management of the Company and will not own any asset other than its ownership interest in the Company.

(i) The Corporation will not commingle the funds and other assets of the Corporation with those of any Affiliate or constituent party or any other Person, and has held and will hold all of its assets in its own name.

(j) The Corporation will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate or constituent party or any other Person.

(k) The Corporation will not permit any Affiliate or constituent party independent access to its bank accounts.

(l) The Corporation shall pay the salaries of its own employees (if any) from its own funds and has maintained and shall maintain a sufficient number of employees (if any) in light of its contemplated business operations.

(m) The Corporation shall compensate each of its consultants and agents from its funds for services provided to it and pay from its own assets all obligations of any kind incurred.

(n) The Corporation will not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation).

(n) The Corporation will not make any loans or advances to any third party, including any member, general partner, principal or Affiliate of the Corporation or any member, general partner, principal or Affiliate thereof, nor buy or hold evidence of indebtedness issued by any other person or entity (other than cash or investment grade securities).

(o) The Corporation will not pledge its assets for the benefit of any other person or entity.

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

"Affiliate" shall mean, as to any Person, any other Person that, directly or indirectly, owns more than fifty percent (50%) of, is in control of, is controlled by or is under common ownership or control with such Person or is a director or officer of such Person or of an Affiliate of such Person. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management, policies or activities of a Person, whether through ownership of voting securities, by contract or otherwise.

"Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, any other entity, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

ARTICLE VIII **INDEMNIFICATION**

1. Indemnification. Every director and officer of the Corporation shall be indemnified by the Corporation to the fullest extent permitted or authorized by current or future legislation or judicial or administrative decisions (but, in the case of any such future legislation or decisions, only to the extent that it permits the Corporation to provide broader indemnification rights than permitted prior to such legislation or decisions) against all expenses and liabilities, including attorneys' fees, reasonably incurred by, or imposed upon him in connection with any threatened, pending or completed civil, criminal, administrative or investigative proceeding (the "Proceeding") to which he may be a party, or in which he may become involved as a witness, by reason of his being or having been a director or officer of the Corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases where the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to, and not exclusive of, any other right of indemnification to which a director or officer may be entitled. The Corporation is specifically authorized to purchase insurance for such indemnification. Each director or officer of the Corporation to whom indemnification rights under this Article VIII have been granted shall be referred to as an "Indemnified Person".

Notwithstanding the foregoing, the Corporation shall indemnify an Indemnified Person in connection with a Proceeding (or part thereof) initiated by such Indemnified Person only if authorization for such Proceeding (or part thereof) was not denied by the Board prior to sixty (60) days after receipt of notice thereof from such person.

2. Advance of Costs, Charges and Expenses. Costs, charges and expenses (including attorneys' fees) incurred by an Indemnified Person in defending a Proceeding shall be paid by the Corporation to the fullest extent permitted or authorized by current or future legislation or current or future judicial or administrative decisions (but, in the case of any such future legislation or decisions only to the extent that it permits the Corporation to provide broader rights to advance costs, charges and expenses than permitted prior to such legislation or decisions) in advance of the final disposition of such Proceeding, upon receipt of an undertaking by or on behalf of the Indemnified Person to repay all amounts so advanced in the event that it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article and upon such other terms and conditions as the Board may deem appropriate. The Corporation may, upon approval of the Indemnified Person, authorize the Corporation's counsel to represent such person in any Proceeding, whether or not the Corporation is a party to such Proceeding. Such authorization may be made by the Board, including directors who are parties to such Proceeding.

3. Procedure For Indemnification. Any indemnification or advance under this Article shall be made promptly and in any event within sixty (60) days, upon the written request of the Indemnified Person. The right to indemnification or advances as granted by this Article shall be enforceable by the Indemnified Person in any court of competent jurisdiction, if the Corporation denies such request under this Article, in whole or in part, or if no disposition thereof is made within sixty (60) days. Such Indemnified Person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any subsection shall also be indemnified by the Corporation. It shall be a defense to any such action that the claimant has not met the standard of conduct, if any, required by current or future legislation or by current or future judicial or administrative decisions for indemnification (but, in the case of any such future legislation or decisions, only to the extent that it does not impose a more stringent standard of conduct than permitted prior to such legislation or decisions), but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including the Board or any committee thereof or its independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct, if any, nor the fact that there has been an actual determination by the Corporation (including the Board or any committee thereof or its independent legal counsel) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

4. Survival of Indemnification. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any agreement, vote of disinterested directors or recommendation of counsel or otherwise, both as to actions in such person's official capacity and as to actions in another capacity while holding such office, and shall continue as to an Indemnified Person who has ceased to be a director and/or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. All rights to indemnification under this Article shall be deemed to be a contract between the Corporation and each Indemnified Person who serves or served in such capacity at any time while this Article is in effect. Any repeal or modification of this Article or any repeal or modification of relevant provisions of the Florida Business Corporation Act or any other applicable laws shall not in any way diminish any rights to indemnification of such Indemnified Person, or the obligations of the Corporation arising hereunder, for claims relating to matters occurring prior to such repeal or modification.

5. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (including serving as a fiduciary of an employee benefit plan), against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VIII or of the applicable provisions of the Florida Business Corporation Act.

6. Savings Clause. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Indemnified Person as to costs, charges and expenses (including attorneys' fees, judgments, fines and amounts paid in settlement with respect to any Proceeding, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and as permitted by applicable law.

ARTICLE IX **AMENDMENTS TO ARTICLES**

Subject to the provisions of Article VII, amendments to these Articles shall be proposed and adopted in the following manner:

1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Adoption. A resolution for the adoption of a proposed amendment to the Articles may be proposed by either the Board or by any stockholder of the Corporation having not less than ten percent (10%) of all of the votes which may be cast by all of the stockholders of the Corporation. Directors and stockholders not present in person or by proxy at a meeting considering an amendment may express their approval or disapproval in writing, provided the approval is delivered to the Secretary of the Corporation within ten (10) days after the meeting at which the amendment is considered. Approval of an amendment to the Articles must be by either:

A. Not less than a majority of the entire Board, and not less than seventy-five (75%) percent of all of the votes which may be cast by all of the stockholders; or

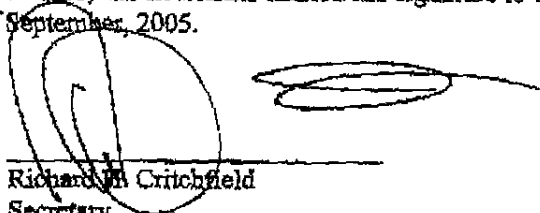
B. The unanimous consent of the entire Board.

The Corporation is prohibited from amending the provisions specified in Article VII and in this Article IX without the consent of the Lender, or, after the securitization of the Loan, only if the Corporation receives (i) confirmation from each of the applicable rating agencies that such amendment would not result in the qualification, withdrawal or downgrade of any securities rating and (ii) approval of such amendment by the Lender or its assigns.

ARTICLE X **TERM**

This Corporation shall have perpetual existence.

WHEREFORE, the undersigned person, after having obtained the prior written approval of the stockholders of the Corporation at a meeting of the stockholders held on August 26, 2005, on which date the stockholders adopted the foregoing articles, has hereunder affixed his signature to these Articles of Incorporation on this 19th day of September, 2005.

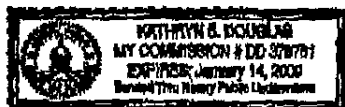

Richard H. Critchfield
Secretary


STATE OF FLORIDA

COUNTY OF PALM BEACH

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State of Florida and in the County of Palm Beach to take acknowledgements, personally appeared Richard H. Critchfield, who executed the foregoing Articles of Incorporation and he acknowledged to and before me that he did so voluntarily and for the purposes set forth herein, and he is personally known to me.

WITNESS my hand and official seal in the State and County last aforesaid this 19th day of September, 2005.




Kathryn A. Douglas
Notary Public, State of Florida
Name: _____
Commission No.: _____
My Commission Expires: _____

ACCEPTANCE OF REGISTERED AGENT DESIGNATED
IN ARTICLES OF INCORPORATION

Richard H. Critchfield, having a business office identical with the registered office of the corporation named above, and having been designated as the Registered Agent in the above and foregoing Articles of Incorporation of Lido Development Management Corporation, is familiar with and accepts the obligations of the position of Registered Agent under Section 607.0505, Florida Statutes.


Richard H. Critchfield