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MERGER OR SHARE EXCHANGE  
BLUEGREEN CORPORATION

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**ARTICLES OF MERGER  
OF  
BXG FLORIDA CORPORATION  
WITH AND INTO  
BLUEGREEN CORPORATION**

Pursuant to the provisions of Section 1109 of the Florida Business Corporation Act, Chapter 607, Florida Statutes (the "FBCA"), the undersigned hereby adopt the following Articles of Merger.

1. Parties to the Merger. The surviving corporation of the merger is Bluegreen Corporation, a Massachusetts corporation (the "Surviving Corporation"). The merging corporation is BXG Florida Corporation, a Florida corporation (the "Merging Corporation").
2. Agreement and Plan of Merger. The Agreement and Plan of Merger is attached hereto as Exhibit A.
3. Surviving Corporation Approval. The Agreement and Plan of Merger was duly approved by the Surviving Corporation in accordance with the applicable provisions of the Massachusetts Business Corporation Act, Chapter 156D of the General Laws of the Commonwealth of Massachusetts.
4. Merging Corporation Approval. The Agreement and Plan of Merger was duly approved by the Merging Corporation in accordance with the applicable provisions of the FBCA.
5. Effective Time. The merger shall become effective upon filing of these Articles of Merger with the Florida Department of State.
6. Agent for Service of Process; Other Matters. The Surviving Corporation hereby appoints the Secretary of State for the State of Florida as the Surviving Corporation's agent for service of process in any proceeding to enforce any obligation to the Merging Corporation, including the Merging Corporation's sole shareholder, in connection with the Merger. The Surviving Corporation does not have a principal office within the Commonwealth of Massachusetts. The sole shareholder of the Merging Corporation duly approved the merger, and therefore there are no dissenting shareholders of the Merging Corporation with respect to the merger.

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TALLAHASSEE, FLORIDA

IN WITNESS WHEREOF, these Articles of Merger have been executed for delivery to the Florida Department of State, effective as of this 2<sup>nd</sup> day of April 2013.

**SURVIVING CORPORATION:**

Bluegreen Corporation,  
a Massachusetts corporation



John M. Maloney, Jr.  
Chief Executive Officer and President

**MERGING CORPORATION:**

BXG Florida Corporation,  
a Florida corporation

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Alan B. Levan  
President

IN WITNESS WHEREOF, these Articles of Merger have been executed for delivery to the Florida Department of State, effective as of this 2<sup>nd</sup> day of April 2013.

**SURVIVING CORPORATION:**

Bluegreen Corporation,  
a Massachusetts corporation

---

John M. Maloney, Jr.  
Chief Executive Officer and President

**MERGING CORPORATION:**

BXG Florida Corporation,  
a Florida corporation



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Alan B. Levan  
President

04/02/2013 17:00 FAX

STEARNS WEAVER MILLER

0005/0054

**EXHIBIT A**

**AGREEMENT AND PLAN OF MERGER**

04/02/2013 17:01 FAX

STEARNS WEAVER MILLER

0006/0054

EXECUTION VERSION

**AGREEMENT AND PLAN OF MERGER**

**by and among**

**BFC FINANCIAL CORPORATION,**

**WOODBRIIDGE HOLDINGS, LLC,**

**BXG FLORIDA CORPORATION**

**and**

**BLUEGREEN CORPORATION**

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## AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") is entered into as of the 14<sup>th</sup> day of November, 2012, by and among BFC FINANCIAL CORPORATION, a Florida corporation ("BFC"), WOODBRIDGE HOLDINGS, LLC, a Florida limited liability company ("Woodbridge"), BXG FLORIDA CORPORATION, a Florida corporation ("Merger Sub"), and BLUEGREEN CORPORATION, a Massachusetts corporation ("Bluegreen").

### WITNESSETH:

WHEREAS, BFC and its wholly-owned subsidiary, on the one hand, and Bluegreen, on the other hand, were parties to that certain Agreement and Plan of Merger, dated November 11, 2011 (the "Previous Merger Agreement"), which provided for the merger of Bluegreen with and into the wholly-owned subsidiary of BFC;

WHEREAS, the Previous Merger Agreement was terminated due to the inability to satisfy all required conditions to closing the transactions contemplated by the Previous Merger Agreement;

WHEREAS, in connection with the cancellation of the Previous Merger Agreement, a modified strategic transaction between the companies has been proposed pursuant to which Merger Sub would merge with and into Bluegreen (the "Merger"), with Bluegreen being the surviving corporation of the Merger, upon the terms and conditions set forth herein;

WHEREAS, the Board of Directors of Bluegreen has designated a special committee (the "Special Committee") composed entirely of independent directors, as determined in accordance with the listing standards of the New York Stock Exchange to, among other things, review and evaluate the terms and conditions, and determine the advisability, of the Merger;

WHEREAS, the Special Committee has negotiated the terms and conditions of this Agreement on behalf of Bluegreen and has (i) determined that the Merger is advisable, fair to, and in the best interests of Bluegreen's shareholders and (ii) recommended the approval and adoption of this Agreement by the Board of Directors of Bluegreen;

WHEREAS, based upon the recommendation of the Special Committee and its own independent review, the Board of Directors of Bluegreen has (i) determined that the Merger is advisable, fair to, and in the best interests of Bluegreen's shareholders, (ii) approved and adopted this Agreement and declared its advisability, (iii) approved the Merger and the other transactions contemplated by this Agreement and (iv) recommended the approval and adoption of this Agreement by Bluegreen's shareholders in accordance with this Agreement;

WHEREAS, the Board of Directors of BFC has determined that the Merger is consistent with and in furtherance of the long-term business strategy of BFC and fair to, and in the best interests of, BFC and its shareholders, and has approved and adopted this Agreement, the Merger and the other transactions contemplated by this Agreement;

WHEREAS, the Board of Managers of Woodbridge has determined that the Merger is in the best interests of Merger Sub and its member, and has approved and adopted this Agreement, the Merger and the other transactions contemplated by this Agreement;

WHEREAS, the Board of Managers of Merger Sub has determined that the Merger is in the best interests of Merger Sub and its member, and has approved and adopted this Agreement, the Merger and the other transactions contemplated by this Agreement; and

WHEREAS, the parties desire to make certain representations, warranties, covenants and agreements in connection with the Merger and to also set forth the terms and conditions of the Merger;

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements, representations, warranties and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purpose of prescribing the terms and conditions of the Merger, the parties, intending to be legally bound, hereby agree as follows:

#### ARTICLE I DEFINITIONS

When used in this Agreement, and in addition to the other terms defined herein, the following terms shall have the meanings specified:

"Acquisition Proposal" shall have the meaning set forth in Section 7.3(a).

"Affiliate" shall mean with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. For purposes of this definition, control of a Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; *provided, however*, that for purposes of this Agreement, (i) Bluegreen and its subsidiaries shall not be treated as an Affiliate of BFC, Woodbridge or Merger Sub, and (ii) BFC and its subsidiaries shall not be treated as Affiliates of Bluegreen.

"Agreement" shall mean this Agreement and Plan of Merger as executed on the date hereof and as amended and supplemented in accordance with its terms, including, without limitation, all schedules and exhibits hereto.

"Articles of Organization" shall mean the Restated Articles of Organization of Bluegreen, as amended from time to time.

"BFC" shall have the meaning set forth in the Preamble.

"Bluegreen" shall have the meaning set forth in the Preamble.

"Bluegreen Benefit Plan" shall mean each Bluegreen Equity Compensation Plan; each material deferred compensation or bonus plan, program, agreement or arrangement, including, without limitation, the Bluegreen Corporation 2006 Performance-Based Annual Incentive Plan and the Bluegreen Corporation 2011 Long Term Incentive Plan; each material severance or termination pay, medical, surgical, hospitalization, life insurance and other "welfare" plan, fund or program (within the meaning of Section 3(1) of ERISA); each material profit-sharing, stock bonus or other "pension" plan, fund or program (within the meaning of Section 3(2) of ERISA); each employment, consulting, termination or severance agreement; and each other material employee benefit plan (within the meaning of Section 3(3) of ERISA), in each case, that is sponsored, maintained or to which contributions are made by (i) Bluegreen or any of its Subsidiaries (or as to which Bluegreen or any of its Subsidiaries is otherwise a party) or (ii) any other organization which is a member of a Controlled Group of which Bluegreen or any of its Subsidiaries is a member or with respect to which Bluegreen or any of its Subsidiaries or any member of the Controlled Group of which Bluegreen or any of its Subsidiaries has any liability or potential liability.

"Bluegreen Common Stock" shall mean the Common Stock, par value \$0.01 per share, of Bluegreen.

"Bluegreen Equity Compensation Plans" shall mean (i) the Bluegreen Corporation 1995 Stock Incentive Plan, (ii) the Bluegreen Corporation 1998 Non-Employee Director Stock Option Plan, (iii) the Bluegreen Corporation 2005 Stock Incentive Plan and (iv) the Bluegreen Corporation 2008 Stock Incentive Plan, in each case as amended to date.

"Bluegreen Financial Statements" shall mean the audited Consolidated Balance Sheets, Consolidated Statements of Operations, Consolidated Statements of Shareholders' Equity and Consolidated Statements of Cash Flows of Bluegreen, and the related notes thereto, as of, and for each of Bluegreen's fiscal years ended, December 31, 2009, 2010 and 2011, and the unaudited Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) and Condensed Consolidated Statements of Cash Flows of Bluegreen, and the related notes thereto, as of, and for the nine-month (and, if applicable, three-month) period ended September 30, 2012, as each of which is included in the Bluegreen SEC Reports.

"Bluegreen Material Adverse Effect" shall mean any effect, change, event, state of fact, development, circumstance or condition (including, without limitation, changes in banking, thrift or similar laws, rules or regulations) which when considered individually or in the aggregate with all other effects, changes, events, state of facts, developments, circumstances or conditions has materially and adversely affected or could reasonably be expected to materially and adversely affect the results of operations, financial condition, including cash and cash equivalents position, assets, liabilities, or business of Bluegreen, including its Subsidiaries together with it taken as a whole, including, without limitation, the ability of Bluegreen to consummate the Merger and/or any of the other transactions contemplated hereby; *provided, however*, that a "Bluegreen Material Adverse Effect" shall not be deemed to include any changes resulting from (i) general economic or political conditions, (ii) circumstances that affect the real estate and time share industries generally or (iii) force majeure events, acts of terrorism or acts of

war; *provided, further*, that, notwithstanding the foregoing, the changes or events described in clauses (i), (ii) and (iii) above shall be regarded in determining whether a Bluegreen Material Adverse Effect has occurred if the effects of such changes or events disproportionately impact or uniquely relate to Bluegreen.

"Bluegreen Material Contract" shall mean any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to which Bluegreen or any of its Subsidiaries is a party or otherwise relating to or affecting any of their respective assets, properties or operations as well as any contract, agreement or other arrangement pursuant to which Bluegreen or any of its Subsidiaries has incurred indebtedness in an amount equal to or exceeding \$25 million.

"Bluegreen Meeting" shall mean the annual or special meeting of Bluegreen's shareholders to be held for the purpose of voting upon the transactions contemplated hereby and for no other purpose without the prior written consent of BFC.

"Bluegreen Options" shall have the meaning set forth in Section 3.4(a).

"Bluegreen Stock Awards" shall have the meaning set forth in Section 3.4(b).

"Bluegreen Proxy Statement" shall mean the proxy statement on Schedule 14A (as amended or supplemented from time to time) relating to, and to be filed with the SEC and mailed to Bluegreen's shareholders in connection with, the proposal to be submitted to a vote of Bluegreen's shareholders at the Bluegreen Meeting to approve this Agreement.

"Bluegreen Rights Agreement" shall mean the Rights Agreement, dated as of July 27, 2006, between Bluegreen and Mellon Investor Services LLC, as amended to date.

"Bluegreen SEC Reports" shall have the meaning set forth in Section 5.5(a).

"Book-Entry Shares" shall have the meaning set forth in Section 3.1(d).

"Business Day" means any day on which banks are not required or authorized by Law or executive order to close in the city of Fort Lauderdale, Florida, USA.

"Bylaws" shall mean the Amended and Restated Bylaws of Bluegreen, as amended from time to time.

"CERCLA" shall have the meaning set forth in Section 5.16.

"Certificates" shall have the meaning set forth in Section 3.1(d).

"Claim" shall have the meaning set forth in Section 7.7(a).

"Closing" shall have the meaning set forth in Section 2.2.

"Closing Date" shall have the meaning set forth in Section 2.2.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Consideration Fund" shall have the meaning set forth in Section 3.2(a).

"Controlled Group" shall mean a controlled group of organizations (within the meaning of Sections 414(b), (c), (m) or (o) of the Code).

"Dissenting Shares" shall have the meaning set forth in Section 3.5(a).

"Effective Time" shall have the meaning set forth in Section 2.2.

"Environmental Law" shall have the meaning set forth in Section 5.16.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, together with the rules and regulations promulgated thereunder.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time, together with the rules and regulations promulgated thereunder.

"FBCA" shall mean the Florida Business Corporation Act, as amended from time to time.

"Florida Articles of Merger" shall mean the articles of merger with respect to the Merger to be filed with the Florida Department of State.

"GAAP" shall mean United States generally accepted accounting principles, consistently applied during the periods presented in accordance with past practices.

"Governmental Entity" shall mean any federal, state, local or foreign court, tribunal, arbitral body, administrative agency or commission or other governmental or regulatory authority or administrative agency or commission.

"Hazardous Material" shall have the meaning set forth in Section 5.16.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time, and the rules and regulations thereunder.

"Indemnified Liabilities" shall have the meaning set forth in Section 7.7(a).

"Indemnified Parties" shall have the meaning set forth in Section 7.7(a).

"Law" shall mean any federal, state or local governmental law, rule, regulation or requirement, including, without limitation, any Environmental Law, as well as all rules, regulations and Orders promulgated thereunder and any Orders, decrees, consents or judgments of any Governmental Entity and courts having the force of law.

"Lien" shall mean any lien, charge, pledge, security interest, mortgage, claim, encumbrance, option, right of first refusal and other proscription, restriction, condition, covenant or similar right whether imposed by law, by contract or otherwise.

"Massachusetts Articles of Merger" shall mean the articles of merger with respect to the Merger to be filed with the Secretary of State of the Commonwealth of Massachusetts.

"MBCA" shall mean the Massachusetts Business Corporation Act, as amended from time to time.

"Merger" shall have the meaning set forth in the Recitals.

"Merger Consideration" shall have the meaning set forth in Section 3.1(a).

"Merger Sub" shall have the meaning set forth in the Preamble.

"Order" shall mean any judgment, ruling, order, writ, injunction, decree, consent decree, statute, rule or regulation.

"Paying Agent" shall have the meaning set forth in Section 3.2(a).

"Permits" shall mean all permits, licenses, variances, registrations, certificates of authority, Orders and approvals of Governmental Entities.

"Permitted Liens" shall mean (i) statutory Liens imposed by Law for Taxes that are not yet due and payable, or are being contested in good faith by proper proceedings and which have been adequately reserved for in accordance with GAAP on the Bluegreen Financial Statements; (ii) Liens which are purchase money Liens arising in the ordinary course of business for amounts which are not in default; (iii) carriers', warehousemen's, mechanics, landlords', materialmen's, repairmen's or other substantially similar Liens arising under Law for amounts not yet due and payable; (iv) easements, rights-of-way and other similar instruments whether or not recorded in the public land records or filed in other public records and which do not, individually or in the aggregate, interfere with the use or marketability of the relevant asset; (v) zoning, subdivision and other applicable Laws; and (vi) amendments, extensions, renewals or replacements of any Lien referred to in clauses (i) through (v) above, to the extent that the scope, duration and effect of the Lien so amended, extended, renewed or replaced remains the same in all material respects.

"Person" shall mean a natural person, corporation, limited liability company, association, joint stock company, trust, partnership, governmental entity, agency or branch or department thereof, or any other legal entity.

"Previous Merger Agreement" shall have the meaning set forth in the Recitals.

"Properties" shall have the meaning set forth in Section 5.16.

"Purchaser Material Adverse Effect" shall mean any material adverse change in, or material adverse effect on, the ability of BFC, Woodbridge or Merger Sub to satisfy the conditions precedent to the Merger or to otherwise consummate the Merger or other transactions contemplated hereby.

"Purchaser Material Contract" shall mean any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to which BFC, Woodbridge or Merger Sub is a party or otherwise relating to or affecting any of their respective assets, properties or operations.

"Representatives" shall mean, with respect to any Person, such Person's directors, officers, managers, agents, attorneys, accountants and financial, tax and other advisors.

"Schedule 13E-3" shall mean the Rule 13E-3 transaction statement on Schedule 13E-3 (as amended or supplemented from time to time and including any document incorporated by reference therein) relating to this Agreement and the transactions contemplated hereby, including the Merger, to be jointly filed by the parties hereto and all other filing Persons required by the rules and regulation of the SEC.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time, together with the rules and regulations promulgated thereunder.

"Solvent" shall have the meaning set forth in Section 4.11.

"Special Committee" shall have the meaning set forth in the Recitals.

"Subsidiary" or "Subsidiaries" of any Person shall mean any corporation, limited liability company, partnership, joint venture or other legal entity of which such Person, directly or indirectly (either alone or through or together with any other Subsidiary of such Person) owns more than fifty percent (50%) of the stock or other equity interests, the holders of which are generally entitled to vote for the election of the board of directors, other governing body or manager of such corporation, limited liability company, partnership, joint venture or other legal entity; *provided, however*, that for purposes of this Agreement, neither Bluegreen nor BBX Capital Corporation, nor any of their respective subsidiaries, shall be treated as a Subsidiary of BFC.

"Superior Proposal" shall have the meaning set forth in Section 7.3(b).

"Surviving Corporation" shall have the meaning set forth in Section 2.1.

"Tax" or "Taxes" shall mean any and all taxes, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any government or taxing authority, including, without limitation, taxes or other charges on or with respect to income,



franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation, unemployment compensation, or net worth, taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes; license, registration and documentation fees; and customs' duties, tariffs, and similar charges.

"Tax Return" shall mean any return, declaration, report, claim for refund, information return or statement in connection with the determination of or liability for any Tax that is required to be filed or is actually filed with a Governmental Entity in connection with the administration of Taxes, including any schedule or attachment thereto and amendment thereof.

"Third Party" shall have the meaning set forth in Section 7.3(b).

"Woodbridge" shall have the meaning set forth in the Preamble.

## ARTICLE II THE MERGER

2.1 Merger. Subject to the terms and conditions of this Agreement and in accordance with the MBCA and the FBCA, at the Effective Time, Bluegreen and Merger Sub shall consummate the Merger pursuant to which, in accordance with the terms, conditions and provisions of this Agreement and the Massachusetts Articles of Merger and Florida Articles of Merger, (i) Merger Sub shall merge with and into Bluegreen, (ii) the separate corporate existence of Merger Sub shall thereupon cease, (iii) Bluegreen shall be the surviving corporation (the "Surviving Corporation") in the Merger and a wholly-owned subsidiary of Woodbridge, and (iv) the separate corporate existence of Bluegreen as a Massachusetts corporation, with all its rights, privileges, immunities, powers and franchises, shall continue.

2.2 Consummation of the Merger; Effective Time. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., 150 West Flagler Street, Miami, Florida 33130, at such time as shall be fixed by mutual agreement of BFC and Bluegreen as promptly as practicable after the satisfaction or waiver of all of the conditions set forth in this Agreement (the date of Closing is hereinafter sometimes referred to as the "Closing Date"). On or prior to the day before the Closing Date, each of Bluegreen and Merger Sub will execute the Massachusetts Articles of Merger and Florida Articles of Merger and deliver them to Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. for filing with the Secretary of State of the Commonwealth of Massachusetts and the Florida Department of State, respectively. Subject to the satisfaction or waiver of all conditions precedent to the consummation of the transactions contemplated by this Agreement, the parties shall cause the Merger to become effective on the date of the Closing by (i) causing the filing, in accordance with all applicable regulations, of the Massachusetts Articles of Merger and the Florida Articles of Merger as set forth in the preceding sentence and (ii) causing all other documents which must be recorded or filed as a result of the Merger to be recorded or filed. The Massachusetts Articles of Merger and the Florida Articles of Merger shall provide that the Merger shall be effective as of 5:00 p.m. on the Closing Date (the

date and time of such effectiveness being referred to herein as the "Effective Time"). The Closing shall be deemed to occur simultaneously with the Effective Time.

2.3 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided in the applicable provisions of the Massachusetts Articles of Merger and the MBCA and the Florida Articles of Merger and the FBCA. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all of the property, rights, privileges, powers and franchises of Bluegreen and Merger Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of Bluegreen and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation.

2.4 Articles of Organization and Bylaws of the Surviving Corporation. At the Effective Time, the Articles of Organization and Bylaws of Bluegreen, in each case as in effect immediately prior to the Effective Time, shall be the articles of organization of the Surviving Corporation and the bylaws of the Surviving Corporation, respectively, in each case until thereafter amended in accordance with the MBCA and such articles of organization or bylaws, as the case may be.

2.5 Directors and Officers of the Surviving Corporation. The directors of Bluegreen at the Effective Time shall, from and after the Effective Time, be the initial directors of the Surviving Corporation until their successors shall have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the Surviving Corporation's articles of organization and bylaws. The officers of Bluegreen at the Effective Time shall, from and after the Effective Time, be the initial officers of the Surviving Corporation until their successors shall have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the Surviving Corporation's articles of organization and bylaws.

2.6 Additional Actions. If, at any time after the Effective Time, any party hereto shall consider or be advised that, consistent with the terms of this Agreement, any further assignments or assurances in Law or any other acts are necessary or desirable (a) to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation, title to and possession of any property or right of either Bluegreen or Merger Sub acquired or to be acquired by reason of, or as a result of, the Merger, or (b) to otherwise carry out the purposes of this Agreement, then, subject to the terms and conditions of this Agreement, each of Bluegreen and its officers and directors and Merger Sub and its officers and directors shall be deemed to have granted to the Surviving Corporation an irrevocable power of attorney to execute and deliver all such deeds, assignments and assurances in Law and to do all acts necessary or proper to vest, perfect or confirm title to and possession of such property or rights in the Surviving Corporation and otherwise to carry out the purposes of this Agreement; and the officers and directors of the Surviving Corporation are fully authorized in the name of both Bluegreen and Merger Sub to take any and all such actions.

### ARTICLE III CONVERSION OF SHARES; CONSIDERATION

#### 3.1 Conversion of Capital Stock.

(a) At the Effective Time, each share of Bluegreen Common Stock issued and outstanding immediately prior to the Effective Time (other than shares of Bluegreen Common Stock to be canceled pursuant to Section 3.1(c) and the Dissenting Shares) shall, by virtue of the Merger and without any action on the part of the holder thereof, any party hereto or any other Person, be converted into the right to receive \$10.00 in cash, without interest thereon (the "Merger Consideration"). The preferred share purchase rights associated with each share of Bluegreen Common Stock issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, any party hereto or any other Person, be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor, as the value of such preferred share purchase rights is included within the value of the associated share of Bluegreen Common Stock.

(b) Each share of common stock, par value \$0.01 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall, at the Effective Time, by virtue of the Merger and without any action on the part of any party hereto or any other Person, be converted into one fully paid and nonassessable share of common stock, par value \$0.01 per share, of the Surviving Corporation, so that after the Effective Time, Woodbridge shall be the holder of all of the issued and outstanding common stock of the Surviving Corporation.

(c) All shares of Bluegreen Common Stock that are owned by BFC, Woodbridge or Merger Sub immediately prior to the Effective Time shall, at the Effective Time, be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor.

(d) At the Effective Time, each share of Bluegreen Common Stock converted into the right to receive the Merger Consideration pursuant to Section 3.1(a) shall be automatically canceled and shall cease to exist, upon the conversion thereof, and the holders immediately prior to the Effective Time of shares of outstanding Bluegreen Common Stock not represented by certificates, if any ("Book-Entry Shares"), and the holders of certificates that, immediately prior to the Effective Time, represent shares of outstanding Bluegreen Common Stock (the "Certificates") shall cease to have any rights with respect to such shares of Bluegreen Common Stock other than the right to receive, upon surrender of such Book-Entry Shares or Certificates in accordance with Section 3.2, the Merger Consideration, without any interest thereon, for each such share of Bluegreen Common Stock held by them. The Merger Consideration paid upon the surrender for exchange of the Book-Entry Shares or the Certificates in accordance with Section 3.2 shall be deemed to have been paid in full satisfaction of all rights and privileges pertaining to the Bluegreen Common Stock exchanged theretofore and represented by such Book-Entry Shares or Certificates.

(e) If at any time between the date of this Agreement and the Effective Time any change in the number of outstanding shares of Bluegreen Common Stock shall occur as a result of a stock split (including a reverse stock split), or combination, exchange or readjustment

of shares, or any stock dividend or stock distribution with a record date during such period, the amount of the Merger Consideration as provided in Section 3.1(a) shall be equitably adjusted to reflect such change.

### 3.2 Exchange of Certificates; Payments.

(a) At or prior to the Effective Time, BFC, Woodbridge or Merger Sub shall deliver or cause to be delivered, in trust, to such bank or trust company that may be designated by them and is reasonably satisfactory to Bluegreen (the "Paying Agent"), for the benefit of the holders of shares of Bluegreen Common Stock at the Effective Time, sufficient funds for timely payment of the aggregate Merger Consideration to be paid pursuant to Section 3.1 in exchange for all issued and outstanding shares of Bluegreen Common Stock immediately prior to the Effective Time (other than shares of Bluegreen Common Stock to be canceled pursuant to Section 3.1(c)) (the "Consideration Fund"). In the event the Consideration Fund shall be insufficient to pay the aggregate Merger Consideration, BFC, Woodbridge or Merger Sub shall promptly deliver, or cause to be delivered, additional funds to the Paying Agent in an amount equal to such deficiency.

(b) Promptly after the Effective Time (and in any event not later than the second Business Day following the Effective Time), the Surviving Corporation shall cause the Paying Agent to mail to each holder of record of Certificates or Book-Entry Shares whose shares were converted into the right to receive the Merger Consideration pursuant to Section 3.1, (i) a letter of transmittal that shall specify that delivery of such Certificates or Book-Entry Shares shall be deemed to have occurred, and risk of loss and title to the Certificates or Book-Entry Shares, as applicable, shall pass, only upon proper delivery of the Certificates (or affidavits of loss in lieu thereof) or Book-Entry Shares to the Paying Agent and (ii) instructions for use in effecting the surrender of the Certificates or Book-Entry Shares in exchange for payment of the Merger Consideration to which the holder thereof is entitled. Upon surrender of a Book-Entry Share or a Certificate for cancellation to the Paying Agent together with such letter of transmittal, duly executed and completed in accordance with the instructions thereto, and with such other documents as may be required pursuant to such instructions or as may reasonably be requested by the Paying Agent, the holder of such Book-Entry Share or Certificate shall be entitled to receive in exchange therefor, subject to any required withholding of Taxes pursuant to Section 3.3, the Merger Consideration pursuant to the provisions of Section 3.1, and the Book-Entry Share or Certificate so surrendered shall forthwith be canceled. No interest shall be paid or accrued on the Merger Consideration payable to holders of Book-Entry Shares or Certificates. If any Merger Consideration is to be paid to a Person other than a Person in whose name the Book-Entry Share or Certificate surrendered in exchange therefor is registered, it shall be a condition of such exchange that the Person requesting such exchange shall pay to the Paying Agent any transfer or other Taxes required by reason of payment of the Merger Consideration to a Person other than the registered holder of the Book-Entry Share or Certificate surrendered, or shall establish to the reasonable satisfaction of the Paying Agent that such Tax has been paid or is not applicable.

(c) The Consideration Fund shall be invested by the Paying Agent if and as directed by Woodbridge; provided that any such investments shall be in cash or securities issued

or directly and fully guaranteed or insured as to principal and interest by the United States government or any agency or instrumentality thereof and having maturities of not more than one month from the date of investment. Earnings on the Consideration Fund shall be the sole and exclusive property of Woodbridge and shall be paid to Woodbridge as it directs. No investment of the Consideration Fund shall relieve Woodbridge or the Paying Agent from making the payments required by this Article III, and following any losses from any such investment, Woodbridge shall promptly provide, or cause to be provided, additional funds to the Paying Agent for the benefit of the holders of shares of Bluegreen Common Stock at the Effective Time in the amount of such losses, which additional funds shall be deemed to be part of the Consideration Fund.

(d) At the Effective Time, the share transfer books of Bluegreen shall be closed and thereafter there shall be no further registration of transfers of the shares of Bluegreen Common Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates or Book-Entry Shares are presented to the Surviving Corporation or the Paying Agent for any reason, they shall be canceled and exchanged for the Merger Consideration with respect to the Bluegreen Common Stock formerly represented thereby pursuant to Section 3.1, except as otherwise provided by Law.

(e) Any portion of the Consideration Fund (including the proceeds of any investments thereof) that remains unclaimed by the former shareholders of Bluegreen otherwise entitled thereto for one year after the Effective Time shall be delivered to the Surviving Corporation. Any holders of Certificates or Book-Entry Shares who have not theretofore complied with the provisions of this Section 3.2 with respect to such Certificates or Book-Entry Shares shall thereafter look only to the Surviving Corporation for payment of their claim for Merger Consideration in respect thereof.

(f) Notwithstanding the foregoing, neither the Paying Agent, BFC, Woodbridge, Merger Sub, Bluegreen or the Surviving Corporation, nor any shareholder, partner, member, Representative or Affiliate thereof, shall be liable to any Person in respect of cash from the Consideration Fund delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law. If any Certificate or Book-Entry Share shall not have been surrendered prior to the date on which any Merger Consideration in respect thereof would otherwise escheat to or become the property of any Governmental Entity, any such Merger Consideration in respect of such Certificate or Book-Entry Share shall, to the extent permitted by applicable Law, become the property of the Surviving Corporation, and any holder of such Certificate or Book-Entry Share who has not theretofore complied with the provisions of this Section 3.2 with respect thereto shall thereafter look only to the Surviving Corporation for payment of its claim for Merger Consideration in respect thereof.

(g) If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact (such affidavit shall be in a form reasonably satisfactory to Woodbridge and the Paying Agent) by the Person claiming such Certificate to be lost, stolen or destroyed, and, if required by the Paying Agent, the posting by such Person of a bond in customary amount as indemnity against any claim that may be made against it with respect to such Certificate, the Paying Agent shall issue in exchange for such lost, stolen or destroyed

Certificate, the Merger Consideration to which such Person is entitled in respect of such Certificate pursuant to Section 3.1.

(h) Prior to the Effective Time, Bluegreen shall take all steps reasonably necessary to cause the transactions contemplated hereby and any other dispositions of equity securities of Bluegreen in connection with this Agreement by each individual who is subject to the reporting requirements of Section 16 of the Exchange Act to be exempt under such section of the Exchange Act and the rules and regulations promulgated thereunder.

3.3 Withholding Rights. The Surviving Corporation or the Paying Agent, as applicable, shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement (including any payments made pursuant to the Merger and any payments made in respect of the Dissenting Shares) to any holder of shares of Bluegreen Common Stock or Bluegreen Stock Options, such amounts required to be deducted and withheld with respect to the making of such payment under the Code or any provision of state, local or foreign Tax Law. To the extent that amounts are so withheld and paid to the appropriate Taxing authority by the Surviving Corporation or the Paying Agent, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of shares of Bluegreen Common Stock or Bluegreen Stock Options, as the case may be, in respect of which such deduction and withholding was made.

3.4 Bluegreen Options and Stock Awards.

(a) Prior to the Effective Time, Bluegreen shall take all actions necessary to cause each option to purchase shares of Bluegreen Common Stock issued by Bluegreen under any Bluegreen Equity Compensation Plan and outstanding at the Effective Time (each, a "Bluegreen Option"), whether or not vested or exercisable, to be canceled as of the Effective Time; provided, however, that the holder thereof shall be entitled to receive from the Surviving Corporation as soon as reasonably practicable after the Effective Time (but in any event no later than five Business Days after the Effective Time) a cash payment in respect of each share of Bluegreen Common Stock then subject to such Bluegreen Option, whether or not such Bluegreen Option was vested and exercisable immediately prior to the Effective Time, in an amount equal to the excess, if any, of the per share Merger Consideration over the exercise price per share with respect to such Bluegreen Option (subject to applicable Tax withholding requirements and without interest). No consideration shall be paid hereunder in respect of shares of Bluegreen Common Stock subject to Bluegreen Options which have an exercise price equal to or greater than the per share Merger Consideration.

(b) Prior to the Effective Time, Bluegreen shall take all actions necessary to cause each restricted stock award and restricted stock unit award, if any, of Bluegreen Common Stock granted by Bluegreen under any Bluegreen Equity Compensation Plan and outstanding immediately prior to the Effective Time (each, a "Bluegreen Stock Award") to become fully vested as of the Effective Time with respect to the maximum number of shares of Bluegreen Common Stock subject thereto, which shares shall be converted into the right to receive the Merger Consideration in the same manner as other shares of Bluegreen Common Stock pursuant to Section 3.1.

(c) At or prior to the Effective Time, Bluegreen shall take all actions necessary to cause each Bluegreen Equity Compensation Plan to terminate as of the Effective Time.

### 3.5 Appraisal Rights.

(a) Notwithstanding anything in this Agreement to the contrary and unless otherwise provided by applicable Law, each share of Bluegreen Common Stock which is issued and outstanding immediately prior to the Effective Time and which is owned by a shareholder who, pursuant to Sections 13.01-13.31 of the MBCA, duly and validly exercises and perfects his, her or its appraisal rights with respect to his, her or its shares of Bluegreen Common Stock (the "Dissenting Shares"), shall not be converted into the right to receive, or be exchangeable for, the Merger Consideration, but, instead, the holder thereof, with respect to such Dissenting Shares, shall be entitled to payment in cash from the Surviving Corporation of the appraised value of the Dissenting Shares in accordance with the provisions of Sections 13.01-13.31 of the MBCA. If any such holder shall have failed to duly and validly exercise or perfect or shall have effectively withdrawn or lost such appraisal rights, each share of Bluegreen Common Stock of such holder as to which appraisal rights were not duly and validly exercised or perfected, or were effectively withdrawn or lost, shall not be deemed a Dissenting Share and shall automatically be converted into and shall thereafter be exchangeable only for the right to receive the Merger Consideration as provided in this Agreement.

(b) Bluegreen will provide BFC and Woodbridge (i) prompt notice of any written demands received by Bluegreen for appraisal of shares of Bluegreen Common Stock, attempted withdrawals of such demands and any other instruments served on and received by Bluegreen pursuant to the MBCA, and (ii) the opportunity to participate in and direct all negotiations and proceedings with respect to any demands for appraisal under the MBCA. Bluegreen shall not, except with the prior written consent of BFC or Woodbridge, make any payment with respect to any demands for appraisal, settle or offer to settle any such demands, or approve any withdrawal of any such demands.

## ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BFC, WOODBIDGE AND MERGER SUB

BFC, Woodbridge and Merger Sub jointly and severally represent and warrant to Bluegreen as follows:

4.1 Organization; Good Standing; Power. BFC is a corporation duly organized and validly existing under the laws of the State of Florida, and its status is active. Woodbridge is a limited liability company duly organized and validly existing under the laws of the State of Florida, and its status is active. Merger Sub is a corporation duly organized and validly existing under the laws of the State of Florida, and its status is active. Each of BFC, Woodbridge and Merger Sub has all necessary corporate or limited liability company, as the case may be, power and authority to execute and deliver this Agreement and to consummate the Merger and the other transactions contemplated hereby, to own its properties and assets and to carry on its business as

now conducted. A complete and correct copy of the articles of incorporation and bylaws, or other equivalent organizational documents, of BFC, Woodbridge and Merger Sub, as currently in effect, has been made available to Bluegreen. Each of BFC, Woodbridge and Merger Sub is duly licensed or qualified to conduct business and is in good standing in each jurisdiction in which the nature of its businesses requires such qualification or license, except where the failure to be duly qualified could not reasonably be expected to have a Purchaser Material Adverse Effect.

4.2 Authorization; No Violation. The execution and delivery of this Agreement by BFC, Woodbridge and Merger Sub and the consummation of the Merger and other transactions contemplated hereby have been duly and validly authorized by all necessary corporate or limited liability company, as applicable, action on the part of BFC, Woodbridge and Merger Sub, and no other corporate or limited liability company action on the part of BFC, Woodbridge or Merger Sub is necessary (other than the filing of the Massachusetts Articles of Merger pursuant to the MBCA and the Florida Articles of Merger pursuant to the FBCA). Subject to the terms and conditions of this Agreement and assuming due and valid authorization, execution and delivery hereof by the other parties hereto, this Agreement constitutes the legal, valid and binding obligation of BFC, Woodbridge and Merger Sub, enforceable against each of them in accordance with its terms, except as limited by (i) bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws and other similar laws affecting creditors' rights generally, and (ii) general principles of equity, regardless of whether asserted in a proceeding in equity or at law. Neither the execution, delivery or performance of this Agreement by BFC, Woodbridge or Merger Sub, nor the consummation of the Merger or other transactions contemplated hereby, nor the compliance by BFC, Woodbridge and Merger Sub with any of the provisions of this Agreement, will: (a) violate, conflict with, or result in a breach of any of the provisions of, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration, or the creation of any Lien upon any of the properties or assets of BFC or any Subsidiary of BFC under any of the terms, conditions or provisions of (I) the articles of incorporation or bylaws, or other equivalent organizational documents, of BFC or any of its Subsidiaries or (II) any Purchaser Material Contract; (b) violate any Law or any Order applicable to BFC or any of its Subsidiaries or any of their respective properties or assets; or (c) require any filing, declaration or registration by BFC or any of its Subsidiaries with, or permission, determination, waiver, authorization, consent or approval of, any Governmental Entity (except for (i) compliance with any applicable requirements of the Exchange Act (including, without limitation, the filing of the Schedule 13E-3, and the information required thereby in the Bluegreen Proxy Statement, and such other reports and filings with the SEC under the Exchange Act as may be required in connection with this Agreement and the transactions contemplated hereby), (ii) any filings as may be required under the MBCA and the FBCA in connection with the Merger, including, without limitation, the Massachusetts Articles of Merger and the Florida Articles of Merger, (iii) any filings as may be required by the HSR Act and (iv) such filings and approvals as may be required by any applicable state securities, blue sky or takeover Laws), except in the case of clauses (a)(II), (b) or (c), where such violation, conflict, breach, default, termination, acceleration, Lien, security interest, charge, encumbrance or failure to make such filings, declarations or applications or obtain such permission, determination, waiver, authorization, consent or approval could not reasonably be expected to have a Purchaser Material Adverse Effect.



4.3 Absence of Certain Changes. Since September 30, 2012, there has not been any event, occurrence, development or set of circumstances or facts which (i) has had or could reasonably be expected to have a Purchaser Material Adverse Effect or (ii) could reasonably be expected to render any of the representations and warranties contained in this Article IV incorrect or untrue in any material respect as of the Closing Date.

4.4 Investigations; Litigation. Except as set forth in the reports and other documents required filed by BFC with the SEC under the Exchange Act, including, but not limited to, reports on Form 10-K, Form 10-Q and Form 8-K, there is no investigation by any Governmental Entity or any action, suit, proceeding or claim pending, or, to the knowledge of BFC, Woodbridge or Merger Sub, threatened, against BFC or any of its Subsidiaries (including, without limitation, any investigation, action, or proceeding with respect to Taxes), or the assets or business of BFC or any of its Subsidiaries which, if determined adversely to BFC or any of its Subsidiaries, could reasonably be expected to have a Purchaser Material Adverse Effect.

4.5 Compliance with Laws. Except as could not reasonably be expected to have a Purchaser Material Adverse Effect, neither BFC nor any of its Subsidiaries is in violation of, or in default under, any Law, in each case, applicable to BFC or any of its Subsidiaries or any of their respective assets or properties.

4.6 Operations of Merger Sub. Merger Sub (a) is a direct, wholly-owned subsidiary of Woodbridge (which is a direct wholly-owned subsidiary of BFC), (b) was formed solely for the purpose of engaging in a strategic transaction with Bluegreen, (c) has engaged in no other business activities and (d) has conducted its operations only as contemplated by this Agreement. Except for obligations and liabilities incurred in connection with its organization and the transactions contemplated by this Agreement, Merger Sub has no obligations or liabilities.

4.7 Information Supplied. None of the information supplied in writing by BFC, Woodbridge or Merger Sub specifically for inclusion or incorporation by reference in the Bluegreen Proxy Statement or Schedule 13E-3 will, at the date each such document is filed with the SEC or at the date each such document is first mailed to shareholders of Bluegreen, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading.

4.8 Broker's and Finder's Fees. No broker, finder or investment banker other than Allen C. Ewing & Co., the fees and expenses of which have been or will be paid by BFC or Woodbridge, is entitled to any investment banking, brokerage, finder's or similar fee or commission in connection with this Agreement or the Merger or other transactions contemplated hereby based upon arrangements made by or on behalf of BFC or any of its Subsidiaries.

4.9 Share Ownership. None of BFC, Woodbridge or Merger Sub, nor any of their respective Affiliates, owns or beneficially owns any shares of Bluegreen Common Stock other than as set forth in BFC's and Bluegreen's joint proxy statement/prospectus filed with the SEC on May 15, 2012.

4.10 Absence of Certain Agreements. Except as set forth herein, as of the date hereof, there are no contracts, agreements or other instruments to which any of BFC, Woodbridge,

Merger Sub or any of their respective Affiliates is party (a) pursuant to which any shareholder of Bluegreen would be entitled to receive consideration of a different amount or nature than the Merger Consideration or pursuant to which any shareholder of Bluegreen agrees to vote to adopt or approve or otherwise to support this Agreement or the Merger or agrees to vote against any Acquisition Proposal, or (b) pursuant to which any member of Bluegreen's Board of Directors or any of their immediate family members (i) has agreed, in connection with the Merger, to (A) remain as an employee of Bluegreen or any of its Subsidiaries following the Effective Time (other than pursuant to any existing contract or other instrument with Bluegreen or its Subsidiary), (B) contribute or roll over any shares of Bluegreen Common Stock, Bluegreen Stock Options or Bluegreen Stock Awards to Bluegreen or any of its Subsidiaries or BFC or any of its Subsidiaries or (C) receive any capital stock of Bluegreen or any of its Subsidiaries (other than pursuant to any existing employment agreement with Bluegreen or its Subsidiary) or BFC, or (ii) otherwise is entitled to benefits in connection with this Agreement or the Merger (other than in their capacities as shareholders of Bluegreen).

4.11 Solvency. None of BFC, Woodbridge or Merger Sub is entering into this Agreement or the Merger or other transactions contemplated hereby with the actual intent to hinder, delay or defraud either present or future creditors of Bluegreen or any of its Subsidiaries. To the knowledge of BFC, Woodbridge and Merger Sub, based on information available to them, assuming (a) satisfaction of the conditions to their obligations to consummate the Merger, (b) the accuracy of the representations and warranties of Bluegreen set forth in Article V (without giving effect to any qualification as to "materiality" or "Bluegreen Material Adverse Effect" set forth therein) and (iii) the fair value of Dissenting Shares, as determined in accordance with the MBCA, being no greater than the per share Merger Consideration, then, after giving effect to the Merger, including the payment of the aggregate Merger Consideration and any other amounts required to be paid by Woodbridge, Merger Sub or the Surviving Corporation in connection with the consummation of the Merger, including all amounts payable in respect of Bluegreen Options and Dissenting Shares, and all related fees and expenses, each of BFC, Woodbridge and the Surviving Corporation will be Solvent as of the Effective Time and immediately after the consummation of the Merger.

For the purposes of this Agreement, the term "Solvent," when used with respect to any Person, means that, as of any date of determination, (a) the amount of the "fair value" of the "property" of such Person will, as of such date, exceed the value of all "debts" of such Person, as of such date, as such quoted terms are generally determined in accordance with applicable federal Laws governing determinations of the insolvency of debtors, (b) such Person will not have, as of such date, an unreasonably small amount of capital for the operation of the businesses in which it is engaged or about to be engaged following such date, and (c) such Person will be able to pay its liabilities, including contingent and other liabilities, as they mature.

4.12 Investigation by BFC, Woodbridge and Merger Sub. BFC, Woodbridge and Merger Sub have conducted their own independent review and analysis of the businesses, assets, condition, operations and prospects of Bluegreen and its Subsidiaries. BFC, Woodbridge and Merger Sub acknowledge that they and their Representatives (a) have received access to such books and records, facilities, equipment, contracts and other assets of Bluegreen which they and their Representatives have requested to review and (b) have had opportunities to meet with the

management of Bluegreen and to discuss the businesses, assets, condition, operations and prospects of Bluegreen and its Subsidiaries. In entering into this Agreement, each of BFC, Woodbridge and Merger Sub has relied solely upon its own investigation and analysis and on Bluegreen's representations and warranties set forth in Article V, and each of them acknowledges that, except for the representations and warranties of Bluegreen set forth in Article V, no Person has made any representation or warranty, either express or implied, as to the accuracy or completeness of any of the information made available to BFC, Woodbridge, Merger Sub or any of their Representatives.

4.13 Opinion of Financial Advisor. Allen C. Ewing & Co. has (a) rendered its opinion to the Board of Directors of BFC to the effect that, as of the date of the meeting of the Board of Directors of BFC at which the Board of Directors of BFC approved this Agreement and the transactions contemplated hereby and related hereto, and subject to certain assumptions, qualifications, limitations and other matters considered in preparing and rendering such opinion, the terms of the Merger are fair from a financial point of view to BFC's shareholders and (b) consented to the inclusion of such opinion in its entirety in the Schedule 13E-3 and any other filing required to be made by BFC or Bluegreen with the SEC with respect to the Merger to the extent inclusion of the opinion is required by applicable Law, subject to its advance review and approval thereof.

4.14 Full Disclosure. No representation or warranty of BFC, Woodbridge or Merger Sub contained in this Agreement, and none of the statements or information concerning BFC and its Subsidiaries, contained in this Agreement, contains or will contain any untrue statement of a material fact nor will such representations, warranties, covenants or statements taken as a whole omit a material fact required to be stated therein or necessary in order to make the statements therein not misleading.

#### ARTICLE V REPRESENTATIONS AND WARRANTIES OF BLUEGREEN

Bluegreen represents and warrants to BFC, Woodbridge and Merger Sub as follows:

5.1 Organization; Good Standing; Power. Bluegreen is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. Bluegreen has all necessary corporate power and authority to execute and deliver this Agreement and, except as contemplated in this Agreement, to consummate the Merger and the other transactions contemplated hereby. Bluegreen and its Subsidiaries have all necessary power and authority to own their respective properties and assets and to carry on their respective businesses as now conducted. Bluegreen and its Subsidiaries are duly licensed or qualified to conduct their respective businesses and are in good standing in each jurisdiction in which the nature of their respective businesses requires such qualification or license, except where the failure to be so licensed or qualified could not reasonably be expected to have a Bluegreen Material Adverse Effect.

## 5.2 Capitalization.

(a) Bluegreen's authorized capital stock consists solely of 140,000,000 shares of Bluegreen Common Stock and 1,000,000 shares of preferred stock, par value \$0.01 per share (collectively, the "Bluegreen Capital Stock"). As of the date hereof, 31,555,513 shares of Bluegreen Common Stock are issued and outstanding, including 204,766 shares subject to Bluegreen Stock Awards. Each share of Bluegreen Common Stock has attached thereto an associated preferred share purchase right which was issued under the Bluegreen Rights Agreement. No shares of preferred stock, including shares designated as Series A Junior Participating Preferred Stock, are issued or outstanding as of the date hereof. As of the date hereof, approximately 10,460,237 shares of Bluegreen Common Stock are reserved for issuance under the Bluegreen Equity Compensation Plans (including, without limitation, 1,151,225 shares of Bluegreen Common Stock reserved for issuance upon the exercise of outstanding Bluegreen Options). Bluegreen does not currently hold, and under the MBCA may not hold, any shares of Bluegreen Common Stock in treasury.

(b) All of the issued and outstanding shares of Bluegreen Capital Stock are duly and validly authorized and issued, fully paid and nonassessable. None of the outstanding shares of Bluegreen Capital Stock have been issued in violation of any statutory preemptive rights. Bluegreen Common Stock is the only class of securities of Bluegreen with the right to vote on the transactions contemplated by this Agreement or for the election of directors of Bluegreen. Except for Bluegreen Options outstanding on the date hereof to acquire not more than 1,151,225 shares of Bluegreen Common Stock and except as contemplated by the Bluegreen Rights Agreement, there are no outstanding or existing Bluegreen Options or other agreements, commitments or obligations relating to the issuance of additional shares of any class of capital stock or other equity securities of Bluegreen.

(c) All outstanding Bluegreen Options and Bluegreen Stock Awards were granted under the Bluegreen Equity Compensation Plans, and none were issued in violation of applicable Law or the terms of the applicable Bluegreen Equity Compensation Plan. Other than Bluegreen's current share repurchase program, as described in the Bluegreen SEC Reports, Bluegreen is not a party to or bound by any contract, agreement or arrangement to sell or otherwise dispose of or redeem, purchase or otherwise acquire any of its capital stock. There are no agreements or understandings with respect to the voting of any shares of Bluegreen Capital Stock or which restrict the transfer of such shares to which Bluegreen is a party, nor does Bluegreen have knowledge of any such agreements or understandings to which Bluegreen is not a party. Except as set forth on Schedule 5.2, since September 30, 2012, Bluegreen has not (i) issued any shares of Bluegreen Capital Stock (or securities exercisable for or convertible into Bluegreen Capital Stock) other than upon the valid exercise of Bluegreen Options previously granted under any Bluegreen Equity Compensation Plan or (ii) granted any Bluegreen Options or Bluegreen Stock Awards under any Bluegreen Equity Compensation Plan. The terms of each of the Bluegreen Equity Compensation Plans permit the cancellation of outstanding Bluegreen Options and Bluegreen Stock Awards as provided in this Agreement without the consent or approval of the holders thereof, any other shareholders of Bluegreen, or any other Person (other than Bluegreen's Board of Directors or a committee thereof). Schedule 5.2 hereto includes a true and complete list, as of the date hereof, of all holders of outstanding Bluegreen Options and

Bluegreen Stock Awards, including the name of such holders and, with respect to each such Bluegreen Option and Bluegreen Stock Award, the number of shares of Bluegreen Common Stock purchasable upon exercise of the Bluegreen Option or subject to the Bluegreen Stock Award, the exercise or vesting schedule, the exercise price per share and the expiration date. There are no awards outstanding as of the date hereof under any Bluegreen Equity Compensation Plan other than those identified on Schedule 5.2. A true and complete copy of the Bluegreen Equity Compensation Plans and all contracts, agreements and other instruments relating to or issued thereunder have been made available to BFC, and no such plan, contract, agreement or other instrument has been amended, modified or supplemented, and there is no agreement to amend, modify or supplement any such plan, contract, agreement or other instrument in any case from the form made available to BFC.

(d) No bonds, debentures, notes or other indebtedness of Bluegreen having the right to vote on any matters on which shareholders may vote are issued or outstanding.

**5.3 Authorization; No Violation.** The execution and delivery of this Agreement by Bluegreen and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of Bluegreen, and no other corporate action on the part of Bluegreen is necessary (other than the approval of this Agreement by the holders of the Bluegreen Common Stock and the filing of the Massachusetts Articles of Merger pursuant to the MBCA and the Florida Articles of Merger pursuant to the FBCA), and, subject to the terms and conditions of this Agreement and assuming the due and valid authorization, execution and delivery hereof by the other parties hereto, this Agreement constitutes the legal, valid and binding obligation of Bluegreen, enforceable against it in accordance with its terms, except as limited by (i) bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance laws and other similar laws affecting creditors' rights generally, and (ii) general principles of equity, regardless of whether asserted in a proceeding in equity or at law. Except as set forth on Schedule 5.3, neither the execution, delivery and performance of this Agreement by Bluegreen, nor the consummation of the transactions contemplated hereby, nor the compliance by Bluegreen with any of the provisions of this Agreement, will: (a) violate, conflict with, or result in a breach of any of the provisions of, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration, or the creation of any Lien upon any of the properties or assets of Bluegreen or any Subsidiary of Bluegreen under any of the terms, conditions or provisions of (I) the Articles of Organization or Bylaws (or analogous organizational documents) of Bluegreen or any of its Subsidiaries or (II) any Bluegreen Material Contract; (b) violate any Law or any Order applicable to Bluegreen or any of its Subsidiaries or any of their respective properties or assets; or (c) require any filing, declaration or registration by Bluegreen with, or permission, determination, waiver, authorization, consent or approval of, any Governmental Entity (except for (w) compliance with any applicable requirements of the Securities Act or the Exchange Act (including, without limitation, the filing of the Bluegreen Proxy Statement, the Schedule 13E-3 and such other reports under Section 13(a) or 15(d) of the Exchange Act with the SEC as may be required in connection with this Agreement and the transactions contemplated hereby), (x) any filings as may be required under the MBCA and the FBCA in connection with the Merger, including, without limitation, the Massachusetts Articles of Merger and the Florida

Articles of Merger, (y) any filings as may be required by the HSR Act and (z) such filings and approvals as may be required by any applicable state securities, blue sky or takeover Laws), except in the case of clauses (a)(II), (b) or (c), where such violation, conflict, breach, default, termination, acceleration, Lien, security interest, charge, encumbrance or failure to make such filings or applications could not reasonably be expected to have a Bluegreen Material Adverse Effect.

5.4 Subsidiaries. Set forth on Schedule 5.4 is a list of each Subsidiary of Bluegreen, including its name and jurisdiction of organization. Except as set forth on Schedule 5.4, Bluegreen does not own more than 20% of the capital stock or similar interests in or control any entities (including, without limitation, corporations, limited liability companies, partnerships, joint ventures and inactive corporations). Except as set forth on Schedule 5.4, Bluegreen is the beneficial owner, directly or indirectly, of 100% of the outstanding equity interests in each of its Subsidiaries, and all of the shares of capital stock or other equity interests of Bluegreen's Subsidiaries are beneficially owned, directly or indirectly, by Bluegreen free and clear of any Liens. Each Subsidiary of Bluegreen is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

5.5 Exchange Act Reports; Financial Statements.

(a) Since January 1, 2009, Bluegreen has filed all reports and other documents required to be filed by it with the SEC under the Exchange Act, including, but not limited to, proxy statements and reports on Form 10-K, Form 10-Q and Form 8-K (as such documents have been amended since the time of their filing, collectively, the "Bluegreen SEC Reports"). As of the respective dates they were filed with the SEC, or if amended prior to the date hereof, as of the date of the last such amendment, the Bluegreen SEC Reports, including, without limitation, all documents incorporated by reference into such reports, complied in all material respects with the rules and regulations of the SEC and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading. Except as set forth on Schedule 5.5(a), as of the date hereof, there are no amendments or modifications to contracts, agreements or other instruments which previously had been filed by Bluegreen with the SEC pursuant to the Securities Act or the Exchange Act or any other contracts, agreements or other instruments, which have not yet been filed with the SEC but which are or will be required to be filed by Bluegreen.

(b) The Bluegreen Financial Statements as of the dates thereof and for the periods covered thereby, present fairly, in all material respects, the financial position, results of operations, and cash flows of Bluegreen and its Subsidiaries on a consolidated basis (subject, in the case of unaudited financial statements, to normal recurring year-end audit adjustments which did not and are not expected to have a Bluegreen Material Adverse Effect). Any supporting schedules included in the Bluegreen SEC Reports present fairly, in all material respects, the information required to be stated therein. Such Bluegreen Financial Statements and supporting schedules were prepared: (i) in accordance with the requirements of Regulation S-X promulgated by the SEC; and (ii) except as otherwise noted in the Bluegreen SEC Reports, in conformity with GAAP applied on a consistent basis in accordance with past practice. Other than as disclosed in the Bluegreen Financial Statements, neither Bluegreen nor any of its Subsidiaries has any