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FLORIDA DIVISION OF CORPORATIONS
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TO: DIVISION OF CORPORATIONS

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NAME: PB GP, INC.

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ARTICLES OF INCORPORATION

OF

PB GP, INC.

SECRETARY OF STATE
TALLAHASSEE FLORIDA

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FIRST: The corporate name that satisfies the requirements of Section 607.0401 is: PB GP, INC.

SECOND: The purpose for which the corporation is organized is solely to acquire, manage, own and hold the general partnership interest in PBM Associates, Ltd. (the "Partnership") and to act as the general partner in such Partnership with all of the rights, powers, obligations and liabilities as general partner under the limited partnership agreement (the "Limited Partnership Agreement") and to take any and all actions and do any and all things necessary or appropriate to the accomplishment of same.

THIRD: The street address of the initial principal office and, if different, the mailing address of the corporation is:

c/o Denholtz Associates
337 East Indiantown Road
Jupiter, FL 33477

FOURTH: The number of shares the corporation is authorized to issue is Two Thousand Five Hundred (2,500) shares of common stock without nominal or par value.

FIFTH: The street address of the initial registered office of the corporation is c/o Nason, Yeager, Gerson, White & Lioce, P.A., United National Bank Tower, 1645 Palm Beach Lakes Boulevard, Suite 1200, West Palm Beach, Florida 33401, and the name of its initial registered agent at such address is Alan I. Armour II, Esq.

SIXTH: The number of directors constituting the initial Board of Directors of the corporation is FIVE, and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders or until their successors are elected and shall qualify are:

Steven J. Denholtz
c/o Denholtz Associates
1600 St. Georges Avenue
Rahway, New Jersey 07065

Alan I. Armour II, Esq.
FL Bar No. 0500100
Nason, Yeager, Gerson,
White & Lioce, P.A.
1645 Palm Beach Lakes Blvd.
Suite 1200
West Palm Beach, FL 33401
Phone: (561) 686-3307

Stewart Denholtz
c/o Denholtz Associates
Suite 8
337 East Indiantown Road
Jupiter, FL 33477

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Jerold Zaro
c/o Ansell, Zaro, Bennett & Grimm
615 Hope Road, CN One
Eatontown, NJ 07724

Hillel Peled
c/o Inveco International, Inc.
505 Park Avenue, 19th Floor
New York, NY 10022

Mark Farruchi, Independent Director
1209 Orange Street
Bloomington, DE 19801

SEVENTH: The name and address of each incorporator is:

Alan I. Armour, Esq.
c/o Nason, Yeager, Gerson,
White & Lioce, P.A.
United National Bank Tower
1645 Palm Beach Lakes Boulevard
Suite 1200
West Palm Beach, Florida 33401

EIGHTH: In addition to the powers conferred upon shareholders, directors, and officers of corporations by the General Corporation Law of the State of Florida, the shareholders and directors of the corporation shall have the following additional express powers:

- (a) The shareholders shall have the express power to remove any director of the corporation at any annual or special meeting or other time, either with or without cause, by the vote of a majority of a quorum of shareholders present at such time or meeting.
- (b) The directors shall have the express power to remove any officer of the corporation at any annual or special meeting or other time, either with or without cause, by the vote of a majority of a quorum of directors present at such time or meeting.
- (c) Except to the extent prohibited by law, no director or officer of the corporation shall be personally liable to the corporation or its shareholders for damages for breach of any duty owed to the corporation or its shareholders, provided that a director or officer shall not be relieved from liability for any breach of duty based upon an act

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or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law or (c) resulting in receipt by such person of an improper personal benefit.

- (d) To the extent permitted by law, the corporation shall defend, indemnify and hold its officers and directors harmless for all acts and omissions in the performance of their duties for the corporation, provided that such acts or omissions are made in good faith and do not involve a knowing violation of the law nor result in an improper personal benefit to the officers or directors.

NINTH: The corporation shall at all times observe the applicable legal requirements for the recognition of the corporation as a legal entity separate from any partners of the Partnership ("Partners") and Affiliates (as defined below), including, without limitation, as follows:

(a) At least one (1) of the directors of the corporation shall be an Independent Director. An "Independent Director" shall mean a director of the corporation who is not at the time of initial appointment and has not been at any time during the preceding five (5) years: (i) a stockholder, director, officer, employee or partner of the Corporation, the Partnership or any Affiliate of either of them; (ii) a customer, supplier or other person who derives more than 10% of its purchases or revenues from its activities with the Corporation the Partnership or any Affiliate of either of them; (iii) a person or other entity controlling or under common control with any such stockholder, partner, customer, supplier or other person; or (iv) a member of the immediate family of any such stockholder, director, officer, employee, partner, customer, supplier or other person. (As used herein, the term "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a person or entity, whether through ownership of voting securities, by contract or otherwise.)

(b) The corporation shall maintain its principal executive office and telephone and facsimile numbers separate from that of any Affiliate and shall conspicuously identify such office and numbers as its own. Additionally, the corporation shall use its own separate stationary, invoices and checks which reflects its separate address, telephone number and facsimile number, as appropriate.

(c) The corporation shall maintain its corporate records and books and accounts separate from those of any Affiliate or

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any other entity. The corporation shall prepare unaudited quarterly and annual financial statements separate and apart from those of any person or entity, and the corporation's financial statements shall substantially comply with generally accepted accounting principles.

(d) The corporation shall maintain its own separate bank accounts, payroll and correct, complete and separate books of account.

(e) The corporation shall hold itself out to the public (including any Affiliate's creditors) under the corporation's own name and as a separate and distinct corporate entity and not as a department, division or otherwise of any Affiliate,

(f) All customary formalities regarding the corporate existence of the corporation, including holding meetings of or obtaining the consent of its Board of Directors, as appropriate, and its stockholders and maintaining current and accurate minute books separate from those of any Affiliate, shall be observed.

(g) The corporation shall act solely in its own corporate name and through its own duly authorized officers and agents. No Affiliate shall be appointed or act as agent of the corporation.

(h) Investments shall be made in the name of the corporation directly by the corporation or on its behalf by brokers engaged and paid by the corporation or its agents.

(i) Except as required by LaSalle National Bank, as Trustee for Morgan Stanley Capital I, Inc., Commercial Mortgage Pass Through Certificates, Series 1996- C1, and its successors or assigns (collectively, the "Lender"), the corporation shall not guarantee or assume or hold itself out or permit itself to be held out as having guaranteed or assumed any liabilities or obligations of any Partner or any Affiliate, nor shall it make any loan, except as permitted in Section 12 hereinafter.

(j) The corporation is and will be solvent and shall pay its own liabilities, indebtedness and obligations of any kind, including all administrative expenses, from its own separate assets.

(k) Assets of the corporation shall be separately identified, maintained and segregated. The corporation's assets shall at all times be held by or on behalf of the corporation and if held on behalf of the corporation by another entity, shall at all times be kept identifiable (in accordance with customary usages) as assets owned by the

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corporation. This restriction requires, among other things, that corporate funds shall not be commingled with those of any Affiliate and it shall maintain all accounts in its own name and with its own tax identification number, separate from those of any Affiliate.

(l) The corporation shall not take any action if, as a result of such action, the corporation would be required to register as an investment company under the Investment Company Act of 1940, as amended.

(m) The corporation shall at all times be adequately capitalized to engage in the transactions contemplated at its formation.

(n) All data and records (including computer records) used by the corporation or any Affiliate in the collection and administration of any loan shall reflect the corporation's ownership interest therein.

(o) None of the corporation's funds shall be invested in securities issued by any Affiliate.

(p) The corporation's ability to enter into transactions with Affiliates is limited to transactions on an arm's length basis and on commercially reasonable terms.

(q) No transfer of any direct or indirect ownership interest in the corporation such that the transferee owns more than a 49% interest in the corporation may be made unless such transfer is conditioned upon the delivery of an acceptable non-consolidation opinion to the Lender and to any applicable rating agency concerning, as applicable, the Partnership, the new transferee and/or their respective owners.

"Affiliate" means any person or entity other than the corporation (i) which owns beneficially, directly or indirectly, more than fifty percent of the outstanding shares of the common stock or which is otherwise in control of the corporation, (ii) of which more than fifty percent of the outstanding voting securities are owned beneficially, directly or indirectly, by any person or entity described in clause (i) above, or (iii) which is controlled by any person or entity described in clause (i) above; provided that for the purposes of this definition the term "control" and "controlled by" shall have the meanings assigned to them in Rule 405 under the Securities Act of 1933, as amended.

TENTH: The corporation shall not, without the affirmative vote of one hundred percent of the Board of Directors, including the affirmative vote of the Independent Director, institute, with respect to either the corporation or the (Partnership or Company),

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proceedings to be adjudicated bankrupt or insolvent; or consent to the institution of bankruptcy or insolvency proceedings against it; or file a petition for itself or the (Partnership or Company) seeking, or consenting to, reorganization or relief under any applicable federal or state law relating to bankruptcy; or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) or a substantial part of its property; or make any assignment for the benefit of creditors; or admit in writing its inability to pay its debts generally as they become due; or take any corporate action in furtherance of any such action.

ELEVENTH: Additionally, the corporation shall not, so long as any indebtedness remains outstanding by the Partnership or the corporation to the Lender, (a) liquidate or dissolve the corporation in whole or in part, (b) consolidate, merge or enter into any form of consolidation with or into any other entity, nor convey, transfer or lease its assets substantially as an entirety to any person or entity nor permit any entity to consolidate, merge or enter into any form of consolidation with or into the corporation, nor convey, transfer or lease its assets substantially as an entirety to any person or entity, (c) cease to serve as a general partner of the Partnership and (d) except as permitted by the Lender in writing, amend or modify these Articles of Incorporation.

TWELFTH: The corporation shall have no indebtedness or incur any liability other than (a) debts and liabilities for trade payables and accrued expenses incurred in the ordinary course of business and (b) with respect to the loan made or to be made to the Partnership by the Lender.

THIRTEENTH: The corporation is required on its own behalf, and covenants to cause the Partnership:

(a) To maintain an arm's length relationship with its Affiliates and to enter into transactions with Affiliates only on a commercially reasonable basis;

(b) To pay the salaries of its own employees from its own funds;

(c) To maintain a sufficient number of employees in light of its contemplated business operations;

(d) Not to guarantee or become obligated for the debts of any other entity or person (except to the extent it is liable for the Borrower's obligations due to its capacity as a general partner);

(e) Not to hold out its credit as being available to satisfy the obligations of any other person or entity;

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(f) Not to acquire the obligations or securities of its Affiliates or owners, including partners, members or shareholders, as appropriate;

(g) Not to make loans to any other person or entity or to buy or hold evidence of indebtedness issued by any other person or entity (except for cash and investment-grade securities);

(h) To allocate fairly and reasonably any overhead expenses that are shared with an Affiliate, including paying for office space and services performed by any employee of an Affiliate;

(i) Not to pledge its assets for the benefit of any other person or entity; and

(j) To correct any known misunderstanding regarding its separate identity.

The undersigned has executed these Articles of Incorporation this 4th day of February, 1998.

A handwritten signature in black ink, appearing to read 'Alan I. Armour', is written over a horizontal line.

Alan I. Armour, II, Incorporator

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DESIGNATION AND ACCEPTANCE
OF
REGISTERED AGENT

In pursuance of Section 48.091 and Chapter 607, Florida Statutes, PB GP, Inc., having filed its Articles of Incorporation contemporaneously herewith, with its registered office as indicated therein at 1645 Palm Beach Lakes Boulevard, Suite 1200, West Palm Beach, Florida 33401, has named Alan I. Armour, II located thereat as its registered agent to accept service of process within this State.

By: 

Alan I. Armour, II, Incorporator

Having been named as registered agent to accept service of process for the above-stated corporation, at the location designated herein, I hereby consent to and accept the appointment to act in this capacity, acknowledge that I am familiar with and accept the obligations of a registered agent and agree to comply with the laws of Florida applicable thereto.

By: 

Alan I. Armour, II, Registered Agent

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