

BURGERS & Fung-A-Loi Notaries

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On this day, July fourteenth of two thousand and nine, appeared before me, Henri Theodoor Marie Burgers, LL.M. Civil Notary, established in Curaçao:

1. Mr. **Randolph Myron Neuman**, partnership director, living in Curaçao, with office address at Rooi Catootjeweg 16, born in Curaçao on October 2nd 1955, in this case acting as director of – and as such representing the limited partnership **Lagoon Ocean View Resort C,V.**, established in Curaçao and holding office at the Rooi Catootjeweg 16, which partnership acts in this matter as managing partner and as such represents the silent partnership **Lagoon Ocean View Resort C,V.**, established in Curaçao and holding office at the Rooi Catootjeweg 16
2. Mr. **Johannes Jan Mons**, retired person, living at 1217 PJ Hilversum, The Netherlands, Van der Lindenlaan 111, born in Amsterdam, The Netherlands on December 7th 1945, carrying a driver's license with the number 315199935, currently single.

The appearers, acting sub 1 as mentioned, declared setting up a union by means of this act and to determining therefore, the following statutes:

NAME AND DOMICILE

Article 1

1. The Union carries the name “**Union of Owners Lagoon Ocean Resort**”.
2. The Union is established in Curaçao.

Article 2

The Union has been initiated for an indefinite period of time.

GOAL AND MEANS

Article 3

The Union has as its goals

1. Looking after the common interests of the parcel owners of the Lagoon Ocean Resort, managing and maintenance of the common provisions, controlling the compliance with the building regulations, the execution of this regulations, collecting the fines according to civil law and the rendering of services on behalf of its members.
2. The Union is authorized to have services executed against payment of the costs on behalf of all owners, such as surveillance services, the carrying off of domestic garbage, and the like
3. The Union aims at reaching those goals by means of issuing rules and by taking measures that are binding for all the owners.

MEMBERSHIP

Article 4

1. The members of the Union may only be owners of and/or collateral authorized persons – whether natural or legal persons – for an apartment, bungalow, studio or other unit of the Lagoon Ocean Resort, if they have applied at the direction of the Union and have been accepted as such.
2. If more persons are authorized at the same time to the ownership of a parcel, each of them is a member for a proportional part.

3. The membership ends:
 - a. If a member resigns after the alienation by the member of his property or his part of it and also after the dissolution of a member that is a legal person;
 - b. Through death, in which case the membership will go over by law to the person(s) legally entitled to the parcel involved.
 - c. Through termination by the Board.
4. Termination by the Board can only take place if the member does not comply anymore with the requirements of the membership and/or when it cannot be requested anymore from the Union to let the membership continue. In that case, the Board will determine the termination term, which in the first case must amount to at least four weeks. In case termination takes place on the basis of the fact that it cannot be required from the Union that it let the membership continue, the termination can be realized at once.
5. If a member does not comply, or does not comply completely for longer than three months with his obligation to pay the subscription to the Union, the Board can deny him access to and the use of the common provisions and inform this to the other members on a notice board or by some other means. The previous measure is also equally applicable if a member does not comply or does not comply completely with his obligation of payment of the subscription.
6. A member who is overdue with the payment of the subscription, will be responsible to the Union for all damage resulting to the Union, and also for the collection and costs from law suits resulting from that, which the Union must make for the collecting of the matter indebted.

FINANCIAL MEANS:

Article 5

The Union obtains its financial means from:

- a. Subscriptions and advances from members, annually to be stipulated by the General Meeting of members;
- b. Revenues from investments of income
- c. Other legal acquisitions.

ORGANS

Article 6

The Union has two organs, namely :

- a. The General Meeting of Members
- b. The Board

GENERAL MEETING OF MEMBERS, RIGHT TO VOTE, DECISION MAKING

Article 7

1. The highest power in the Union is executed by the General Meeting of Members.
2. The General Meeting of Members meets at least once per year, at the latest in the month of August.
3. The members are summoned for the meeting by the Board.
4. Extraordinary Meetings of the Members are held as often as the Board considers this necessary or when at least five members request this to the Board in writing, with information about the points to be treated. If the Board does not react upon such a request within thirty days after the receipt, then the petitioners have the right to summon an extraordinary general meeting of members and to lead this.

5. Members may have themselves represented during the meeting by means of a written authorization. Under "written authorization" is included an authorization sent per e-mail, telefax or sent by any other means.
6. A summons for the meeting takes place in writing, under mention of place, date and time of the meeting, and of the agenda of the matters to be treated during the meeting, taking a summons term of at least thirty (30) days into consideration, the day of the summons and that of the meeting not included.
7. Topics that have not been mentioned on the agenda cannot be treated during the meeting, unless all members are present at the meeting, or are represented at the meeting by an authorized person and none of them has objections against the treatment thereof.
8. Of the topics treated at the meeting, notes are made by the secretary, which will be signed by the secretary and also by the president of the meeting, after approval of the meeting.
9. In order to determine the number of votes, the ownership of each bungalow gives the right to bring out four votes, the ownership of an apartment: two votes and the ownership of a studio: one vote, while the ownership of an (eventual) management house gives the right to one vote, if this does not belong to the Union itself.
10. In case a bungalow, an apartment, a studio or other unity has more owners or collateral authorized persons, the right of vote can only be executed by one authorized person, to be appointed by them together.
11. A meeting of the members is only authorized to make legal decisions, if at least one third of all the members is present with the exception of what is stipulated under 13.
12. With the exception of those cases for which these statutes stipulate otherwise, decisions of the general meeting will be made by majority of votes of the members present at the meeting or represented by written authorization.
13. By lack of the number of members required, the meeting will be postponed and summoned again within one month. The postponed meeting does not take place earlier than two weeks after the time of the initiation of above mentioned meeting of members, and is authorized to make legal decisions, irrespective the number of members present.
14. A ballot regarding matters is realized vocally. When the votes tie, the proposal is considered having been rejected.
A ballot regarding persons takes place in writing. Appointed or chosen are candidates upon whom the most votes have been brought out. When the votes tie between two or more candidates, a second ballot will take place. If the votes tie again, the ballot will be decided by lot.
15. The members may also make decisions without being together in a meeting, provided that all members have expressed themselves per e-mail, telefax or otherwise, and none of them has obstruction against this manner of decision making.

BOARD, BOARD MEETING, DECISION MAKING AND REPRESENTATION

Article 8

1. The Board of the Union is in charge of the direction of the Union, the management and administration of its matters, the members' administration and the execution of the decisions of the general meeting of members

2. The meeting chooses a Board among themselves. The Board consists of minimally one and maximally five adult members of the Union. The functions of president, secretary and treasurer can be executed by one person.
3. Board members are appointed for the period of three years, meaning however, that the Board members appointed by this act, will remain as members until the development of the complete Lagoon Ocean Resort will have been finalized and sold out or earlier if they decide to do so.
The retiring Board members are immediately re-eligible. An interim appointed board member will take the place of his predecessor on the schedule.
4. Interim vacancies in the Board will be filled in at once by the general meeting of members.
5. Undiminished what has been stipulated sub 3, the membership of the Board will end :
 - a. Through discharge by the general meeting of members;
 - b. By discontinuation of a membership of the Union;
 - c. By retiring as a board member;
 - d. By death.
6. The president of the Board is chosen in his function by the general meeting of members. The other Board functions will be distributed by the Board among themselves.
7. The membership of the Board is unpaid.
8. In case of illness, impediment or absence of one or more Board members, the Union will be directed by the other Board members. In case of illness, impediment or absence of all Board members, the direction will be executed by the general meeting of members, that must provide immediately in the vacancy.
9. The Board will meet as often as the president or at least two other members of the Board desires/desire this.
10. In the summon, the matters to be treated by the board meeting will be mentioned.
Topics that have not been mentioned as agenda points, cannot be treated at the meeting, unless all Board members are present at the meeting, or are represented by a co-Board member through written authorization, and none of them obstructs against the treatment.
11. Decisions of the board are made by majority of votes of those present, or of represented Board members.
12. Regarding all matters treated at the meeting, each member present and each represented Board member is entitled to bring out a vote.
13. All decisions that could be made in a Board meeting can also be made without the Board members being together in a meeting, provided that all Board members have participated in the ballot per e-mail, telefax or in any other written manner.

14. The Board will be represented in and outside the court by the complete Board or by the president alone.

However, for the establishment, alienation and mortgage of real estate and also for the taking personnel not included in the estimate into service, and in general for entering into a commitment at the expense of the Union, the importance of which surpasses an amount of ten thousand guilders (NAF 10,000.-), previous permission of the general meeting of members is required. After previous permission of the general meeting of members is obtained, the Board can delegate the authorization of representation.

In case of conflicting interest between a Board member and the Union, the Board member is obliged to inform the general meeting of members timely about that, in order to make it possible for the general meeting of members to appoint a person for the representation of the partnership at the intended action.

FINANCIAL YEAR AND ANNUAL ACCOUNT

Article 9

1. The financial year of the Union is equal to the calendar year.
2. In the annual general meeting of members, the Board will submit an annual report of the secretary and an annual account of the treasurer to the members of the Union, regarding the past financial year.

The annual report will contain a resume of the activities of, and the events within the Union, and also a resume of the management carried out by the Board.

The annual account will contain a balance and a list of incomings and outgoings.

3. The annual report and the annual account are signed by all the Board members. If the signature of one of them is lacking, the reason thereof will be mentioned in the documents.

ANNUAL GENERAL MEETING OF MEMBERS

Article 10

1. Each year, at the latest in the month of August, the annual general_ meeting of members will be held.

The first annual general meeting of members must be held at the latest in the month of August of the year two thousand and ten.

2. In this meeting at least:
 - a. the Board will submit the annual report and the annual account of the past financial year for approval;
 - b. the annual report and the annual account will be agreed upon by the general meeting of members; establishment of the annual report and the annual account will discharge the Board for the management executed by it, insofar this is apparent from the documents and insofar the meeting does not decide otherwise;
 - c. vacancies in the Board will be filled in;
 - d. the estimate, the subscription of the members and the advance per member for the next financial year will be determined;
 - e. an auditing committee will be appointed, consisting of at least two members for the control of the books of the Union over the current year. The Board is obliged to let the members of this committee inspect all books and documents.

AMENDMENT OF THE STATUTES, TERMINATION AND LIQUIDATION

Article 11

1.
 - a. Amendment of these statutes or termination of the Union can only take place by means of a decision of the general meeting of members to that effect, that will be called up particularly for that goal, with two-thirds majority of the votes, in a meeting at which at least two-thirds of the members are present or represented.
 - b. If at the meeting mentioned sub a, two-thirds of the members are not present or represented, the in Cur for termination or amendment of the statutes can be presented again in a second meeting to be held not earlier than two and not later than six weeks after the first meeting. At that occasion it can be decided about such a in Cur with two-thirds majority of votes, regardless of the number of members present or represented.
2. In case of termination of the Union, the liquidation will take place under such stipulations as the general meeting of members will determine.

DOMESTIC RULES

Article 12

For more elaboration of these statutes, the general meeting of members can stipulate one or more rules, that will not conflict with these statutes and with the law, and will neither conflict with one another.

FINAL STIPULATION

Article 13

In all matters in which these statutes, the law and the domestic rules do not provide, the general meeting will decide.

Finally, the appearers who, acting sub 1 as mentioned declared :

- a. that as first leaders, as president/secretary, respectively as treasurer of the Union, will be appointed, the appearers mentioned sub 1 respectively sub 2;
- b. that the first financial year runs until December 1st 2009.

The appearers are known to me, civil notary.

Duly noted! The act of the instrument was drawn up in Curaçao on the date mentioned at the head of this act.

After submission of a concise statement of the contents of this act to the appearers, these persons declared unanimously having taken notice of the contents of this act and that they do not desire a complete reading aloud of it.

After that, this act has been undersigned by the appearers and me, civil notary, immediately after the limited reading aloud.

(signatures follow)