

Upon this twenty-second day of October, nineteenhundred and eighty-seven, came and appeared before me, Ferdinand Josephus Lambertus Marie Steeman, a candidate civil law notary, residing on Sint Maarten, hereinafter to be referred to as "civil law notary", legally deputizing for Josephus Gerardus Maria Speetjens, civil law notary on Sint Maarten, in the presence of the witnesses to be mentioned hereinafter:

---Mister EVERT GOVERT JAN MATSER, a real estate agent residing on Sint Maarten; by these presents acting as proxy in writing of HOLIDAY PARADISE DEVELOPMENT N.V., established on Sint Maarten; The authorization of the appearer is evident from a power of attorney, which after having been duly authenticated will be attached to the original of this deed.

The appearer declared to have set aside an amount of ONE HUNDRED UNITED STATES DOLLARS (US\$100.00) and to found herewith a foundation, which will be governed by the following constitution.

NAME AND SEAT

Article 1

The foundation bears the name:

HILLSIDE FOUNDATION

the word "Foundation" being the translation of the Dutch "Stichting";

and is established on Sint Maarten, Netherlands Antilles.

DURATION

Article 2

The foundation is founded for an unlimited period of time.

PURPOSE

Article 3.

The purpose of the foundation is:

to function as the owners organization as meant in the individual notarial deeds of transfer and conveyance of the so-called Hillside Lots, forming a part of the former Westermeyer Americas subdivision in the Little Bay district, at Welgelegen, on Sint Maarten and thereto:

- a. to take care of the construction of a road system giving access to the individual lots of the subdivision and the laying down of piping and wiring and the building and/or providing of all works and installations required for the supply of electricity, water and other utilities to the individual lots;
- b. the administration of including the maintenance of the aforementioned roads and utilities or other facilities which at any time may be owned by or entrusted to the foundation;
- c. to take care of the assessment for and the collecting of the charges for use and maintenance of the roads and utilities serving the Hillside lots;
- d. to control the observance by the owners of the restrictive covenants imposed upon the owners in the aforementioned deeds of transfer and conveyance;
- e. to represent the owners in matters regarding the entire or part of the subdivision;

- f. to take care of the general interests of the owners in the aforementioned subdivision.

The term "owner", whenever used in this constitution means titleholder to the Hillside lots, including those who have a limited title or legal right of enjoyment (translation from the Dutch "zakelijk genotsrecht") to these lots and who are obligated to participate in the Foundation by the notarial deeds of transfer and conveyance referred to hereinafter or who have obligated themselves thereto by separate agreement with the Foundation.

The term "Hillside lots" means all the numbered or otherwise indicated lots (presently numbers 1 up to and including 104, and indications W, X, Y and A) of a subdivision forming part of the land described in Certificate of Admeasurement K-28 of nineteen hundred and sixty-one (K-28/1961).

The term Hillside lots may furthermore comprise the areas presently known as "top of the Hill", described in Certificate of Admeasurement 56 of nineteen hundred and eighty-seven (56/1987) and the parcel of land described in Certificate of Admeasurement 23 of nineteen hundred and seventy-three (23/1973).

The foundation may own immovable property.

CAPITAL

Article 4

The capital of the foundation will consist of:

- a. the amount aside;
- b. contributions by participants, as referred to hereinafter;
- c. other revenues.

PARTICIPANTS

Article 5.

The foundation will have participants.

Participants will be the owners, as indicated in article 3, after paragraph f, who have applied as such.

In case of joint ownership or ownership by a corporation or other legal entity, one duly authorized representative of such joint owner or entity will be appointed to represent the owner in all cases except specifically mentioned in this constitution.

MEETING OF PARTICIPANTS, PARTICIPANTS COMMITTEE

Article 6.

- a. The participants will meet in the so-called meeting of participants, including Boardmembers.
- b. The meeting of participants will advise the Board in all matters desired by the Board.
In the cases as mentioned in article 10, the approval of the meeting of participants will be required for Board Resolutions.
- c. The meeting of participants will appoint a participants committee, which will be charged with the inspection of the books of the Foundation to consist of at least two members, not to include boardmembers.

Members of the committee will be appointed for one year, but are eligible for reappointment.

- d. The meeting of participants will elect at least a chairman and secretary for the period as decided by the meeting.
- e. Meetings of participants are convened by the Board, except in case the meetings are convened in accordance with par. f. last alinea of this article, in which last case the meetings are convened by or on behalf of the chairman and secretary of the meeting of participants. In both cases the meetings will be convened by convening letters, telexes or telegrams, containing the subjects on the agenda, observing a period of at least seven (7) days, exclusive the day of convening and the day of the meeting; furthermore also by an announcement in one of the local newspapers or on television, not later than three (3) days before the meeting. The announcement does not have to include the agenda.
- f. A meeting of participants will be held whenever the approval of the meeting is required according to the articles of this constitution or the advise of the meeting is desired by the Board or whenever Board members are to be elected. A meeting of participants will further be held whenever deemed necessary by the chairman or at the request of a number of participants, representing at least fifteen percent (15%) of the total number of votes; if in the last case the meeting is not convened within fourteen (14) days after the request, the requesting participants may call the meeting themselves, with observance of the provisions of par. e pertaining to convening.
- g. A participant may have himself represented by his or her spouse or an other participant, in both cases by written proxy. However, a participant may only represent one (1) other participant.
- h. Resolutions of the meeting will be taken by majority of the votes cast. Each participant has one (1) vote; however, in the event a participant owns more than one lot, he has one (1) vote for every three lots he owns additional to the first lot.
- i. Resolutions of the meeting to appoint boardmembers as meant in art. 7 par. c or to approve resolutions of the Board, will require a majority of the votes, cast in a meeting in which a number of participants is present, representing at least one/half (1/2) of the total number of votes. If in the last mentioned meeting not enough participants are present, a second meeting will be held not earlier than seven (7) days and not later than thirty (30) days after the first meeting, in which no special quorum will be required.

Votes on persons will be cast in writing, by means of unsigned closed ballot papers.

Votes on matters will be cast orally, unless the chairman presiding over the meeting decides on another manner of casting votes.

- j. The first meeting of participants will be convened by the Board of the Foundation, not later than within two (2) months from the founding of the Foundation by notarial deed.
If within aforementioned period the meeting has not been convened by the Board of the Foundation, the first meeting of participants can be convened by a number of participants representing at least ten percent (10%) of the total number of votes.
- k. The chairman presiding over a meeting can decide that more than one representative of a participant as meant in article 5, second alinea will have the right to attend and/or address a meeting.
- l. A meeting of participants will be presided over by the president of the Board or his substitute, except in case the meetings are convened in accordance with par. f., last alinea of this article, in which case the meetings will be presided over by the chairman of the meeting of participants.
- m. In matters not provided for in this article, the meeting of participants decides.

THE BOARD

Article 7.

- a. The foundation is governed by a Board, consisting of an odd number of not less than three members; the number of Boardmembers will be determined by the Board.
- b. A Boardmember must be participant in the meaning of Article 5; the president, secretary and treasurer have to be residents of Sint Maarten; in case of single ownership spouses of participants can also be Boardmembers;
- c. The first Board consists of three (3) members who are appointed by this deed but will all resign at the appointment of a new Board by the meeting of participants, which new Board will be elected by the participants in their first meeting as referred to in article 6 paragraph j.
In case of a vacancy on the Board new Board members should be appointed by the meeting of participants within sixty (60) days after the existing of the vacancy.
Board members are elected from a list of nominees prepared by the Board from a recommendation by the Board and/or a recommendation by a number of participants representing at least ten percent (10%) of the total number of votes of the participants, which last recommendation has to be received in writing by the Board not later than twenty-four (24) hours before the meeting.
- d. Every two (2) years at least one-half of the Board

members is due to retire, according to an order of rotation to be determined by the Board. Retiring Boardmembers are re-eligible.

e. Membership of the board will end:

1. on account of death;

2. by written resignation;

3. a. dismissal which shall in any case take place if the Boardmember or on the entity represented loses the quality of participant as mentioned in Article 5.

b. Any dismissal except the aforementioned furthermore needs the approval of all members of the board except the member to be dismissed.

f. If the number of Boardmembers is less than three, the Board continues to be a competent Board.

g. The Board elects among its members at least a president, a secretary and a treasurer; the last two functions may be held by one person;

h. The secretary is charged with the correspondence, minuting of the meetings, making of the annual report on the activities of the foundation;

i. The treasurer is charged with the financial administration and the preparing of the financial statements.

REPRESENTATION

Article 8

The foundation will be represented in and out of court by two duly authorized jointly acting Boardmembers, of which at least the president or the secretary.

BOARD MEETINGS

Article 9

a. Board meetings shall be held whenever deemed necessary by the president or whenever two Boardmembers lodge a relative written request to the president, stating the items to be considered;

if the president does not comply with such a request in such a way that the meeting is held within five (5) weeks after the request, the applicants themselves will be entitled to call a meeting with due observance of the formalities required;

b. The meetings will be held on Sint Maarten, Netherlands Antilles.

c. Without prejudice to the provisions of paragraph a of this article, a meeting will be called by the president by means of convening letters, containing the subjects of the meeting, with observance of a period of at least twenty (20) days exclusive of the day of convening and that of the meeting.

In case of urgency, at the sole discretion of the president, the period of convening may be reduced.

d. The meetings will be presided over by the president of the Board; in case of his absence the meeting itself will elect a president.

- e. A Board member may be represented at a meeting by another Boardmember by means of a special written power of attorney.
- f. If in a meeting all Boardmembers holding office are present or represented which does not include the case mentioned in paragraph g of this article, resolutions are also valid without due observance of the formalities required.
- g. The Board may also pass resolutions without a meeting being held provided all the Boardmembers have expressed themselves in respect of the proposal in writing and the majority of the Boardmembers have declared themselves in favour of the proposal concerned.
A resolution passed in this way will be signed by the president and the secretary and be added to the minutes together with the answers received.

RESOLUTIONS OF THE BOARD/VOTING/ADVICE

Article 10.

- a. Resolutions concerning the following matters need the prior approval of the meeting of participants:
 - the acquiring, alienating, leasing or giving in use in any other way, encumbering of immovable properties;
 - the contracting of loans;
 - the entering into administration agreements;
 - the amendment of this constitution;
 - the dissolution of the foundation.
 The aforementioned resolutions furthermore need the quorum and majority of votes as required for the amendment of this constitution.
- b. Without prejudice to what is stated sub a of this article or elsewhere in this constitution, resolutions of the Board are passed by a majority of votes, cast in a meeting in which at least one/half (1/2) of the Boardmembers holding office are present or represented.
- c. Votes on persons will be cast in writing, by means of unsigned closed ballot papers.
Votes on matters orally, unless in the last case the president decides on another manner of casting votes.
- d. Abstentions will be deemed votes not cast.
- e. In case of equality of votes by voting on persons, a second voting is held. In case of equality of votes also by the second voting, the decision is taken by lot.

MANAGEMENT BY THE BOARD

Article 11

- a. The Board may enter into administration agreements.
The provision of article 10 sub a is applicable to the relative resolution.
The Board may furthermore seek the assistance of advisers and or experts, at the expense of the Foundation, if necessary for a proper fulfillment of its task.
- b. The Board may draw Regulations with regard to the use of the common grounds and facilities, the administration of

which is entrusted to the Foundation.

FINANCIAL YEAR AND REPORTS

Article 12

- a. The financial year coincides with the calendar year.
- b. Before May first of each year, a meeting will be held in which the treasurer will submit a balance sheet and a statement of gains and charges on the past financial year to the Board.
- c. The financial statements will be confirmed by the Board. Confirmation will constitute discharge from liability to the treasurer.
- d. The participants committee will have the right to inspect the annual financial statements, the balance sheet and the statement of gains and charges after approval by the Board.
- e. The participants committee will furthermore be entitled to regular inspection of the books of the Foundation, in which case the Board will furnish the committee with all required information.

AMENDMENT OF THE CONSTITUTION

Article 13

- a. A resolution to amend the articles of the constitution shall be passed by a majority of two-thirds (2/3) of the votes cast in a Board meeting in which all the Boardmembers are present or represented, without any vacancies existing on the Board.
Any amendment shall be laid down by notarial deed.
- b. If the number of Boardmembers as meant sub a is not present in the first meeting, a second meeting will be convened, to be held not earlier than seven (7) days and not later than thirty (30) days after the first meeting, in which second meeting the resolution can be passed by a majority of at least two-thirds (2/3) of the votes cast, without a special quorum being required.

DISSOLUTION AND LIQUIDATION

Article 14

- a. A resolution to dissolve the foundation may be passed by the Board.
The provisions of article 13 sub a and b are likewise applicable to the relative resolution.
- b. After its dissolution, the foundation continues to exist as far as this is required for the settlement and the provisions of this constitution will remain in force as much as possible.
- c. The liquidation will be effected by the Board.
- d. A possible positive balance of the dissolved foundation will as much as possible be spent in accordance with the object of the foundation.
- e. After the end of the liquidation, the books and records will, during a period of thirty (30) years, be in the custody of the person being secretary of the foundation at the time when the resolution to dissolve the