

STATE OF FLORIDA

DEPARTMENT OF STATE



I, RICHARD (DICK) STONE, Secretary of State of the State of Florida, do hereby certify that the following is a true and correct copy of

CERTIFICATE OF INCORPORATION
OF

THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5

a corporation not for profit organized and existing under the Laws of the State of Florida, filed on the 16th day of February A.D., 1973 as shown by the records of this office.

GIVEN under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 19th day of February, A.D., 1973.



Richard (Dick) Stone

SECRETARY OF STATE

ARTICLES OF INCORPORATION

THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5

WE, the undersigned, hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Florida Statutes 617 Et Seq., and hereby certify as follows:

ARTICLE I.

The name of this Corporation shall be:-

THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5

ARTICLE II.

The general purpose of this non-profit Corporation shall be as follows: - To be the "Association" (as defined in the Condominium Act of the State of Florida, F. S. 711 Et Seq.), for the operation of THE FOUNTAINS OF PALM BEACH CONDOMINIUM NO. 5, a Condominium, to be created pursuant to the provisions of the Condominium Act, and as such Association, to operate and administer said Condominium and carry out the functions and duties of said Condominium Association, as set forth in the Declaration of Condominium establishing said Condominium and Exhibits annexed thereto. The Corporation may also be the Association for the operation of additional condominiums which may be created on property adjacent to the above specified Condominium. The Board of Directors shall have the authority in their sole discretion to designate the above Corporation as the Association for such additional condominium(s) and, in such instance(s), the provisions hereafter in these Articles of Incorporation shall be interpreted in such a manner as to include such additional condominium(s).

ARTICLE III.

All persons who are owners of condominium parcels within said Condominium shall automatically be members of this Corporation. Such membership shall automatically terminate when such person is no longer the owner of a condominium parcel. Membership in this Corporation shall be limited to such condominium parcel owners.

Subject to the foregoing, admission to and termination of membership shall be governed by the Declaration of Condominium that shall be filed for said Condominium among the Public Records of Palm Beach County, Florida.

ARTICLE IV.

This Corporation shall have perpetual existence.

ARTICLE V.

The names and residences of the Subscribers to these Articles of Incorporation are as follows:

W. H. WITHAM
VINCENT DIFONZO
IRVING CURE

Address as to all Subscribers:
C/O The Golf and Racquet Club of Palm Beach
6844 Lake Worth Road
Lake Worth, Florida 33460

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE VI.

Section 1. The affairs of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than the number specified in the By-Laws. The Directors, subsequent to the first Board of Directors, shall be elected at the annual meeting of the membership, for a term of one (1) year, or until their successors shall be elected and shall qualify. Provisions for such election, and provisions respecting the removal, disqualification and resignation of Directors, and for filling vacancies on the Directorate, shall be established by the By-Laws.

Section 2. The principal Officers of the Corporation shall be:

W. H. WITHAM - - - - - President
VINCENT DIFONZO - - - - - Vice President
IRVING CURE - - - - - Secretary
IRVING CURE - - - - - Treasurer

(the last two officers may be combined), who shall be elected from time to time, in the manner set forth in the By-Laws adopted by the Corporation.

ARTICLE VII.

The names of the Officers who are to serve until the first election of Officers, pursuant to the terms of the Declaration of Condominium and By-Laws, are as follows:

W. H. WITHAM - - - - - President
VINCENT DIFONZO - - - - - Vice President
IRVING CURE - - - - - Secretary-Treasurer

ARTICLE VIII.

The following persons shall constitute the first Board of Directors, and shall serve until the first election of the Board of Directors at the first regular meeting of the membership.

W. H. WITHAM
VINCENT DIFONZO
IRVING CURE

Address as to all Directors:

C/O The Golf and Racquet Club of Palm Beach
6844 Lake Worth Road
Lake Worth, Florida 33460

ARTICLE IX.

The By-Laws of the Corporation shall initially be made and adopted by its first Board of Directors.

Prior to the time the property described in Article II hereinabove has been submitted to Condominium ownership by the filing of the Declaration of Condominium, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

After the property described in Article II hereinabove has been submitted to Condominium ownership by the filing of the Declaration of Condominium, the By-Laws may be amended, altered, supplemented or modified by the membership at the Annual Meeting, or at a duly convened special meeting of the membership attended by a majority of the membership, by vote, as follows:

- A. If the proposed change has been approved by the unanimous approval of the Board of Directors, then it shall require only a majority vote of the total membership to be adopted.
- B. If the proposed change has not been approved by the unanimous vote of the Board of Directors, then the proposed change must be approved by three-fourths (3/4ths) of the total vote of the membership.

The By-Laws may only be amended with the written approval of the Recreation Owner under the Membership and Use Agreement, where said Amendment changes the rights and privileges of the Recreation Owner. No amendment shall change the rights and privileges of the Developer referred to in said Declaration without the Developer's written approval, nor the rights and privileges of the Management Firm referred to in said Declaration without the Management Firm's written approval. However, this requirement for the Developer's and Management Firm's written approval shall terminate as of December 31, 1979, or sooner at the option of the Developer and Management Firm.

ARTICLE X.

Amendments to these Articles of Incorporation may be proposed by any member or director and shall be adopted in the same manner as is provided for the amendment of the By-Laws as set forth in Article IX above. Said amendment(s) shall be effective when a copy thereof, together with an attached certificate of its approval by the membership, sealed with the Corporate Seal, signed by the Secretary or an Assistant Secretary, and executed and acknowledged by the President or Vice-President, has been filed with the Secretary of State, and all filing fees paid.

ARTICLE XI.

This Corporation shall have all of the powers set forth in Florida Statute 617.021, all of the powers set forth in the Condominium Act of the State of Florida, and all powers granted to it by the Declaration of Condominium and Exhibits annexed thereto.

ARTICLE XII.

There shall be no dividends paid to any of the members, nor shall any part of the income of the corporation be distributed to its Board of Directors or Officers. In the event there are any excess receipts over disbursements, as a result of performing services, such excess shall be applied against future expenses, etc. The Corporation may pay compensation in a reasonable amount to its members, directors and officers, for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation, may make distribution to its members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

This Corporation shall issue no shares of stock of any kind or nature whatsoever. Membership in the Corporation and the transfer thereof, as well as the number of members, shall be upon such terms and conditions as provided for in the Declaration of Condominium and By-Laws. The voting rights of the owners of parcels in said Condominium property shall be as set forth in the Declaration of Condominium and/or By-Laws.

IN WITNESS WHEREOF, the Subscribers hereto have hereunto set their hands and seals, this 14th day of February, 1973.

Signed, sealed and delivered in the presence of:

Merry C. [Signature]
[Signature]

[Signature] (SEAL)
W. H. Witham

[Signature] (SEAL)
Vincent di Fonzo

[Signature] (SEAL)
Irving Cure

STATE OF FLORIDA)
 SS:
COUNTY OF PALM BEACH)

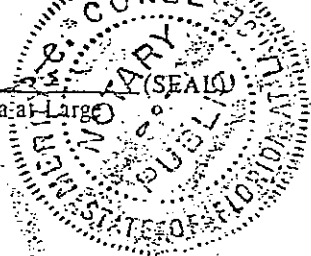
BEFORE ME, the undersigned authority, personally appeared

W. H. WITHAM
VINCENT DIFONZO
IRVING CURE

who after being by me first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5, a Florida Corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 14th day of February, 19 73.

Merry C. Conroy
Notary Public, State of Florida at Large



My Commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 24, 1975
GENERAL INSURANCE UNDERWRITERS,

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with said Act:

First - - That THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5

desiring to organize under the laws of the State of Florida with its principal office, as indicated in articles of incorporation at City of Lake Worth, County of Palm Beach, State of Florida

has named W. H. Witham

located at 6844 Lake Worth Road
(Street address and number of building, POST OFFICE BOX address not acceptable.)

City of Lake Worth, COUNTY OF Palm Beach

State of Florida, as its agent to accept service of process within this state.

ACKNOWLEDGEMENT: (MUST BE SIGNED BY DESIGNATED AGENT)

Having been named to accept service of process for the above stated corporation, at place designated in this certificate, I hereby accept to act in this capacity, and agree to comply with the provision of said Act relative to keeping open said office.

BY 

(Resident Agent)

MEMBERSHIP AND USE AGREEMENT

THIS AGREEMENT, made and entered into at Palm Beach County, Florida, on the date last appearing in the body of this instrument, by and between THE ROBINO-LADD COMPANY, A Delaware Corporation, hereinafter called the "Recreation Owner", and that certain CONDOMINIUM ASSOCIATION, being a Florida Corporation not for profit whose name appears at the end of this instrument as "Association", hereinafter called "Association", which said terms shall be deemed to extend to and include the heirs, legal representatives, successors and assigns of the said parties hereto,

WITNESSETH:

That the Recreation Owner and Association, for and in consideration of the keeping by the parties of their respective obligations hereinafter contained, as well as for One Dollar and other valuable considerations by each of the parties unto the other in hand paid simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, and the Association being responsible for the operation of the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached and the Association being desirous of providing for the mandatory membership by the unit owners and members of said Association for the enjoyment of said members in and to certain recreation area(s) and facilities pursuant to F. S. 711.121, have agreed as follows:

I.

MANDATORY MEMBERSHIP

Upon the terms and conditions hereinafter set forth, and in consideration of the payment from time to time by the Association of the sums hereinafter set forth, and in consideration of the prompt performance continuously by the Association of each and every the covenants and agreements hereinafter contained by the Association to be kept and performed, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by the Association, the Recreation Owner does hereby provide for the mandatory membership of the Association and its members, but not exclusively so, for the use of certain improvements on real property as hereinafter defined situate, lying and being in Palm Beach County, Florida, the foregoing hereinafter referred to as "recreation area(s) and facilities".

It is understood and agreed between the parties hereto that the members of the Association, i.e., the unit owners of Condominium parcels of the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached shall automatically by virtue of their membership in the Association become mandatory members of The Fountains of Palm Beach recreation area(s) and facilities under this Agreement and shall be entitled to the use and enjoyment of same as hereinafter defined and described subject, however, to the provisions of this Agreement and the Rules and Regulations promulgated by the Recreation Owner or its successor in interest and authority.

II.

MEMBERSHIP TERM

The term and duration of this Agreement shall be for a period of time commencing as of the date hereof, and continuing up to and including the 31st day of December, 2012, unless this Agreement be sooner terminated in accordance with its terms. This Agreement may be renewed upon such terms and conditions as are mutually agreeable between the parties. This Agreement is subject to concessions, franchises, conditions, limitations, restrictions, reservations of record, easements, licenses and other rights or interests now or hereafter granted by the Recreation Owner, taxes, applicable zoning ordinances now existing or which may hereafter exist, this Agreement and other Agreements, and instruments creating rights in such persons or parties as the Recreation Owner determines, as to the recreation area(s) and facilities, or portions thereof, in its sole discretion, as provided herein, and Mortgages now or hereafter of record which the Recreation Owner shall pay according to their tenor, as provided herein. The Board of Directors of the Association shall be authorized to enter into such renewal agreement with the Recreation Owner on behalf of its members upon approval of a majority of its members at a meeting of the Association at which a quorum is present and which meeting is called in accordance with the Association's By-Laws. The Renewal Agreement shall be recorded in the Public Records of Palm Beach County, Florida, and it shall be required to be executed by two (2) Officers of the Association and an Executive Officer of the Recreation Owner. The execution of said Renewal Agreement by the Association shall be deemed to be the authorization and approval of its members of said Renewal Agreement as provided and required herein. A copy of the Resolution adopted by the members of the Association at said meeting and certified by the Secretary of the Association shall not be required to be attached to or recorded with said Renewal Agreement.

III.

MEMBERSHIP FEES

The Association agrees to pay to the Recreation Owner for membership fees during the term of this Agreement, the sum per month calculated as follows:

Reference is hereby made to Exhibit No. 1 of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and the monthly sum due shall be determined by multiplying the number of units in the Condominium as set forth in Exhibit No. 1 by Eighteen Dollars (\$18.00). The results of such multiplication shall be added together and shall constitute the monthly sum due, said sum being payable in advance on the 1st day of each month; however, where all the units and buildings which constitute the Condominium created by the Declaration of Condominium to which this Agreement is attached are not completed (i.e., a Certificate of Occupancy having been issued by the applicable governmental authority as of the date of this Agreement), the sum due per month from each unit shall commence from the nearest first or fifteenth of a month following the date upon which a Certificate of Occupancy is issued as to said unit in the Condominium, and where said sum becomes due on the 15th of a month - one-half of the monthly amount shall thereupon become due and the full monthly sum shall be due on the first of the month thereafter, and on the first of each succeeding month thereafter during the term of this Agreement. The monthly sum due is subject to the increase of such sum in accordance with the provisions of this Article set forth herein below, and in accordance with the provisions of Article XIX. below.

Should the Association or any of its members default in the payment to the Recreation Owner of any installment of sums due within ten (10) days of the day the same shall become due, or if the Association or its members should default in the payment of any monies required to be paid under the terms of this Agreement, or default as to any of the terms and conditions of this Agreement to be kept and performed by the Association and its members, the Recreation Owner may accelerate the sum then due for the ensuing twelve (12) months, upon notice thereof to the Association or its members, as the case may be, and thereupon, said sum shall become due upon the date stated in the Notice, but not less than ten (10) days after delivery of or mailing of such Notice to the Association or its members.

A. All sums due under this Agreement shall be payable at such place as the Recreation Owner may specify in writing from time to time, and a place once specified as the place for the payment of any sums shall be such until it shall have been changed by written notice unto the Association by the Recreation Owner in the manner hereinafter prescribed for the giving of notices. All sums due hereunder shall be payable without notice or demand unless otherwise specifically provided herein. For the present, and until further notice, the Recreation Owner specifies that said sum shall be paid to Recreation Owner at 6844 Lake Worth Road, Lake Worth, Florida 33460.

B. All sums shall be payable in current legal tender of the United States as the same is constituted by law at the time said sums become due. If at any time the Recreation Owner shall accept anything other than current legal tender, such fact or such acceptance shall not be construed as varying or modifying such provisions of this paragraph as to any subsequently maturing sum, or as requiring the Recreation Owner to make a similar acceptance or indulgence upon any subsequent occasion.

C. The sum due under this Agreement shall be the obligation of the Association and its members, and all sums due, in addition to the monthly sum specified hereinabove, whether by way of additional compensation or special assessment for the specific purposes provided in this Agreement, and increases under the provisions of this Agreement, shall be deemed to be "additional sums due", with the same force and effect as the original sum due, as specified hereinabove, and said sums shall be determined by the Recreation Owner in compliance with the provisions of this Agreement. The sums due under this Agreement are common expenses of the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached, and notwithstanding the power of the Board of Directors of the Association and Management Firm's right to make and determine assessments for common expenses, the portion of the common expenses due by virtue of this Agreement shall be determined by the Recreation Owner, as provided herein, as well as the Recreation Owner's right to make and determine special assessments against the applicable unit in the Condominium as provided herein.

D. The foregoing monthly sum is subject to increase upon the following conditions:

1. Real and Personal Property Tax Bills assessed and levied as to recreational area(s) and facilities, as hereinafter defined, shall be paid by the Recreation Owner under this Agreement; however, should the amount of said Real and Personal Property Taxes be increased over the amount of such bills rendered for the year 1972, then the amount of such increase for each year shall constitute the amount of increase to be prorated equally among each unit which has a mandatory membership as to the recreation area(s) and facilities as defined under this Agreement or a similar agreement.

2. Insurance premiums for insurance coverage as to recreation area(s) and facilities as hereinafter defined, as provided in this Agreement, shall be paid by the Recreation Owner; however, should the premiums be increased over the premiums paid during the year 1972, such increase of premium, whether due to increased coverage or premium, shall constitute the amount of increase to be prorated equally in the manner provided in Article III.D.1. above. The Recreation Owner shall be the sole judge as to what insurance deductible clauses - as to type and amount, are satisfactory, and if said deductible clauses and/or amounts can be removed or limited by the payment of an additional premium, the premium paid therefor shall constitute the amount of increase to be prorated equally, as hereinbefore provided.

3. If an assessment or lien is placed upon recreational area(s) and facilities as hereinafter defined by any governmental authority, then the sum due thereon shall constitute the amount of increase to be prorated equally in the manner set forth in Article III.D.1. above. The foregoing excludes assessments and liens for income tax due by the Recreation Owner or other assessments and taxes due by the Recreation Owner based upon the income derived by the Recreation Owner under this Agreement.

4. The monthly sum due hereunder is subject to increase of such sum in accordance with the provisions of Article XIX. below. When determining the adjustment to be made, as provided therein, the monthly sum due at the time of said computation shall be used, where said increases are occasioned by increases in Real and Personal Property Taxes and Insurance Premiums, as provided herein.

5. Should any governmental authority levy a Sales Tax or similar tax, notwithstanding whether the law requires the Recreational Owner or Association and its members to pay said tax, or where a governmental authority requires an Intangible Tax and/or Documentary Stamp Tax to be paid on this Agreement, such sum shall constitute the amount of increase to be prorated equally in the manner set forth in Article III.D.1. above.

6. Should any unit owner of the aforesaid Condominium do anything which would increase the costs of maintaining the recreational area(s) and facilities under this Agreement, or any damage to equipment or said premises, by said unit owner, his family, servants, guests, invitees, etc., the Recreation Owner shall determine the sum due and said sum shall be an additional sum due and payable by the offending unit owner.

7. The Recreation Owner may assess a unit owner for special assessments in a reasonable amount for guests and invitees, of said unit owner, whether in residence in the Condominium or not, as to their use of the recreational area(s) and facilities, or for services, purchases, rental of equipment, charges or otherwise, in the recreational area(s) and facilities, or as to said unit owner's unit, and such sum shall be an additional sum due and payable by said unit owner.

All increases of the sums initially due hereunder, as herein provided, shall be effective as of the date determined by the Recreation Owner and set forth in the Notice thereof to the Association and to the unit owners, if the Recreation Owner desires to give notice thereof to said unit owners, and if not, it shall be the obligation of the Association to notify the unit owners as to such increases due under this Agreement; and said sum shall be payable in the amount and manner provided in said Notice. Should there be an increase, as provided herein, and the condition causing the increase specified above was a condition pre-existing to the time of the Notice by the Recreation Owner, the Recreation Owner may increase the sum due, where authorized herein, retroactively, over and above the amount of the new monthly sum due under the provisions of this Agreement.

Increases in the monthly sum occasioned by increases specified in sub-paragraphs 1, 2, 3, 4 and 5 above shall be shared equally by all units as provided in this Article III.D.1 and Exhibit A of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4.

The Recreation Owner has the right to enter into Membership and Use Agreements with others, provided each unit

whose owner is a mandatory member is required to share increases of the monthly sums due hereunder equally in the manner provided in Article III.D.1. above. Subsequent mandatory members of the recreational area(s) and facilities who are unit owners shall be required to pay, as their minimum initial monthly sum, the sum then being paid by the unit owners in the aforesaid Condominium. The foregoing applies to all units, apartments, townhouses, villas, garden type apartments, houses and other type units, or other similar type residential building within The Fountains of Palm Beach Condominium Complex and additional lands as determined by the Recreation Owner (which shall not exceed six hundred twenty [620] acres of land) who are parties to a Membership and Use Agreement similar to this Agreement. The foregoing shall not apply to golf members and social-house members of The Golf and Racquet Club of Palm Beach (also known as The Club House and Club House area). Said golf members and social-house members of The Club House are not required to be mandatory members under Membership and Use Agreements similar to this Agreement and they shall not be required to pay a membership fee as provided in Article III of this Agreement, nor shall they be required to share in any increases of the monthly sums due under said Article III as provided therein and they shall not be entitled to the use and enjoyment of the other recreation area(s) and facilities provided for under this Agreement. Where a golf member or social-house member of The Club House is a mandatory member as to the recreational area(s) and facilities as defined in this Agreement, under a similar Membership and Use Agreement, he shall be required to share in the increases provided for in Article III.D.1, 2, 3, 4 and 5 under the provisions of his applicable Membership and Use Agreement. Subject to the foregoing, the Recreation Owner shall be empowered to enter into agreements with such number of persons as to Golf Memberships and/or House-Social Memberships and on such basis as it determines without regard to provisions of Article III of this Agreement, including the provisions thereunder as to certain parties sharing increases in the monthly sum due thereunder. All special assessments under the provisions of Article III.D.6 and 7 above shall be determined solely in the discretion of the Recreation Owner, and such sum shall be due and payable as the Recreation Owner determines and it shall be a lien on the applicable unit enforceable in the same manner as all other liens for common expenses are enforceable under the provisions of the Declaration of Condominium to which this Agreement is attached.

IV.

IMPROVEMENTS

The Recreation Owner covenants and warrants unto the Association that it has constructed, at Recreation Owner's cost and expense, "The Club House", (also known as The Golf and Racquet Club of Palm Beach), which Club House and Club House area consists of said Club House which contains therein a cocktail lounge, restaurant, card room, terraces and other improvements and facilities together with certain personalty and equipment, and putting greens, a swimming pool and sun deck, and tennis courts and other facilities, and adjacent to said Club House there are certain golf courses. The aforesaid Club House shall also contain offices for the Recreation Owner, and such other offices as the Recreation Owner determines and for the exclusive use of such persons or firms as the Recreation Owner determines, including the right of the Recreation Owner to enter into agreements in the nature of a lease or concession for areas in The Club House, such as the restaurant area, cocktail lounge area, card room area and other areas within said Club House, and as to the swimming pool and surrounding pool deck area, tennis courts, putting greens and golf courses adjacent thereto. The Association and its members, as hereinafter provided, shall have the use and enjoyment of the terraces and public areas in The Club House and the cocktail lounge, restaurant and card room, subject to their complying with all Rules and Regulations appertaining thereto, as determined by the Recreation Owner and its designees, for the term of this Agreement; however, said Association and its members under the provisions of this Agreement shall have no right to the use and enjoyment of the putting greens, pool and surrounding pool deck area, tennis courts, nor the golf courses, nor any other areas or facilities as determined by the Recreation Owner, including the parking area adjacent to The Club House except if approved by the Recreation Owner or its designees under such terms and conditions and reasonable charges as the Recreation Owner and its designees may determine in their sole discretion. The Recreation Owner and its designees shall be entitled to all income derived from The Club House and Club House area. The Recreation Owner covenants unto the Association and its members that they shall have the use and enjoyment of the portions of The Club House hereinabove specified and same shall not be substantially interfered with. The Club House area is legally described in Exhibit "A.1" which is attached to this Agreement and made a part thereof as though fully set forth therein. The Recreation Owner covenants and warrants unto the Association that it has caused to be constructed a recreation facility known as "Craft Hall", which building contains certain facilities, equipment and personalty therein. The Association and its members, as hereinafter provided, shall have the use and enjoyment of said Craft Hall and the area surrounding same which is legally described in Exhibit A-2 which is attached to this Agreement and made a part hereof, but not exclusively so, as elsewhere provided in this Agreement.

As to Craft Hall and the area surrounding same, and any additional recreation facilities and areas, the Recreation Owner and its designees shall have the right to show same for the purposes of aiding in the sale of the developed portions of The Fountains of Palm Beach Condominium Complex. The foregoing right shall mean and include the right to display and erect signs, billboards and placards. The Recreation Owner and its designee shall have the right to use such space in Craft Hall as it determines for an office without payment therefor provided said office space does not exceed three hundred (300) square feet. Notwithstanding the foregoing rights, there shall be no reduction, abatement or suspension of the sums due under Article III above, nor the Association's obligations under this Agreement, as provided hereinafter, and all sums due and obligations of the Association pursuant to this Agreement shall commence as of the date of this Agreement. The term "The Fountains of Palm Beach Condominium Complex" shall mean and include all or such portions of the real property described in Exhibit A-3 to this Agreement and such additional lands as is determined in the sole discretion of the Recreation Owner; however, said Complex area shall not exceed six hundred twenty (620) acres of land. The right of the Recreation Owner to use certain space in Craft Hall as an office shall also include any additional facilities constructed by the Recreation Owner as provided herein subject to the Recreation Owner's using not more than three hundred (300) square feet in any facility as an office. The provisions of this paragraph do not apply to The Club House area.

V.

USE OF PREMISES — ASSOCIATION AND ITS MEMBERS DO NOT HAVE EXCLUSIVE RIGHT TO USE

It is understood and agreed between the parties hereto that the recreation area(s) and facilities, during the continuance of this Agreement, may be used and enjoyed and occupied by the Association and its members on a non-exclusive basis, in common with other persons, entities and corporations who may be other Associations or entities under Membership and Use Agreements, all of whom are at all times subject to the Rules and Regulations promulgated by the Recreation Owner or Recreation Owner's successor in interest and authority, or such party to whom the Recreation Owner delegates this power. The recreation area(s) and facilities (including Craft Hall) shall at all times be under the complete supervision, operation, control and management of the Recreation Owner, or such party as it designates, and the Association and its members and others do not have any exclusive right of use. The Association and its members shall not perform nor permit members of their family, guests and invitees to perform any acts or carry on any practices which may injure the recreation area(s) and facilities, or be a nuisance or menace to, or interfere with the rights of others.

The Recreation Owner may, or shall have the right, at any and all times during the term of this Agreement, and from

time to time to further additionally enter into agreements with others for the use of the recreation area(s) and facilities, and all such other agreements with others shall be valid for all intents and purposes therein expressed, and the entering into of such agreements and the granting of memberships thereto shall not invalidate this Agreement or reduce or abate the sum due under the terms of this Agreement from the Association and its members to the Recreation Owner, nor give the Association the right to avoid any of its covenants, agreements or obligations to be performed hereunder. The term "others", for the purposes of this Agreement, shall mean any person or persons, individually or collectively, or any entities or corporations, or any combinations thereof, who, at the time of the execution and delivery of such other agreement, is the owner in fee simple or the lessee of any piece or parcel of real property, including the fee simple owner or lessee of real property under a condominium or cooperative format, and the Association responsible for the operation of same, contained within the lands that may constitute The Fountains of Palm Beach Condominium Complex, as hereinbefore specified. The Agreement as to the recreation area(s) and facilities given to others shall be generally in the form of this Agreement (except with regard to the sums set forth in III. above to be paid to the Recreation Owner), to the end and extent that the use and enjoyment of the recreation area(s) and facilities by any and all, shall be in recognition and co-extensive with the rights of this Association and its members under this Agreement and others, so that the burden of this Association in keeping and performing its covenants and promises herein made, shall not be increased except as a greater use of the recreation area(s) and facilities by reason of a greater number of persons may inevitably and unavoidably require. No default by any other party in the performance of any of his covenants and promises contained in this Agreement, or any other act of omission or commission by any other party shall be construed or considered (a) as a breach by the Association of any of its promises and covenants in this Agreement made; or (b) as an excuse, justification, waiver or indulgence by the Recreation Owner to the Association of the Association's prompt, full, complete and continuous performance of its covenants and promises herein. The provisions of the last paragraph in Article III of this Agreement as to golf members and social-house members of The Golf and Racquet Club of Palm Beach supersede the provisions under Article V of this Agreement as to any matter in conflict.

The recreation area(s) and facilities are subject to such easements or licenses for public utilities as the Recreation Owner has granted, and the Recreation Owner, at all times, shall have the exclusive right to create upon, over and under the recreation area(s) and facilities, easements or licenses from time to time as the Recreation Owner, in its discretion, shall deem appropriate, free and clear of the provisions of this Agreement. Portions of the recreation area(s) and facilities may be subject to easements or licenses for rights-of-way for ingress and egress for the benefit of the Association and its members herein, and others, and such other persons as the Recreation Owner may designate from time to time, and for drainage purposes, and the Recreation Owner shall have the right, during the term of this Agreement, to relocate and change the size and dimensions of said easement or license areas, and for such purposes as it deems advisable in its sole discretion. The Recreation Owner shall have the right, during the term of this Agreement, to dedicate such easement and license areas as it desires, and the consent and approval of the Association as to the provisions herein shall not be required. Notwithstanding the foregoing, there shall be no abatement or reduction of the sums due under the terms of this Agreement from the Association to the Recreation Owner, nor shall the foregoing give the Association the right to avoid any of its covenants, agreements or obligations to be performed under this Agreement.

The Recreation Owner reserves the right to amend this Agreement by adding to the facilities of Craft Hall, either by adding facilities to same and/or adding additional area(s) and facilities thereon within the Fountains of Palm Beach Condominium Complex and said Recreation Owner shall have the right to substitute a facility for Craft Hall pursuant to Articles XVII of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and said Recreation Owner's right thereunder shall terminate as of December 31, 1979, and upon said Recreation Owner's causing any of the foregoing to be accomplished, said Recreation Owner shall amend this Agreement and the Declaration of Condominium to which this Agreement is attached, as provided in Article XVII of said Declaration. The method of amending this Agreement as provided in this paragraph and pursuant to Article XVII of said Declaration of Condominium supersedes and is paramount to the provisions for the method of amendment of said Declaration, as provided in said Declaration other than Article XVII thereunder, and same supersedes and is paramount to the provisions for the method of amendment to this Agreement as is provided elsewhere in this Agreement. The Recreation Owner shall have the right in its sole discretion to enter into agreements to make services available to the parties entitled to the use of said recreation area(s) and facilities and to grant concessions as to Craft Hall and any additional facilities to same, and any additional area(s) and facilities as described in this paragraph, for such purposes and time as it determines and on such basis as it determines, including the right of the Recreation Owner to enter into agreements with parties authorizing same to use space within the premises provided in this paragraph under such terms and conditions and for such purposes as it determines. The foregoing includes the right of the Recreation Owner to purchase and install or lease and install coin-operated vending machines and the like and public telephones. All income derived from the foregoing, as provided in this paragraph, shall be the income of the Recreation Owner. The Recreation Owner may provide for the use of certain portions of the premises and facilities set forth in this paragraph, under such terms and conditions as it deems advisable in its sole discretion, and such use may be conditioned upon the payment by the requesting party of additional reasonable compensation, and said additional compensation shall be chargeable as a special assessment of the Recreation Owner against the requesting party(s), in such amounts and proportions as the Recreation Owner determines.

That portion of the recreation area(s) and facilities known as "The Club House", as hereinbefore described, may be added to, altered and improved in such manner as the Recreation Owner deems advisable and in such instance the Recreation Owner need not execute and file an amendment to said Declaration and this Agreement. The Recreation Owner shall have the absolute right to accomplish the foregoing without the approval of the Association and its members; however, the Recreation Owner shall endeavor to minimize the inconvenience to the Association and its members as same is practical. Should any of the facilities in The Club House which the Association and its members are entitled to use and enjoy be unavailable to them due to the foregoing, there shall be no abatement of sums due the Recreation Owner under this Agreement for said cause.

There shall be no abatement of sums due under this Agreement for any cause or purpose whatsoever, nor shall the Association and its members be relieved of any of its obligations under this Agreement, except as provided in Article VI hereinafter.

VI.

EMINENT DOMAIN

If any part of the premises described in Exhibit A-2 shall be taken under the power of eminent domain, the sums due and obligations of the Association under this Agreement shall continue unaffected as to amount unless if such portion of the premises described in Exhibit A-2 is taken so as to completely destroy the usefulness of said premises for the purposes for which said premises were intended to be used, then from that day, the Association shall have the right to terminate this Agreement by written notice given by the Association to the Recreation Owner within thirty (30) days after such day, or to continue under this Agreement as to the remainder of said premises under all of the terms provided. The right of the Association to terminate this Agreement, as hereinbefore provided, is subject to the paramount right of the Recreation Owner to substitute a facility therefor as specified in the following paragraph. All damages awarded for such taking shall belong to and be the property of the Recreation Owner (whether or not such damages shall be awarded as compensation for diminution in the value of this Agreement). The taking of all or any part of additional area(s) and facilities as may be provided as

hereinbefore set forth in this Agreement shall never be deemed a taking of such portion of the premises described in Exhibit A-2 as to completely destroy the usefulness of the said premises for the purposes for which said premises are to be used under this Agreement. Where the Recreation Owner substitutes a facility for Craft Hall, i.e., Exhibit A-2 hereto, such substituted facility shall be deemed the same as the original facility, i.e., Exhibit A-2 under the provisions of this Article.

If the part of the premises described in A-2 as provided above, taken under the power of eminent domain, does not completely destroy the usefulness of the said premises for the purposes for which said premises were to be used, all sums awarded for the appropriation shall be payable to the Recreation Owner and the Association shall not be entitled to any portion thereof. However, where the appropriation is as to a portion of Craft Hall, the Recreation Owner shall restore that portion not so taken, at its cost and expense. Where there is an appropriation of all of Craft Hall, which is sufficient to terminate this Agreement, as hereinbefore set forth, the Recreation Owner shall determine, in its sole discretion, whether to replace the appropriated Craft Hall premises within The Fountains of Palm Beach Condominium Complex, and should it determine to replace same, it shall be of such size, dimension, contents, decor, plans and specifications, including the land area, as the Recreation Owner determines in its sole discretion, and the time within which same shall be accomplished shall be a reasonable time and it shall be constructed as expeditiously as possible. Said replacement facility shall be substantially similar to the appropriated facility and the Recreation Owner shall be required to notify the Association by written notice of its intention to replace said appropriated facility within 20 days of said appropriation. Where the Recreation Owner substitutes a facility for Craft Hall as provided under this Agreement, this paragraph shall apply to said substituted facility.

VII.

RECREATION OWNER'S LIEN FOR SUMS DUE UNDER THIS AGREEMENT

The Recreation Owner shall have a first lien, paramount to all others, on every right and interest of the Association in and to this Agreement, which lien is granted for the purpose of securing the payment of sums due under this Agreement and for the purpose of securing the performance of any and all and singular the covenants, conditions and obligations of this Agreement to be performed and observed by the Association.

VIII.

RECREATION OWNER'S RIGHT TO ASSIGN AND ENCUMBER

The Recreation Owner shall have the right to assign and encumber its interest under this Agreement and to the premises thereunder, as herein provided.

A. Existing Mortgages. The premises described in Exhibit A-1 and A-2 attached hereto, and other lands, are subject to existing mortgages which have been recorded in the Public Records of Palm Beach County, Florida. The Recreation Owner, not the Association, shall perform all of the covenants of the mortgage therein.

B. Further Mortgages. The Recreation Owner shall have the right at all times to further and additionally mortgage and encumber its interest under this Agreement and in and to the aforesaid premises and additional premises, and the Association's interest in and to the same shall at all times be subordinate and inferior to those of such additional and further mortgages, provided that the Association shall at all times have the rights provided under this Agreement, so long as it shall perform all of its promises and covenants, as herein provided. The Association does hereby agree that it will for itself (and if required by the mortgagees) and/or as agent for all of the condominium parcel owners of the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and for each of their spouses, and for each owner of any other interest in the property of the Condominium, forthwith subordinate its and/or their respective interests in and to the premises under this Agreement and this Agreement to any such mortgage or mortgages by an instrument of subordination or by joinder as mortgagor in such mortgage, provided that by such joinder the Association and/or the principals for which it shall have acted as agent shall not assume the obligations of the mortgagor, as the mortgagee may require. Notwithstanding the foregoing, any interest or right of the Association and its members in and to the premises and improvements described in Exhibit A-1 and A-2 shall not be a lien or right upon said premises and improvements and whatever rights the Association and its members have thereto shall be automatically deemed subordinate and inferior to a mortgage granted by the Recreation Owner to a mortgagee on said premises for whatever purpose regardless of when, and the Association shall, upon request of the Recreation Owner and as agent for its members, execute such instrument as said mortgagee requires confirming the foregoing within fifteen (15) days of notification thereof and in the event of its failure so to do, said failure shall be deemed a default under this Agreement and notwithstanding same, the Recreation Owner shall be deemed to be the agent of the Association and its members and authorized as such to execute such instrument, and said right of the Recreation Owner, as herein provided, shall be deemed coupled with an interest.

C. Assignment. The Recreation Owner may freely assign, in whole or in part, all or any part of its right, title and interest in and to this Agreement and the premises hereunder, and in such event, upon the Assignee's assuming and agreeing to perform the terms and covenants of this Agreement appertaining thereto, Recreation Owner shall be relieved of its liability under this Agreement. Likewise, upon the Recreation Owner's conveying the premises hereunder, or portions thereof, and the Purchaser's agreeing in writing to assume and perform the terms and covenants of this Agreement as to the property conveyed, upon such sale and assumption, the Recreation Owner shall be relieved from any and all obligations hereunder appertaining thereto. As hereinbefore provided, the Recreation Owner shall have the right to enter into agreements whereby it sublets, enters into concessions or other agreements as to said premises, or enters into agreements and franchises for the providing of services for said premises, including the Condominium referred to in this Article and all or such portion of The Fountains of Palm Beach Condominium Complex as it determines in its sole discretion.

IX.

ASSOCIATION'S RIGHT TO ASSIGN AND ENCUMBER

The Association shall have no right to mortgage or otherwise encumber any of its right, title and interest in and to this Agreement or the premises hereunder, nor shall it have any right to assign the same or any part thereof. This includes the members of said Association.

X.

BANKRUPTCY

This Agreement and any interest therein shall not pass to any Trustee or Receiver or Assignee for the benefit of

creditors, or otherwise by operation of law. Should the Association be adjudged a Bankrupt, or make a voluntary assignment for the benefit of creditors, or if a Receiver or Trustee in Bankruptcy be appointed for the property of the Association, and such Receiver or Trustee is not discharged within thirty (30) days after date of appointment, then the Recreation Owner herein shall have the right, at its option, of terminating this Agreement upon giving fifteen (15) days written notice to the Association of Recreation Owner's election to exercise said option, and upon the expiration of such fifteen (15) day period, this Agreement shall cease and terminate.

XI.

DEFAULT CLAUSE

A. It is further covenanted and agreed by and between the parties hereto that in case, at any time, default shall be made by the Association in the payment of any of the sums herein provided for upon the day the same becomes due and payable, or if the Association shall fail to perform any of the covenants of this Agreement by it to be kept and performed, then, and in any of such events, it shall be lawful for the Recreation Owner, at its election, to declare said Agreement terminated and the Association and its members shall thereupon have no rights to the use and enjoyment of the recreation area(s) and facilities hereunder, and the Recreation Owner may have such other remedies as the law and this instrument afford.

B. Nothing herein contained shall be construed as authorizing the Recreation Owner to declare this Agreement in default, where the default consists in the non-payment of sums due hereunder until such non-payment shall, in violation of the terms of this Agreement, have continued for fifteen (15) days after written notice of such default shall have been given by the Recreation Owner to the Association, and where the alleged default consists of some violation other than the foregoing, the Recreation Owner may not declare this Agreement in default until such violation shall have continued for thirty (30) days after the Recreation Owner shall have given the Association written notice of such violation, and Association shall not have undertaken, during said thirty-day period, to cure said violation by vigorous and affirmative action; provided, however, that nothing herein contained shall be construed as precluding the Recreation Owner from having such remedy as may be and/or become necessary in order to preserve the premises hereunder, even before the expiration of the grace period or notice period provided for in this paragraph if, under particular circumstances then existing, the allowance of such grace or the giving of such notice would prejudice or endanger the premises.

C. All default and grace periods shall be deemed to run concurrently and not consecutively.

D. It is mutually covenanted and agreed that the various rights, powers, options, elections, privileges and remedies of the Recreation Owner contained in this Agreement shall be construed as cumulative, and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities by law.

E. It is further covenanted and agreed by and between the parties hereto that the right given to the Recreation Owner in this Agreement to collect the sums that may be due under the terms of this Agreement by any proceedings under the same, or the right to collect any additional sums due under the terms of this Agreement by any proceedings under the same, or the right given the Recreation Owner to enforce any of the terms and provisions of this Agreement, shall not in any way affect the rights of such Recreation Owner to declare this Agreement terminated when default is made in the payment of said sums, or when default is made by the Association in any of the terms and provisions of this Agreement.

F. If, at any time, by reason of the failure of the Association to keep and perform any covenant or agreement which under the terms of this Agreement the Association is bound and obligated to keep and perform, it becomes necessary for the Recreation Owner to employ an attorney to protect the rights and interests of the Recreation Owner in the premises hereunder, or to enforce the terms and provisions of this Agreement, or proceed under it in any particular, then in any of such events, the Association will owe and will pay unto the Recreation Owner all costs of Court and reasonable attorneys' fees incurred or expended by the Recreation Owner in taking such action.

XII.

ADDITIONAL COVENANTS OF ASSOCIATION

A. The Association covenants and agrees with the Recreation Owner that no damage or destruction to any building or improvement on any of the premises under this Agreement by fire, windstorm, or any other casualty, shall be deemed to entitle the Association to terminate this Agreement, or to violate any of its provisions, or to cause any abatement or rebate in the sums then due or thereafter becoming due under the terms hereof. The foregoing includes the members of the Association.

B. This Association covenants and agrees with the Recreation Owner that nothing in this Agreement shall ever be construed as empowering The Association to encumber or cause the Recreation Owner to encumber the title or interest of the Recreation Owner.

C. The Association covenants and agrees with the Recreation Owner that at the termination of this Agreement, the Association and its members will peaceably and quietly cease to use and enjoy the premises hereunder and all improvements thereon.

XIII.

COVENANTS OF RECREATION OWNER

A. During the term of this Agreement, the Recreation Owner shall be responsible for the care and maintenance of the said premises and facilities hereunder and shall further provide or obtain all utility services required; and shall cause said premises to be covered by Fire and Extended Coverage Insurance, in such amounts as it deems advisable, and shall obtain Public Liability Insurance as it deems advisable, and said Recreation Owner shall cause all Real Estate and Personal Property Taxes and assessments levied upon the said premises and the improvements thereon and personalty and equipment thereof, to be paid, and shall further be responsible for the care, maintenance and replacement, when required in the Recreation Owner's sole discretion, of all personalty and equipment thereon and therein.

B. No damage or destruction to any building or improvements, or any equipment or personalty now or hereafter located upon the premises hereunder by fire, windstorm, or any other casualty, shall be deemed to entitle the Association and its members to terminate this Agreement, or to violate any of its provisions, or to cause any abatement or rebate of the sums then due or thereafter becoming due under the terms hereof. The Recreation Owner shall be obligated, at its cost, to reconstruct and repair the damage, and repair or replace the equipment and personalty within a reasonable time after said

casualty, whether or not said damage and loss, or any portion thereof, is covered by insurance, and notwithstanding the deductible provisions of any Insurance Policy as to the premises and improvements thereon described in Exhibit A-1 and Exhibit A-2 or any substitution for Exhibit A-2.

XIV.

COVENANT OF QUIET ENJOYMENT

The Recreation Owner covenants and agrees with the Association that so long as the Association keeps and performs all of the covenants and conditions by the Association to be kept and performed, the Association and its members shall have the use and enjoyment of the premises hereunder as described and restricted, as provided under this Agreement. The Association and its members shall not have the exclusive use and enjoyment of said premises and the Recreation Owner shall have the rights appertaining thereto as are specified in this Agreement.

XV.

MISCELLANEOUS PROVISIONS

It is mutually covenanted and agreed between the parties, as follows:

A. That no waiver of a breach of any of the covenants in this Agreement contained shall be construed to be a waiver of any succeeding breach of the same covenant.

B. That time is of the essence in every particular.

C. That all arrearages in the payment of sums due hereunder shall bear interest from the date when due and payable at the rate of ten percent (10%) per annum, until paid. The foregoing shall apply to any sums advanced by the Recreation Owner on behalf of the Association or any of its members.

D. That no modification, release, discharge or waiver of any provisions hereof shall be of any force, effect or value unless in writing, and signed by the parties who are then Recreation Owner and Association.

E. That all covenants, premises, conditions and obligations herein contained or implied by law, are covenants running with the premises described herein, and the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and shall attach to and be binding upon the heirs, executors, administrators, successors, legal representatives and assigns of each of the parties to this Agreement.

F. That this instrument contains the entire agreement between the parties as of this date, and that the execution hereof has not been induced by either of the parties by representations, promises or understandings not expressed herein, and that there are no collateral agreements, stipulations, promises or understandings whatsoever of this instrument which are not expressly contained in this instrument.

G. That where, under the terms of this Agreement, it is incumbent upon either side to do or perform an act, such act shall be done and performed promptly.

H. The words "Recreation Owner" and "Association" and "Association Member" and "Member", wherever and whenever used herein, shall include the singular or plural thereof, and the use of any gender shall include all genders wherever the same shall be appropriate.

I. The invalidity, in whole or in part, of any covenant, promise or undertaking, or any paragraph, sub-paragraph, sentence, clause, phrase or word, or of any provision of this Agreement, shall not affect the validity of the remaining portions thereof.

J. This Agreement is to be construed in accordance with the laws of the State of Florida.

K. No modification, release or discharge or waiver of any provision hereof shall be of any force, effect or value, unless in writing, signed by the Recreation Owner.

L. The Association and its members shall not do or suffer any waste or damage, disfigurement or injury to the premises hereunder or to any improvements and appurtenances thereto, and any personal property now or hereafter placed or brought thereon.

M. The terms "Condominium parcel", "Condominium unit", "unit", "unit owner", "owner of a unit", "parcel owner", "common elements", and "common expenses", and all other terms in this Agreement, shall be defined as said terms are defined and used in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4. The terms "Recreation area(s) and facilities" and "recreational area(s) and facilities" are synonymous.

N. SHOULD AN ASSOCIATION MEMBER FAIL TO CAUSE ANY SUM DUE HEREUNDER TO BE PAID TO THE RECREATION OWNER WITHIN 10 DAYS AFTER THE DUE DATE, THE RECREATION OWNER MAY AT ITS DISCRETION LEVY A LATE CHARGE OF \$10.00 AGAINST SAID ASSOCIATION MEMBER WHICH SUM SHALL BE THEREUPON DUE AND PAYABLE, AND IT SHALL BE A LIEN UPON SAID MEMBER'S CONDOMINIUM PARCEL, ENFORCEABLE IN THE SAME MANNER AS LIENS FOR COMMON EXPENSES ARE ENFORCEABLE AGAINST A UNIT AS PROVIDED IN THE DECLARATION OF CONDOMINIUM TO WHICH THIS AGREEMENT IS ATTACHED AS EXHIBIT NO. 4.

XVI.

NOTICE

Whenever, under this Agreement, a provision is made for notice of any kind, it shall be deemed sufficient notice and service thereof if such notice to the Association is in writing, addressed to the Association at the address of the Condominium described in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and sent by certified mail, with postage prepaid, or by personal delivery thereof; and if such notice to the Association Member is in writing, addressed to the Association Member at the address of the Condominium described in the Declaration of Condominium to which this Lease is attached as Exhibit No. 4, and sent by certified mail with postage prepaid, or by personal delivery thereof; and if such notice to the Recreation Owner is in writing, addressed to the Recreation Owner at 6844 Lake Worth Road, Lake

Worth, Florida, 33460, or at such other address as the Recreation Owner may from time to time designate, and said notice is sent by certified mail with postage prepaid.

XVII.

ADDITIONAL COVENANTS OF ASSOCIATION

The Association is a Condominium Association formed to conduct and administer the affairs of the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4.

The Recreation Owner is the Developer and Owner of the premises described in Exhibit No. 1 to the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and said Developer has constructed or is in the process of constructing thereon improvements as specified in said Exhibit No. 1. To secure the Recreation Owner in the payment of the sums due and reserved hereunder, said Developer hereby gives and grants and reserves unto itself as the Recreation Owner a lien upon the premises described in said Exhibit No. 1 and appurtenances thereto. It is understood and agreed that the giving and granting of the lien described herein is an essential consideration flowing to the Recreation Owner and without which this Agreement would not have been made. This lien shall continue for the full term of this Agreement and may be enforced and foreclosed in the same manner as mortgage and/or statutory liens are enforced and foreclosed under Florida law. The Association agrees to accept all of the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Agreement -- it being understood and agreed that this Agreement is for the benefit of the members of the said Association, and said Association understands and agrees that its undertakings, as set forth in this Agreement is an essential consideration flowing to the Recreation Owner without which this Agreement would not have been made.

It is mutually agreed and recognized by and between the Recreation Owner and the Association herein that in the event any Association member, i.e., unit owner, is delinquent in the payments required to be made by an Association Member under the terms of this Agreement, this shall not preclude the other Association Members from the use and enjoyment of the premises described in this Agreement. It shall be the obligation, however, of the Association to enforce the collection of the sums due hereunder which sums are a part of the common expenses of the Condominium.

The members of the Association upon notification of the Recreation Owner shall make all payments required to be made under the terms of this Agreement directly to the Recreation Owner. This right may be exercised as often and for such period of time as the Recreation Owner determines in its sole discretion. The provisions of the preceding paragraph shall not be deemed to preclude the Recreation Owner from terminating and cancelling this Agreement in the event of an act of default by the Association as specifically provided in this Agreement; however, should said Agreement be cancelled, any member of the Association who makes payments required to be made under the terms of this Agreement as to said member's unit directly to the Recreation Owner and who remains current in making said payments within the time required herein shall have the right to the use of and enjoyment of the recreation area(s) and facilities as specifically provided hereinbefore in this Agreement. Should the Agreement be terminated, the payment by unit owners to the Recreation Owner shall be based upon the amount and formula as set forth in this Agreement; provided, however, the Recreation Owner shall determine the budget as to the recreation area(s) and facilities under this Agreement and the sums due thereunder. The Recreation Owner further covenants and agrees that should this Agreement be cancelled as herein provided, any member of the Association who makes payments as provided herein shall be entitled to the rights and privileges hereinbefore set forth in this Agreement and in the Declaration of Condominium to which this Agreement is attached, subject to the right of the Recreation Owner as provided in this Agreement and its right to determine reasonable charges therefor.

Neither the recreation area(s) and facilities under this Agreement nor the Association and its members' rights thereto shall be deemed a part of the Condominium property of the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4.

The number of Condominium units in the Declaration of Condominium to which this Agreement is attached, shall not be increased nor decreased; nor shall the designation of each unit by number, as set forth therein, be changed during the term of this Agreement without the Recreation Owner's prior written consent.

XVIII.

LIEN UPON CONDOMINIUM UNIT AS SECURITY

Exhibit "A" to the Declaration of Condominium to which this Agreement is attached contains a listing of each Condominium unit located on the Condominium property described in Exhibit No. 1 to said Declaration and Exhibit "A" to said Declaration and this Agreement sets forth the sum due per month under this Agreement per unit and the manner in which said sum is increased as to all units in said Condominium, and the manner in which other sums by way of charges or otherwise are due under this Agreement from a particular unit.

In order to secure to the Recreation Owner the obligations by the Association and its members to the Recreation Owner for the payment of all monies due and to become due hereunder, the Recreation Owner is hereby given and reserves unto itself a lien upon each Condominium unit, together with its proportionate interest in the common elements of said Condominium; together with a lien on all tangible personal property, including furniture, furnishings, fixtures, appliances, equipment and goods now or hereafter located within said Condominium unit, and all additions and accessions thereto, except that such lien upon the aforescribed tangible personal property shall be subordinate to prior bona fide liens of record.

The lien hereinabove shall be for the unpaid sums due under this Agreement attributable to such unit, together with interest thereon, and all sums advanced and paid by the Recreation Owner for taxes and payments on account of a superior mortgage, lien or encumbrance, in order to preserve and protect its lien, together with interest thereon from the date of said advance, and reasonable attorneys' fees incurred in the collection and enforcement thereof.

Upon full payment of arrearages, advances as set forth in the preceding paragraph, interest and costs (including attorneys' fees), the party making payment shall be entitled to a recordable Satisfaction discharging the lien as to such arrearages, advances, interest and costs only; however, such Satisfaction shall in no way diminish or extinguish the lien hereby created as to any other amounts due or to become due, and said lien shall continue throughout the term. The parties understand and agree that the Recreation Owner's lien, as provided for herein, is a continuing lien and shall be in force and effect during the life of this Agreement.

The liens hereby given may be foreclosed either in the manner in which a mortgage on real property is foreclosed, or alternately, at the option of the Recreation Owner, in the manner in which statutory liens on real property are foreclosed, or

at the further option of the Recreation Owner, by any other remedy available to the Recreation Owner for the foreclosure of said liens.

For and in consideration of the granting to the Recreation Owner of the liens hereinabove described, together with the remedies for their enforcement, as hereinabove set forth, the Recreation Owner hereby agrees that it will not terminate or cancel this Agreement by statutory summary proceedings, or otherwise, because of the Association's failure to pay the sums provided and reserved to be paid hereunder, provided said liens, together with the remedy for their enforcement, remain available to and enforceable by the Recreation Owner.

Where the Mortgagee of an Institutional First Mortgage of record, or other Purchaser of a Condominium parcel obtains title to said Condominium parcel as a result of foreclosure of the Institutional First Mortgage (as hereinafter defined), or when an Institutional First Mortgagee of record accepts a Deed to said Condominium parcel in lieu of foreclosure or where the Recreation Owner under this Agreement obtains title as a result of foreclosure of its lien under this Agreement or accepts a Deed to a Condominium parcel in lieu of such foreclosure, or other Purchaser obtains title to a Condominium parcel as a result of foreclosure of the aforesaid Recreation Owner's lien, such acquirer of title, his successors and assigns, shall not be liable for sums coming due under this Agreement chargeable to the former unit owner of such parcel, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deeds in lieu of foreclosure.

The Recreation Owner hereby agrees that said Recreation Owner's lien described in the preceding paragraphs is subordinate to the extent hereinafter specifically set forth, to the lien of a first mortgage encumbering a Condominium parcel provided such mortgage is made with an institutional lender as defined in the Declaration of Condominium to which this Agreement is attached. The subordination provisions of this paragraph shall be self-operative and same shall apply regardless of when said mortgage is made and the Recreation Owner, if requested, shall confirm said subordination in writing. The subordination provided in this paragraph is limited to the following provisions of this paragraph. In the event an Institutional First Mortgagee forecloses its mortgage against said Condominium parcel and obtains title to the same by public sale held as a result of such foreclosure suit, or said Institutional First Mortgagee acquires title by conveyance in lieu of foreclosure, the said Institutional First Mortgagee, for so long as it shall continue to hold title, shall receive an abatement of sums due under this Agreement for said Condominium parcel, and the sums coming due under Article III. of this Agreement shall be reduced to the extent as if said Condominium parcel did not exist, provided the said Institutional First Mortgagee must receive in full the benefit of such reduction by credit against its portion of the common expenses of the Condominium, and further provided that the same shall not reduce nor abate any other of the promises, covenants or obligations of the Association and its members under this Agreement. Upon the said Institutional First Mortgagee's conveying its title to the Condominium parcel so acquired by it, the foregoing abatement shall immediately cease and terminate; however, pending said conveyance of title to the Condominium parcel by said Institutional First Mortgagee, during any period of time that said Condominium unit is occupied, there shall be no abatement.

The Association, its successors and assigns, understands and agrees that the within Agreement imposes upon it the firm and irrevocable obligation to pay the sums due under this Agreement and perform the other provisions hereof, for the full term of this Agreement. The provisions set forth in this Article hereinabove provides one means of securing to the Recreation Owner the payment of such sums by the Association and the latter's performance of its other obligations hereunder, including the payment of reasonable attorneys' fees and costs which may be incurred in effecting collections thereof. The means therein set forth shall not be the Recreation Owner's exclusive remedy.

The Association's and its members' rights to the use and enjoyment of the premises hereunder has been and is hereby declared to be acquired pursuant to Florida Statute 711.121. All monies due and to become due under the provisions of this Agreement are - and shall continue to be for the term of this Agreement, declared to be common expenses of the Condominium created upon the real property described in and by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No.4, and made a part hereof, and as common expenses, all monies due or to become due under this Agreement are part of the costs of maintaining the common elements of said Condominium.

It shall be the duty of the Association to assess its unit owners in accordance with the Condominium Act, its Declaration of Condominium and By-Laws, and this Agreement, in such amounts as shall be necessary to pay its obligations, payable in money, to the Recreation Owner hereunder, and to otherwise perform its covenants and promises herein. Notwithstanding the foregoing, the Recreation Owner under this Agreement shall determine the amount due from each unit owner under this Agreement in the manner provided herein.

The foreclosure, or other actions to enforce the liens herein provided, by the Recreation Owner or Association, shall not be considered or construed as a termination or cancellation of this Agreement, in whole or any part thereof, or as to any Condominium unit, nor shall it operate as an extinguishment or termination of such liens; and if an institutional first mortgage encumbering a Condominium unit shall be foreclosed, the same shall not operate as an extinguishment of this Agreement, in whole or in part, or as a termination of the Recreation Owner's lien as against the Condominium unit so foreclosed, and such lien shall be renewed without any act on the part of the Recreation Owner, of the Mortgagee or subsequent owner, but only for money which shall become due and payable hereunder after the purchaser at a foreclosure sale shall have acquired title to the Condominium unit foreclosed, or upon the date that such institutional mortgagee, Association, or its nominee, or Recreation Owner obtains a Deed in lieu of foreclosure; subject, however, to the paramount provisions as to an abatement of sums due as to a unit for such time in favor of Institutional First Mortgagees, as hereinbefore provided in this Article.

In the event that the Lessor's lien granted by the provisions of this Article should, for any cause or reason whatsoever, be determined to be invalid, extinguished or unenforceable, then the Association agrees that such fact shall not extinguish or diminish in the slightest degree the Association's and its members' financial or other obligations hereunder, and that the Association will, in the manner as now prescribed by Chapter 711 Florida Statutes, and as such statute may be amended, make such assessments and enforce its lien therefor on the individual Condominium units in the Condominium property, in order to comply with and fulfill the Association's and its members' obligations to the Recreation Owner hereunder.

The parties understand and agree that nothing herein contained shall authorize the Recreation Owner to collect the same indebtedness twice, and any Condominium unit owner who pays the sum(s) due hereunder applicable to his Condominium unit shall be entitled to require from the Association and the Recreation Owner, a recordable Satisfaction of the lien for the amount paid and discharged.

XIX.

ADJUSTMENT AS TO SUMS DUE UNDER THIS AGREEMENT

Recreation Owner and Association herein covenant and agree that the sums due under this Agreement as provided for in Article III. and Article III.D.1, 2 and 4 above, shall be adjusted, higher or lower, based upon the Cost of Living Index, as hereinafter defined and provided in this Paragraph, at one (1) year intervals, commencing January 1st, 1974, and continuing

yearly thereafter throughout the term of this Agreement. The adjustment to be made and therefore the monthly sum for each yearly term commencing January 1, 1974, shall be determined by multiplying the basic monthly sum provided for in Article III and Article III.D.1, 2 and 4 above, by a fraction - the numerator of which shall be the Index Figure indicated for the month of October preceding each January 1st, commencing with October, 1973, as shall be shown by the Consumers' Price Index - the United States City Average All Items and Commodity Groups, issued by the Bureau of Labor Statistics of the United States Department of Labor, and the denominator of which shall be the Basic Standard Index Figure of such Price Index for the month of October, 1971. The product of such multiplication shall be the amount of the monthly sums to be made hereunder for the succeeding year until the next computations provided for hereunder shall be made.

As an example of such computation, assume that the Index for the month of October, 1973, should be 140.0, the new monthly sum for the period from and including January 1st, 1974, through December 31st, 1974, would be arrived at by multiplying the monthly sum provided for in Article III and Article III.D.1, 2 and 4 hereinabove, by a fraction, the numerator of which would be 140.0, and the denominator of which would be the Basic Standard Index Figure for the month of October, 1971. The product arrived at would be the monthly sum due hereunder for such period. In such instance, on January 1st, 1975, a new computation would be made as described herein, and the monthly sum for the period from January 1st, 1975, through December 31st, 1975, would be determined by such process, and so forth for each year during the term of this Agreement.

It is understood and agreed that the above described Index is now being published monthly by the Bureau of Labor Statistics of the United States Department of Labor. Should it be published at other intervals, the new Index hereinabove provided for shall be arrived at from the Index or Indices published by said Bureau most closely approximating the month of October of the year preceding the January 1st on which the adjustment is made. Should said Bureau of Labor Statistics change the manner of computing such Index, the Bureau shall be requested to furnish a conversion factor designed to adjust the new Index to the one previously in use, and adjustment to the new Index shall be made on the basis of such conversion factor. Should the publication of such Index be discontinued by said Bureau of Labor Statistics, then such other Index as may be published by such Bureau most nearly approximating said discontinued Index shall be used in making the adjustments herein provided for. Should said Bureau discontinue the publication of an Index approximating the Index herein contemplated, then such Index published by another United States Governmental Agency as most nearly approximates the Index herein first above referred to shall govern and be substituted as the Index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted Index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor of a new Index, and in the event an agreement cannot be reached as to such conversion factor or such new Index, then the parties hereto agree to submit to Arbitrators selected and in accordance with the Rules of the American Arbitration Association, and the Arbitration laws of the State of Florida, the selection of a new Index approximating as nearly as possible the Index hereinabove contemplated, which new Index may be one published by a Governmental Agency, or one published by a private agency and generally accepted and approved as an Index reflecting the contemplated fluctuation in the purchasing power of the United States dollar. The Index selected, and the determination made by such Arbitrators in either of the above events, shall be binding upon the parties hereto. In the event of any controversy arising as to the proper adjustment for the monthly sums due as herein provided, Association shall continue paying the monthly sum to the Recreation Owner as determined under the last preceding adjustment, as herein provided, until such time as said controversy has been settled, at which time an adjustment will be made, retroactive to the beginning of the adjustment period in which the controversy arose. In no event, and under no computation, nor in anywise, shall the provisions of this Agreement provide that the amount to be paid shall be less than the amount initially provided for in Article III hereinabove.

XX.

TERMINATION OF CONDOMINIUM OF WHICH THE ASSOCIATION HEREIN IS FORMED TO CONDUCT AND ADMINISTER THE AFFAIRS

A voluntary or involuntary termination of the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, shall not terminate this Agreement; however, upon the voluntary or involuntary termination of the Condominium aforesaid, the lien of any institutional first mortgagee who is a holder of a mortgage encumbering a Condominium parcel in the Condominium aforesaid, shall be superior to the liens of the Recreation Owner and all rights of the Recreation Owner under this Agreement. All of the provisions of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, relative to this Agreement, including, specifically, those provisions relative to the Recreation Owner's approval and consent with regard to voluntary termination of the Condominium and, where required, any Amendment of the Declaration of Condominium, are hereby declared to be an integral part of the consideration given by the Association to the Recreation Owner for this Agreement; however, notwithstanding all of the terms and conditions set forth above in this Article, in the event the aforesaid Condominium is voluntarily terminated as a result of "very substantial" damage to the improvements on the Condominium real property, as defined and set forth in Article XII.B.6. of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, the consent of the Recreation Owner hereunder shall not be required, and the liens of the Recreation Owner upon the Condominium parcels in said Condominium, and all the rights of the Recreation Owner under this Agreement, shall continue in full force and effect; however, an institutional first mortgagee's mortgage lien encumbering a Condominium parcel shall be prior to the lien of the Recreation Owner as to any common surplus of the Condominium and any proceeds from any and all Insurance Policies or proceeds from any other source.

XXI.

AMENDMENT OF AGREEMENT

This Agreement may be amended by agreement in writing, executed by the Recreation Owner and the Association, which Amendment shall be duly recorded in the Public Records of Palm Beach County, Florida, and the recording of said Amendment shall also constitute and be deemed to be an Amendment to the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, as to the provisions in said Declaration relative to said Agreement. No Amendment shall change a unit owner's share of the monthly sum due under this Agreement, nor impair the rights of the unit owners to the use and enjoyment of the recreation area(s) and facilities as hereinbefore defined and restricted without the unit owners so affected, and all record owners of mortgages thereon joining in the execution of said Amendment. No Amendment shall change the provisions of this Agreement with respect to Institutional Mortgagees, nor shall any Amendment affect, impair or prejudice the validity, rights or priorities of any mortgages encumbering Condominium parcels in the said Condominium. The foregoing is subject to the paramount provisions applicable thereto in this Agreement and the Declaration of Condominium to which this Agreement is attached as to the Recreation Owner's right to amend this Agreement and said Declaration of Condominium.

XXII.

AGREEMENTS, ETC., TO BE COVENANTS RUNNING WITH THE LANDS

A. The terms, conditions, provisions, covenants and agreements set forth in this Agreement shall be binding upon the Recreation Owner and Association, their respective heirs, legal representatives, successors and assigns; and shall be deemed to be covenants running with the land, and by "land" is meant the premises described herein, as well as the premises described in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4.

B. Incorporation of Definitions by Reference. The definitions of the words, terms, phrases, etc., as provided in Article I. of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

XXIII.

GENERAL PROVISIONS

A. The Recreation Owner shall, from time to time, promulgate Rules and Regulations, and amend same, as to the use of the recreation area(s) and facilities hereunder. The initial Rules and Regulations, and all amendments thereof and revisions thereof shall be posted in a conspicuous place. The Rules and Regulations shall be deemed an integral part of the within Agreement. The Association and its members specifically covenant and agree to be bound by all of such Rules and Regulations and said parties shall obey same and be responsible for their being obeyed by the members' family, guests, invitees and servants. It is understood and agreed that the Association and its members' rights to the use and enjoyment of the premises with improvements thereon described in Exhibit A-1 attached hereto are restricted and limited as hereinbefore provided and as the Recreation Owner may determine.

B. Should a unit owner fail to pay any sum due under this Agreement within ten (10) days after the day the same shall become due as determined by the Recreation Owner, the same shall be delinquent and the Recreation Owner may deny the unit owner and/or authorized user of the recreation area(s) and facilities the use and enjoyment of same until such time as said sums are paid. The Recreation Owner shall further have the right, in its sole discretion, to suspend any unit owner and/or authorized user of the recreation area(s) and facilities from the use of same for a period not to exceed thirty (30) days, for any infraction of the promulgated Rules and Regulations pertaining to said recreation area(s) and facilities. Should the unit owner or the authorized user of the recreation area(s) and facilities rights to use same be suspended, there shall be no abatement or reduction in the sums due and payable by said unit owner or authorized user.

C. Any person who is the owner of a Condominium parcel in the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached, together with spouse and other members of said parcel owner's immediate family, who are in residence in the Condominium parcel, as provided in said Declaration of Condominium, may use the recreation area(s) and facilities described in Exhibit A-2, as provided therein. Where a Corporation is a parcel owner, the use of the said recreation area(s) and facilities shall be limited at any one time to such officer, director or employee of said Corporation who is in actual residence, and such individual shall be deemed to be the Condominium parcel owner for the purposes of this paragraph. Guests and invitees of a unit owner, whether in temporary residence in the Condominium or not, may only be permitted to use the said recreation area(s) and facilities, if at all, with the permission of the Recreation Owner, subject to the terms and conditions as Recreation Owner may determine in its sole discretion, including the payment of additional reasonable compensation therefor, it being understood and agreed that said recreation area(s) and facilities, i.e., Exhibit A-2 attached hereto, are primarily designed for the use and enjoyment of said unit owners and others in The Fountains of Palm Beach Condominium Complex, and the use by others may be required to be limited or not permitted at all during certain times of a day, certain days, weeks, or months of the year, and the Recreation Owner shall determine the foregoing in its sole discretion, including the manner and method in which the said facilities are to be used and under what circumstances. The foregoing applies to the premises described in Exhibit A-2 attached hereto and all improvements thereon and any substitution therefor and any additional area(s) and facilities within The Fountains of Palm Beach Condominium Complex which are added to this Agreement by the Recreation Owner as provided elsewhere herein.

D. Where a party owns one Condominium unit and leases same, either the unit owner or his lessee, as specified by the unit owner, shall be entitled to the use of the recreation area(s) and facilities described in the foregoing paragraph; however, where the lessee is specified by the unit owner to be entitled to the use of said recreation area(s) and facilities, said lessee's rights to the use of said facilities shall be the same as though said lessee were the unit owner, and all sums due hereunder, including those sums incurred by said lessee, shall be a lien against said unit. Where a unit owner does not advise the Recreation Owner in writing as to the foregoing forthwith, the Recreation Owner may determine in its sole discretion who shall be entitled to the use of the said recreation area(s) and facilities. Where a unit owner owns more than one unit, the family in residence in each unit shall be entitled to the use of the said recreation area(s) and facilities, whether said family in residence be a lessee of said unit owner, or otherwise, and all sums due hereunder, including those sums incurred by said lessee, shall be a lien against said unit.

E. The transfer of the fee title to each Condominium parcel in the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, whether voluntary or by operation of law, terminating the unit owner's membership in the Association, shall likewise terminate said unit owner's rights to the use and enjoyment of all premises hereunder - it being understood and agreed that the unit owner's rights and privileges under this Agreement are not assignable. The owner of the Condominium parcel is automatically a member of the Association and is entitled to the use and enjoyment of the premises described hereunder, and bound by the terms and provisions of this Agreement, and required to make all payments under the terms of this Agreement, and said Condominium parcel shall continue to be subject to the lien hereinbefore provided.

F. The lien upon each Condominium unit created by virtue of this Agreement, as hereinbefore provided, shall continue for the term of this Agreement. Each unit owner shall own his unit subject to the lien under this Agreement, as hereinbefore provided, and upon such unit owner taking title to his unit, he shall be deemed to have assumed to have agreed to pay the sums provided for under this Agreement, and to be bound by the terms and provisions of this Agreement and the original Condominium unit owner and all subsequent Condominium unit owners by virtue of their taking title to their unit by Deed or other instrument or by operation of law or otherwise, shall be deemed to have approved and accepted this Agreement with the same force and effect as though they were original parties to this Agreement and had executed same.

G. The Association shall have no rights in and to the premises hereunder except the privilege of using and enjoying same, as provided herein, and no mortgage lien or other encumbrance against a Condominium unit or the Condominium property specified in the Declaration of Condominium to which this Agreement is attached shall be considered or construed as a mortgage lien or other encumbrance against the fee simple title of the Recreation Owner in and to the premises hereunder, or the Recreation Owner's rights thereto, or on the Association's and its members' rights of use and enjoyment under the terms and provisions of this Agreement and the premises applicable thereto.

H. The provisions of Article XXIII, sub-paragraphs A, B, E, F and G hereinabove, shall apply to the premises and improvements thereon as described in Exhibit A-1 attached hereto, subject to the specific provisions and restrictions as to same as provided elsewhere in this Agreement.

As to the premises and improvements thereon as described in Exhibit A-1 attached hereto which are subject to the specific provisions and restrictions as to same as provided elsewhere in this Agreement, the owner of a Condominium parcel, together with spouse, shall be entitled to the use and enjoyment of those portions of the improvements upon the premises described in Exhibit A-1 attached hereto, as hereinbefore specified in this Agreement, and the use of same by any additional person or persons whether in temporary residence in said unit or not, may only be permitted, if at all, with the permission of the Recreation Owner, subject to the terms and conditions as the Recreation Owner may determine in its sole discretion, including the payment of additional reasonable compensation therefor. The charges for same, including any charges under the provisions of this Article XXIII.C. shall be a lien upon said unit owner's unit and same shall be enforceable in the manner that liens for common expenses are enforceable, as provided in the Declaration of Condominium to which this Agreement is attached. Where a party owns one unit and leases same, either the unit owner or his lessee as specified by the unit owner, shall be entitled to the use of the premises described in Exhibit A-1, subject to the restrictions as to same as hereinbefore provided; however, where the lessee is specified by the unit owner to be entitled to the use of the premises specified in Exhibit A-1, said lessee's right to use said facilities shall be the same as though said lessee were the unit owner, and all sums due hereunder, including those sums incurred by said lessee, shall be a lien against said unit enforceable in the manner as hereinbefore provided. Where a unit owner does not advise the Recreation Owner in writing as to the foregoing forthwith, the Recreation Owner may determine in its sole discretion who shall be entitled to the use of the premises described in Exhibit A-1. Where a unit owner owns more than one unit, the individual and spouse in residence in each unit shall be entitled to the use of said premises described in Exhibit A-1 and all sums due hereunder incurred by said parties shall be a lien against the applicable unit, enforceable in the manner hereinbefore provided in this paragraph. Where a Corporation is a parcel owner, the use of the premises described in Exhibit A-1 shall be limited to such officer, director or employee of said Corporation and spouse who is in actual residence, and said individual shall be deemed to be the Condominium parcel owner for the purposes of this paragraph.

I. All premises described in the Exhibits attached to this Agreement may only be used by parties under the age of twenty-one (21) years, if at all, under such terms and conditions and Rules and Regulations as the Recreation Owner shall determine in its sole discretion.

J. The Recreation Owner shall determine the sums due from each Condominium unit per month in its sole discretion pursuant to the provisions of this Agreement. The foregoing includes increases in the monthly sums due as to each unit under this Agreement, as provided in Article III and Article III.D. and the sub-sections thereunder, where applicable, and such other charges as the Recreation Owner determines as to those matters as are provided for in this Article XXIII, and it shall determine the date upon which said sums are due and payable and the Association, upon notice from the Recreation Owner, shall so advise its members and/or the Recreation Owner may notify said members individually in this regard. The Association shall cooperate and take all steps necessary to assist the Recreation Owner in this regard and if requested by the Recreation Owner, it shall collect said sums and remit same immediately to the Recreation Owner and provide the Recreation Owner with such information as the Recreation Owner may require or request from time to time, and same shall be done forthwith and without charge by the Association.

K. The Recreation Owner and its designees may provide for the use of certain portions of The Club House under such terms and conditions as it deems advisable in its sole discretion. The foregoing contemplates the exclusive use of the restaurant and/or cocktail lounge and/or card room by an individual or group of individuals for a specific period of time within a given day or night and it is understood and agreed that this shall not constitute an interference with the rights of the Association and its members to the use and enjoyment of certain areas in The Club House as the Recreation Owner has covenanted to grant under the provisions of Article IV of this Agreement.

L. The card room in The Club House may only be used by a unit owner and spouse, and said parties' guests with the approval of the Recreation Owner and subject to the Rules and Regulations as determined by the Recreation Owner or its designees and for such time and at such reasonable cost over and above the sums paid by said unit owners under the provisions of Article III of this Agreement, as the Recreation Owner determines in its sole discretion.

XXIV.

ADDITIONAL COVENANTS OF THE PARTIES AND MISCELLANEOUS PROVISIONS

The terms and provisions as to the Membership and Use Agreement under the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, including the covenants and agreements by the Recreation Owner to the Association, shall be deemed repeated and realleged just as though they were set forth in this Agreement, and, where applicable, the Recreation Owner by its execution of this Agreement shall be deemed to have granted the easements pursuant to and as provided and set forth in Article XIX.S. and U. of said Declaration and the foregoing shall be deemed to be repeated and realleged just as though they were set forth in this Agreement.

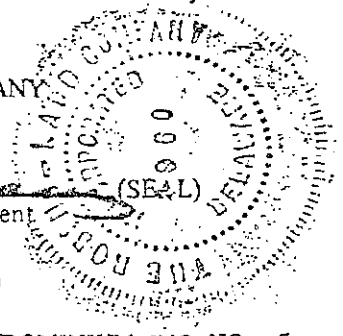
The Association by virtue of its execution of this Agreement hereby grants unto the Recreation Owner the easements and rights as specified in Article XIX.S. of the Declaration to which this Agreement is attached as Exhibit No. 4.

Should the Association receive sums due under this Agreement from its members and fail to make payment thereof to the Recreation Owner of said sums within ten (10) days of the date the same shall become due, or if the Association defaults as to any of the terms and conditions of this Agreement, the Recreation Owner may accelerate the sums due under this Agreement for the ensuing twelve (12) months upon notice thereof to the Association, and thereupon, said sum shall be due upon the date stated in the notice, but not less than ten (10) days after delivery or mailing of such notice to the Association. Should a member of the Association fail to cause the sums due hereunder applicable to his unit to be paid to the Recreation Owner, either by failure to pay the same to the Association, or by failure of the Association to make such payment to the Recreation Owner within ten (10) days from the date when same was due and payable, the Recreation Owner may, at its discretion, levy a late charge of \$10.00 against said member of the Association, which sum shall thereupon be due and payable. This late charge may be assessed against each member of the Association who fails to make his payment within the time provided herein, or where the Association receives said payment but fails to pay same to the Recreation Owner within the time provided herein, and said late charge shall be in addition to any late charge provided for in the Declaration of Condominium to which this Agreement is attached. Should a member of the Association fail to cause the sums due hereunder as to his unit to be paid within ten (10) days of the date the same becomes due, the Recreation Owner may accelerate the sums due under this Lease as to said member's condominium unit for the ensuing twelve (12) months upon notice thereof to said unit owner, and thereupon, said sum shall be due upon the date stated in the notice, but not less than ten (10) days after delivery or mailing of such notice to said unit owner. Notice shall be deemed delivered upon the mailing thereof in a United States mail box, with postage prepaid, addressed to said unit owner at his address in the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, or by personal delivery to said unit owner. The foregoing is in addition to the provisions of Article XV, where applicable.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, and have caused these presents to be signed respectively by their proper Officers, and the Corporate Seal of the Recreation Owner Corporation has been duly affixed, this 30th day of August, 1973

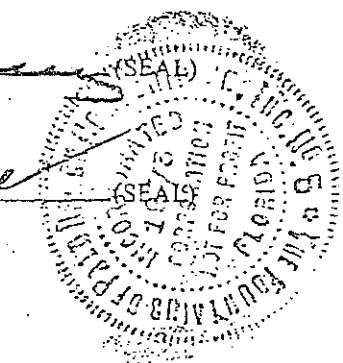
THE ROBINO-LADD COMPANY

By: [Signature] (SEAL)
W. H. Witham, Vice President
(RECREATION OWNER)



THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5

By: [Signature] (SEAL)
W. H. Witham, President
Attest: [Signature] Secretary
(ASSOCIATION)



Mary C. Conde
Ruth Hutton

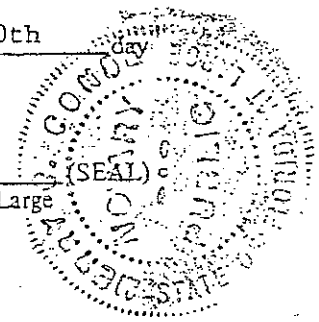
Mary C. Conde
Ruth Hutton

STATE OF FLORIDA)
SS:)
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, personally appeared W. H. Witham, to me well known to be the individual described in and who executed the foregoing instrument as Vice President of THE ROBINO-LADD COMPANY, A Delaware Corporation, and he acknowledged before me that he executed such instrument as such officer of said Corporation, and that the Seal affixed by the said Corporation is the Corporate Seal of said Corporation and was affixed thereto by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation, for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 30th day of August, 1973.

Mary C. Conde (SEAL)
NOTARY PUBLIC, State of Florida at Large

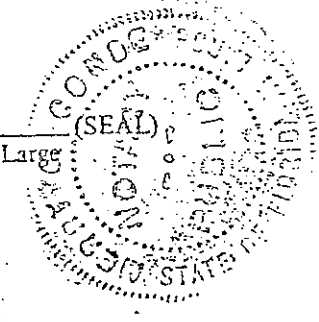


My commission expires: NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 23, 1975
GENERAL INSURANCE UNDERWRITERS,
STATE OF FLORIDA)
SS:)
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, personally appeared W. H. Witham and Irving Cure, to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary, respectively, of THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC., a Florida Corporation not for profit, and they severally acknowledged before me that they executed such instrument as such Officers of said Corporation and that the seal affixed thereto by said Corporation is the Corporate Seal of said Corporation and was affixed thereto by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation, for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 30th day of August, 1973.

Mary C. Conde (SEAL)
NOTARY PUBLIC, State of Florida at Large



My commission expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 24, 1975
GENERAL INSURANCE UNDERWRITERS,

D. Estate
C.A.

Membership and Use Agreement

EXHIBIT A-1

Tract 1, Plat No. 2A, Palm Beach Golf Club Estates, according to the Plat thereof, recorded in Plat Book 29 at Page 54 of the Public Records of Palm Beach County, Florida.

EXHIBIT A-2

A part of Tract 7, Palm Golf Estates, Plat 3, as recorded in Plat Book 29, Pages 107 and 108, Public Records of Palm Beach County, Florida; and more particularly described as follows:

Commencing at a P.R.M. set in the most northerly corner of said Tract 7; thence running South $19^{\circ}48'09''$ East, a distance of 263.81 feet; thence running South $54^{\circ}58'08''$ West, a distance of 104.53 feet to the POINT OF BEGINNING; thence running North $43^{\circ}49'41''$ West, a distance of 106.47 feet; thence running southwesterly along the arc of a curve concave to the Southeast having a central angle of $52^{\circ}28'36''$, a radius of 190.00 feet, a distance of 174.02 feet; thence running due South, a distance of 65.00 feet; thence running South $85^{\circ}26'08''$ East, a distance of 105.00 feet; thence running North $16^{\circ}23'54''$ East, a distance of 153.48 feet to the POINT OF BEGINNING.

EXHIBIT A-3

The Fountains of Palm Beach Condominium Complex may consist of all or portions of the following described property, to wit:—

Sections 27 and 34, Township 44 South, Range 42 East, County of Palm Beach, State of Florida, and lands adjacent thereto; however, said Complex shall not exceed 620 acres as provided in the Agreement to which this Exhibit is attached.

OFFICIAL RECORDS 2239 PAGE 1962

MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into on the date last appearing in the body of this instrument, by and between the Florida Corporation whose name appears at the end of this Agreement as the Management Firm, hereinafter called the "Management Firm", and that certain Florida Corporation not for profit whose name appears at the end of this instrument as the Condominium Association, hereinafter called the "Association", which said terms shall be deemed to extend to and include the legal representatives, successors and assigns of the said parties hereto;

WITNESSETH:

THAT, WHEREAS, the Association is the Association responsible for the operation of that certain Condominium specified in the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 5, and said Association is desirous of entering into a Management Agreement for the management of said Condominium; and,

WHEREAS, the Management Firm is desirous of furnishing such management services;

NOW, THEREFORE, for and in consideration of the mutual premises contained, it is agreed by and between the parties, as follows:—

1. That the foregoing recitals are true and correct.
2. That the terms used in this Management Agreement shall be defined as said terms are defined and used in the Condominium Act, or in the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 5, or in the Membership and Use Agreement which is attached to said Declaration of Condominium as Exhibit No. 4.
3. The Association does hereby employ the Management Firm as the exclusive Manager of the Condominium property, and the Management Firm hereby accepts such employment.
4. The term of this Agreement shall commence as of the date hereof through December 31, 1979, provided, however, that the Management Firm may, upon sixty (60) days' written notice given to the Association, terminate and cancel this Agreement as of the last day of such month as is specified in the Notice of Cancellation.
5. The Management Firm, to the exclusion of all persons, including the Association and its members, shall have all the powers and duties of the Association as set forth in the Declaration of Condominium and the By-Laws of the Association, (except such thereof as are specifically required to be exercised by its Directors or members) and shall perform by way of illustration and not of limitation, the following services:—
 - (A) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Condominium, including a Manager, who, in each instance, shall be the employees of the Management Firm, as the Management Firm, in its absolute discretion shall determine, and cause to be discharged all persons unnecessary or undesirable.
 - (B) To maintain and repair the Condominium property and the common elements and limited common elements of said Condominium to the same extent that the Association is required to maintain and repair same, as provided in said Condominium's Declaration of Condominium and Exhibits attached thereto. For any one item of repair, replacement or refurbishing as to the Condominium, the expense incurred as to the Condominium as a whole, shall not exceed the sum of Seventy-five Hundred Dollars (\$7,500.00), unless specifically authorized by the Board of Directors of the Association, except, however, in the case of an emergency, the Management Firm is authorized to expend any sum necessary to protect and preserve the property.
 - (C) Take such action as may be necessary to comply with all laws, statutes, ordinances, rules and of all appropriate governmental authority, and the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, those of any other body exercising similar functions.
 - (D) To enter into contracts for garbage and trash removal, vermin extermination, and other services, and make all such contracts and purchases in either the Association's or Management Firm's name, as the Management Firm shall elect.
 - (E) To purchase equipment, tools, vehicles, appliances, goods, supplies and materials as shall be reasonably necessary to perform its duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the Condominium. Purchases shall be in the name of the Management Firm, or the Association, as the Management Firm shall elect.
 - (F) Cause to be placed and kept in force all insurance required or permitted in the Declaration of Condominium pursuant to the directions of the Association; to exercise the rights, powers and privileges of the insured parties as provided in the Declaration of Condominium; to receive on behalf of the insured parties all insurance proceeds, subject to the provisions of the Declaration of Condominium.
 - (G) Maintain the Association's financial record books, accounts and other records pursuant to the Association's By-Laws and the Condominium Act; any Certificates of account issued to members, their mortgagees and lienors shall be without liability upon the Management Firm for errors unless as a result of gross negligence. Records shall be kept and shall be available for inspection by an expert employed by and at the cost and expense of the Association pursuant to the By-Laws of the Association. As a standard procedure, the Management Firm shall render to the Association a statement for each calendar year no later than the April 1st next thereafter. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it.
 - (H) Maintain records sufficient to describe its services hereunder and such financial books and records sufficient in accordance with prevailing accounting standards to identify the source of all funds collected by it in its capacity as Management Firm, and the disbursement thereof. Such records shall be kept at the Office of the Management Firm and shall be available for inspection by an expert employed by and at the cost and expense of the Association and at such reasonable time as the Management Firm may agree to; however, said request for inspection cannot be made more than once in any calendar year. The Management Firm shall perform a continual internal audit of the Management Firm's financial records relative to its services as Manager for the purpose of verifying same, but no independent or external audit shall be required of it.

EXHIBIT NO. 5

RECORDED 2239 PAGE 1963

(I) The budget as to the Condominium shall be determined by the Board of Directors of the Association and if they fail to prepare a new budget for the next period, the Management Firm is authorized to prepare same based upon the expenses for the current period. The Management Firm shall submit to the Association estimated income and expenses of the Condominium for the current period and the Management Firm's recommendations as to the expenses for the next period in sufficient time to permit the Board of Directors to determine the new Budget. Should an increase in assessments be required or a special assessment be required during the year, the same shall be determined and made by the Board of Directors of the Association and the Management Firm shall bill and collect same; however, if the Board of Directors fails to act in this regard forthwith upon notice by the Management Firm, the Management Firm is hereby authorized to act on behalf of the Board of Directors. The assessments as to each member of the Association shall be made payable as the Management Firm shall direct and the Management Firm shall have the right to designate such member or members of the Association, or the Association itself, as it determines, to collect said assessments on behalf of the Management Firm and deliver same to it. The Management Firm shall not be responsible for obtaining the best price available as to any service, material or purchase, but shall, with impunity, purchase or contract for same with such person or party as it deems advisable and in the best interests of the Association without the necessity of obtaining the best price. All sums coming due under the Membership and Use Agreement attached to the Declaration of Condominium to which this Management Agreement is attached shall be determined by the Recreation Owner thereunder and the Management Firm and Association shall act as is directed in this regard.

(J) Deposit all funds collected from the Association's members, or otherwise accruing to the Association, in a special bank account or accounts of the Management Firm in banks and/or savings and loan associations in the State of Florida, with suitable designation indicating their source, separate from or co-mingled with similar funds collected by the Management Firm on behalf of other condominiums or entities which the Management Firm manages.

(K) May cause a representative of its organization to attend meetings of the unit owners and of the Board of Directors of the Association; however, it is understood and agreed that the Minutes of all the Association's meetings, whether of unit owners or of the Board of Directors, shall be taken by the Association's Secretary, and possession of the Minutes Book shall be in the custody of said Secretary, who shall always be responsible for preparing and furnishing notices of all meetings to the required parties. The Management Firm shall have the right to determine the fiscal year and when it shall commence.

(L) Promulgate, adopt and amend Rules and Regulations as it deems advisable in its sole discretion, for the use and occupancy of the Condominium's common elements, limited common elements and units therein, and to enforce same. The Management Firm shall determine, in its sole discretion, the number of the security personnel, if any, and the times when they shall be on duty, and the cost and expense of same, including the costs and expenses of the gate houses including taxes and insurance, pursuant to the Declaration of Condominium and same shall be deemed a part of the Operating Budget and common expenses of the Condominium. The Management Firm shall determine, in its sole discretion, whether or not to operate bus type service for the benefit of The Fountains of Palm Beach Condominium Complex, and upon what basis and schedule and all costs and expenses appertaining thereto, as provided in the Declaration of Condominium shall be shared among the Condominiums and other parties, and said expenses shall be deemed a common expense of the Condominium. The Management Firm hereby guarantees that the monthly cost to each unit owner for the security personnel, gate house(s) and bus type service shall not exceed the sum of ten dollars (\$10.00) per month per Condominium unit for the period of time the Management Firm controls same. Upon termination of the Management Agreement, said decision shall be made by the applicable parties pursuant to the applicable provisions of the Declaration of Condominium.

(M) The Management Firm shall cause such alterations and/or additions to the common elements or limited common elements of the Condominium property to be made as authorized by the Board of Directors of the Association and its members where required, pursuant to and in accordance with said Condominium's Declaration of Condominium. As to the foregoing, the Management Firm shall be paid for the cost of its personnel and overhead, materials and equipment in regard thereto, and any and all contractors, sub-contractors or materialmen as are required therefor.

(N) Retain and employ such professionals and such other experts whose services may be reasonably required to effectively perform its duties and exercise its powers hereunder, and to employ same on such basis as it deems most beneficial.

(O) Enter into agreements upon such terms and conditions and for such purpose as the Management Firm determines in its sole discretion as to the common elements of and the Condominium, and by agreement grant concessions and licenses to persons to provide facilities and services as to and within the Condominium, and cause coin vending machines and coin operated equipment and pay telephones to be installed within the Condominium, and to purchase same at the cost and expense of and on behalf of the Condominium Association or rent same, or enter into agreements regarding same; however, all income derived by the Management Firm from the foregoing shall inure to the benefit of the Condominium and all expenses appertaining thereto shall likewise be borne by the said Condominium. The parties hereto recognize that agreements, concessions and licenses may be entered into to provide facilities and services as specified herein for very nominal or no compensation whatsoever. The Management Firm may enter into same in its sole discretion, and it shall use its best judgment; however, it shall not be responsible for same nor the fact that a greater sum might have been obtained nor a shorter period contracted for. The Management Firm shall only purchase coin vending machines and coin operated equipment with the written approval of the Board of Directors of the Association.

(P) Make and collect special assessments pursuant to the provisions of the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 5, and all Exhibits to said Declaration of Condominium. The Management Firm, and thereafter, the Association shall also make and collect special assessments against members in an amount and as determined and when payable as the Recreation Owner under the Membership and Use Agreement determines, as provided therein.

(Q) Exercise such powers and rights delegated to it under the terms and provisions of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, and all Exhibits attached to said Declaration.

(R) If maintenance of the Condominium referred to in the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 5, or any portion thereof, including any unit, units and/or the common elements, is required due to loss by Act of God or other cause, which is other than normal wear and tear, and which loss is less than "very substantial", as defined in the Condominium's Declaration of Condominium to which this Agreement is attached, then in such event, the Management Firm shall undertake to repair and restore said loss. The Management Firm shall be authorized and empowered to determine, assess, charge and levy the costs of repairing and restoring such loss among the unit owners in such proportions as it deems advisable, pursuant to Article XII.B. 5.(e) of the Declaration of Condominium to which this Agreement is attached, notwithstanding the fact that said loss or damage was, or was not, covered by insurance, and said total assessment shall be equal to the cost of said repair which shall include the costs of the Management Firm's personnel and overhead, materials and equipment, and any and all other contractors, sub-contractors, or materialmen as are required. Should the loss be covered by insurance, the proceeds thereof shall be applied as a credit against the total costs of said repair and restoration, in such proportions as hereinbefore set forth in this paragraph. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration, shall be from insurance proceeds, where such are received, and then from assessments collected, and should there be a surplus of such funds, the said surplus

shall be distributed to or on behalf of the unit owners, as provided in Article () of the aforesaid Declaration of Condominium.

(S) Make and collect assessments as determined by the Developer and its designees against the applicable unit pursuant to the Declaration of Condominium to which this Exhibit is attached as to charges for CATV and other similar or allied type use as provided therein.

6. Notwithstanding the terms of this Agreement, the Management Firm shall have the right as it determines to retain all or such portion of the late charge and interest due on assessments as provided in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, and all Exhibits attached to said Declaration of Condominium and shall have the further right as it determines to retain all or such portion of the application fee for approval in connection with transfers or leasing of Condominium units; however, although the Management Firm's approval to such transfer or lease is required, it shall not be obliged to the Association to investigate applications for such transfers or leases, and it shall be the duty and responsibility of the Association to undertake such independent investigation as it deems necessary to investigate and approve or disapprove of all applications for transfers or leases. The sums paid to the Management Firm under the provisions of this paragraph shall be over and above the Management Firm's fee under the Management Agreement as hereinafter set forth.

7. The Management Firm shall apply assessments collected as it determines in its sole discretion as to those items specified in the By-Laws of the Association including the Management Firm's fee and its overhead and expenses which shall be deemed common expenses. The Management Firm, during the term of this Agreement, may file a lien against a unit owner's Condominium parcel should he fail to pay his assessments as required and provided in the Declaration of Condominium to which this Agreement is attached and Exhibits attached to said Declaration, and take such other action as provided in said documents, either in its name or in the name of or as agent of the Association whose name appears at the end of this instrument. The Management Firm may compromise liens in such amounts as it deems advisable in its sole discretion, and it may satisfy liens of record and render statements as to the current status of a unit owner's assessments.

8. The Association whose name appears at the end of this instrument shall aid and assist the Management Firm in any reasonable manner requested by the Management Firm as to the collection of assessments, and the said Association shall further aid and assist the Management Firm in any reasonable manner required by the Management Firm so as to simplify the method of collecting the monthly assessments or special assessments due from unit owners.

9. Should a unit owner fail to pay an assessment within ten (10) days after its due date, the Management Firm may deny to the unit owner and/or the authorized user of the Condominium facilities the use and enjoyment of the said facilities until such time as all assessments are paid.

10. Use of the Condominium facilities shall be limited to owners of Condominium parcels in the Condominium created by virtue of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, together with spouse and other members of said parcel owner's immediate family who are in residence in the Condominium parcel and such other persons and under such terms and conditions as the Management Firm determines in its sole discretion. The Lessee of a Condominium unit shall be entitled to the use of the Condominium facilities in the place of the unit owner.

11. It is specifically understood that the Management Firm does not undertake to pay common expenses from its own funds and shall only be required to perform its services and make disbursements to the extent that, and so long as, payments received from assessments or other revenue, if any, of the Association whose name appears at the end of this instrument, are sufficient to pay the costs and expenses of such services and the amounts of such disbursements. If it shall appear to the Management Firm that the assessments and other revenue, if any, of the said Association and its members are insufficient, the Management Firm shall forthwith determine such additional assessment as is required and advise the said Association and its members.

12. It is specifically understood and agreed that the Management Firm shall perform all of the services required of it hereunder at no cost and expense whatsoever to itself, but solely at the cost and expense of the Association whose name appears at the end of this instrument and its members and, where applicable, parties as to similar Management Agreements as to said parties' Condominium parcels, apartments or units within The Fountains of Palm Beach Condominium Complex. As compensation, fee or profit for its services hereunder, the Management Firm shall receive a net fee, free of all charges and expenses, of Three Dollars (\$3.00) per unit per month from each unit in the Condominium. Notwithstanding the foregoing, each unit's share of the Management fee and each unit's share of the common expenses under the Condominium, including the sums due per unit under the Membership and Use Agreement, shall commence as of the first or fifteenth day of a month following the issuance of a Certificate of Occupancy or similar instrument by the applicable governmental authority as to the unit and building in which said unit is located which is within said Condominium. During the period of time that the Developer is the owner of a Condominium unit(s), it shall not be required to pay the Management fee provided in this Agreement. The foregoing shall also include special assessments.

13. The Association whose name appears at the end of this instrument shall not interfere nor permit, allow or cause any of its Officers, Directors or members to interfere with the Management Firm in the performance of its duties or the exercise of any of its powers hereunder.

14. The parties recognize that the Management Firm may be performing similar services to the services performed hereunder for other Condominium Associations and entities and to require the Management Firm to cost account with regard to each Condominium and entity and between the Association whose name appears at the end of this instrument, and other persons in interest as to other properties managed by the Management Firm, would substantially increase the costs of administration hereunder, the burden of which is said Association's and its members, in part. Accordingly, the Management Firm is hereby granted the power to allocate to the Association whose name appears at the end of this Agreement and its members, in accordance with the provisions of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, its and their appropriate and fair share of such costs and expenses as are general, and as to those which are not general, to charge the same to the appropriate party(s) on such weighted basis as the Management Firm deems fair and equitable.

15. The Management Firm shall not be liable to the Association whose name appears at the end of this instrument, and its members, for any loss or damage not caused by the Management Firm's own gross negligence or willful misconduct, and said Association and its members will and do hereby, indemnify and save harmless the Management Firm from any such liability for damages, costs and expenses arising from injury to any person or property in, about and in connection with the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, unless such injury shall be caused by said Management Firm's own gross negligence or willful misconduct.

16. The Management Firm may assign this Agreement, as long as the Assignee agrees, in writing, to assume and perform the terms and covenants of this Agreement, and upon such assumption, the Management Firm shall be released from any and all obligations hereunder. Said Assignment shall be duly recorded in the Public Records of the County wherein the Condominium is located and notice of same, together with an executed duplicate of said Assignment, shall be delivered to the

and Association by certified mail or its equivalent. The Management Firm may also subcontract all or portions of its duties and powers under this Management Agreement.

17. The Association whose name appears at the end of this instrument, on behalf of its members, may assign its right, title and interest in and to this Agreement to another Condominium Association operating and existing under the laws of Florida, however, said Assignment shall not be valid unless and until the Assignee thereunder expressly assumes and agrees, in writing, to perform each and every covenant and term of this Agreement. The said Assignment shall be duly recorded in the Public Records of the County wherein the Condominium is located and an executed duplicate of said Assignment shall be delivered to the Management Firm by certified mail or its equivalent.

18. The Management Firm shall be authorized to assess a Condominium unit owner for those items of special assessments as set forth in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, and the Exhibits attached to said Declaration, and in this Agreement -- i.e., maintenance, repairs or replacements caused by the negligence or misuse by a unit owner, his family, servants, guests or invitees, or lessees; or failure of a unit owner to maintain those portions of his Condominium unit and limited common elements assigned to his unit, as he is required to repair and maintain; or violation of the provisions of the aforesaid Declaration of Condominium and Exhibits attached thereto which require the removal of same by the Management Firm and/or which increase the costs of maintenance and/or repair upon the Management Firm, or increase insurance rates and premiums, etc. The Management Firm is further authorized to assess a Condominium unit owner for special assessments as provided in the Declaration of Condominium and Exhibits attached thereto, to which this Management Agreement is attached, including this Management Agreement, and for other special services or charges agreed upon between the unit owner and the Management Firm -- i.e., providing special services on behalf of and at the request of the unit owner, such as putting up the unit owner's approved storm shutters, or providing personal services within the unit owner's unit, or providing a service or reporting information on behalf of a unit owner as may be required by said unit owner's permitted mortgagee. The Management Firm shall be under no duty or obligation to perform such personal services. Items of special assessments referred to herein shall be a lien upon the appropriate unit owner's unit and said lien shall be enforceable in the same manner as liens for common expenses are enforceable against unit(s).

19. The Association whose name appears at the end of this instrument and its members further agree that during the term of this Agreement the number of Condominium units specified in the Declaration of Condominium to which this Agreement is attached shall not be changed.

20. The Association whose name appears at the end of this instrument hereby delegates to the Management Firm the power to assign and change assignments of specific uncovered parking spaces to its members, and to otherwise regulate vehicular parking of all manner and type of vehicles, and storage of non-vehicular personalty within the property of the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5.

21. Should any dispute arise as to the rights of any of the parties under this Agreement, including the powers and duties of the parties and all of the terms and conditions of this Agreement, and said dispute cannot be amicably settled and resolved between the parties, then either party shall have the right to submit the matter in controversy for arbitration to the Senior Judge of the Circuit Court in and for the County wherein the Condominium is located, and the decision of said Judge shall be final. The Court shall have the right to assess costs and attorneys' fees in such amount and against such party as it deems meet and proper under the circumstances.

22. This Agreement may be renewed upon such terms and conditions as are mutually agreeable to the Association whose name appears at the end of this Agreement and the Management Firm. The Board of Directors of the Association shall be authorized to enter into such renewal Agreement with the Management Firm, on behalf of its members, upon the approval of the majority of said members at a meeting of the said Association at which a quorum is present, and which meeting is called in accordance with the said Association's By-Laws. The renewal Agreement shall be recorded in the Public Records of the County wherein the Condominium is located.

23. No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding breach of the same covenant.

24. Time is of the essence in every particular, and especially where the obligation to pay money is involved.

25. No modification, release or discharge or waiver of any provision hereof shall be of any force, effect or value, unless in writing, signed by the parties to this Agreement -- i.e., the Management Firm and the Association whose name appears at the end of this Agreement, or their respective successors or assigns.

26. All covenants, promises, conditions and obligations herein contained or implied by law, are covenants running with the lands described and submitted to Condominium ownership in the Declaration of Condominium to which this Agreement is attached, and the same shall attach to and be binding upon the Management Firm, its successors and assigns, and the Association whose name appears at the end of this Agreement, its successors and assigns, and the present and future owners of the aforesaid Condominium, and their heirs, personal representatives, successors and assigns.

27. This instrument, together with the Declaration of Condominium to which this Agreement is attached, and the Exhibits attached to said Declaration, including this Agreement, constitute the entire agreement between the parties hereto as of the date of execution hereof and neither has been induced by the other by representations, promises or understandings not expressed herein, and there are no collateral agreements, stipulations, promises or understandings whatsoever, in any way touching the subject matter of this instrument, or the instruments referred to herein, which are not expressly contained therein.

28. The invalidity in whole or in part of any covenant, promise or undertaking, or any section, sub-section, sentence, clause, phrase or word, or of any provision of this Agreement or the Exhibits attached hereto, and the Declaration of Condominium to which this Agreement is attached and the Exhibits attached to said Declaration, shall not affect the validity of the remaining portions thereof. The provisions of this Agreement shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted; otherwise the provisions of said Condominium Act shall prevail and shall be deemed incorporated herein.

29. The words "Recreation Owner", "Management Firm", "Condominium Association" or "Association", "member(s)", "unit owner(s)" and "parcel owner(s)", wherever and whenever used herein, shall include the singular and plural thereof, and the use of any gender shall include all genders, wherever the same shall be appropriate. The term "Condominium parcel" or "Condominium unit", or "unit", or "parcel" and the owners thereof shall be defined pursuant to the Declaration of Condominium to which this Agreement is attached, and same are Condominium parcels and/or units of such Condominium as is created by the aforesaid Declaration of Condominium.

30. When either party hereto, and the Association's members, desire to or are required to give notice unto the other, or others, in connection with and according to the terms of this Agreement, such notice shall be given to the Association, its members, and the Management Firm, as provided in the Declaration of Condominium to which this Agreement is attached as

31. If the Association whose name appears at the end of this instrument, or its members, shall interfere with the Management Firm in the performance of its duties and exercise of its powers hereunder, or if the said Association shall fail to promptly do any of the things required of it hereunder, then the Management Firm - fifteen (15) days after having given written notice to said Association of said default by delivering said notice to any officer of the Association, or in their absence, to any member of the said Association, may declare this Agreement in default unless such default be cured by the said Association within fifteen (15) days after such notice. Upon default, the Management Firm may, in addition to any other remedy given it by agreement or in law or in equity, bring an action against the said Association and its members for damages and/or specific performance and/or such other rights and remedies as it may have, and the said Association and its members shall be liable for the Management Firm's reasonable attorney's fees and costs incurred thereby. All of such rights of the Management Firm upon default, shall be cumulative and the exercise of one or more remedies shall not be deemed to exclude or constitute a waiver of any other or additional remedy.

32. Failure by the Management Firm to substantially perform its duties and obligations under this Agreement for a continuous period of forty-five(45) days after written notice of default from the Association whose name appears at the end of this Agreement, specifying the default complained of, shall be grounds for the said Association's cancellation of this Agreement.

33. If the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, shall be terminated, as is provided in its Declaration of Condominium, then each of the Condominium unit owners shall thereby become a tenant in common, and shall, as to his separate interest, continue to be a party to this Agreement and bound by the provisions hereof, and the Management Firm shall manage such interest pursuant to the provisions of this Agreement as the nature of such interest and the context of this Agreement shall permit.

34. The Management Firm shall not be liable or responsible to the Association whose name appears at the end of this instrument, its Board of Directors and its members, for its failure to act under the provisions of Article VIII. of the By-Laws of said Association.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, and have caused these presents to be signed respectively by their proper Officers, and their respective Corporate Seals have been duly affixed, this 30th day of August, 1973.

Signed, Sealed and Delivered in the presence of:

Merry C. Conde
Ruth Hutton

THE FOUNTAINS MANAGEMENT COMPANY, INC.
By: W. H. Witham (SEAL)
W. H. Witham, President
"MANAGEMENT FIRM"

Merry C. Conde
Ruth Hutton

THE FOUNTAINS OF PALM BEACH CONDOMINIUM, INC. NO. 5
By: W. H. Witham (SEAL)
W. H. Witham, President
Attest: Henry C. ... (SEAL)
Secretary
"ASSOCIATION"

The undersigned, as the Developer of the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 5, and as the Recreation Owner under the Membership and Use Agreement which is Exhibit No. 4 to the aforesaid Declaration of Condominium, hereby approves and consents to this Agreement.

Merry C. Conde
Ruth Hutton

THE ROBINO-LADD COMPANY
By: W. H. Witham (SEAL)
W. H. Witham, Vice President

STATE OF FLORIDA)
SS:
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, personally appeared W. H. Witham, to me well known to be the person described in and who executed the foregoing instrument as President of The Fountains Management Company, Inc., a Florida corporation, and he acknowledged before me that he executed such instrument as such Officer of said Corporation, and that the Seal affixed thereto is the Corporate Seal of such Corporation, and that the same are affixed to said instrument by due and regular Corporate authority, and that said instrument is the free act and deed of said Corporation.

