

Strata Titles Registration Regulations (2006 Revision)

Form 11

CAYMAN ISLANDS

STRATA TITLES REEGISTRATIOB LAW

(2005 Revision)

NOTIFICATION OF AMENDMENT OR VARIATION OF BYE-LAWS

regulation 12

STRATA PLAN NO 597

Under section 21(5) of the above Law, the proprietors of the above strata plan unanimously * passed the following resolution:

(Set out resolution)

It was resolved to amend the Strata Bye-laws section Article 6 (n).

The common seal of the proprietors, Strata Plan No. 597 was hereunto affixed on the 12th day of December 2009, in the presence of-

Jay Easterbrook, Director

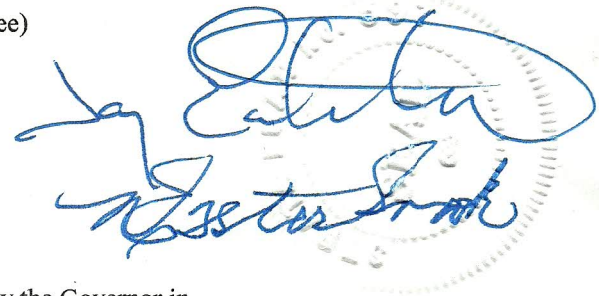
Brad Mullin, Director

Nancy Easterbrook, Director/Secretary

Everett Turner, Director

(Members of the Executive Committee)

*Delete the word "unanimously" if not applicable

The image shows two handwritten signatures in blue ink. The top signature is more stylized and appears to be 'Jay Easterbrook'. The bottom signature is more legible and appears to be 'Nancy Easterbrook'. Both signatures are written over a circular embossed seal, which is partially obscured by the ink.

Publication in consolidated and revised form authorised by the Governor in Cabinet this 30th day of May, 2006.

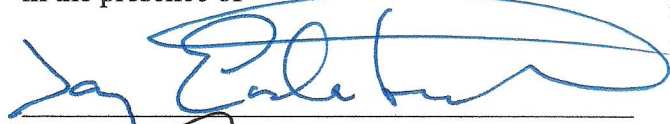

Carmena Watler
Clerk of Cabinet

THE STRATA TITLES REGISTRATION LAW (2005 Revision)
MEMORANDUM OF INCORPORATION
STRATA CORPORATION BY-LAWS AS AMENDED December 12, 2009
STRATA PLAN No. 597
"1E 15 NW – 571 NW Point Road, GRAND CAYMAN"

In pursuance of Section 21(5) of the above Law, the Proprietors of the above Strata Plan unanimously passed the following resolutions:

"BE IT RESOLVED that the Statutory By-Laws of the Corporation be amended and varied by the deletion of all items set out in the First Schedule and in the Second Schedule respectively to the law, and by their replacement in entirety by the By-Laws immediately hereafter set forth".

THE COMMON SEAL of THE PROPRIETORS)
 STRATA PLAN NO. 597 was hereunto)
 affixed on the 12th day of December, 2009)
 in the presence of)


 _____)

 _____)

Witness 
 _____)



MEMBERS OF THE EXECUTIVE COMMITTEE

- Jay Easterbrook, President/Director
- Brad Mullin, Director
- Everett Turner, Director
- Nancy Easterbrook, Secretary/Treasurer/Director

ARTICLE 1 - DEFINITIONS

1.1 In these By-Laws

“**Bank**” means the bank as selected by the Executive Committee, namely First Caribbean International Bank (Cayman).

“**Common Property**” means so much of the land which is comprised in the Strata Plan as is not included in any Strata Lot contained in such plan;

“**Corporation**” means Lighthouse North West Point (“Lighthouse Point”) being know as the Proprietors of Strata Plan No. 597;

“**Executive Committee**” means the Executive Committee of the Corporation, constituted under these By-Laws;

“**Development**” means the residential condo/resort development known as Lighthouse Point being the subject of Strata Plan No. 597 filed with the Registrar of Lands in accordance with the Law;

“**Law**” means the Strata Titles Registration Law (2005 Revision) and amendments thereto;

“**Proprietor**” means the individual(s)/company with ownership to their own Strata Lot; and in the case of a company or joint ownership, shall be the individual so designated by the Proprietors as being the one and only “Proprietor” for the purposes of these By-Laws;

“**Seal**” means the common seal of the Corporation;

“**Strata Lot**” means any one of the self contained units comprised in Strata Plan No. 597 and shown in that plan as a strata lot; and

“**Strata Plan**” means the Strata Plan registered under the Law, No. 597.

1.2 Interpretation

Unless the context otherwise requires, words of expressions contained in these By-Laws shall bear the same meaning as in the Law or any statutory modification thereof in force at the date on which these By-Laws become binding on the Corporation.

In these By-Laws where the context so admits words importing the masculine gender shall be deemed to include the feminine and neuter and vice versa and words importing the singular number shall be deemed to include the plural number and vice versa.

Expression referring to writing shall, unless contrary intention appears, be construed as including all modes of representing or reproducing words in a visible form.

ARTICLE 2 – THE CORPORATION

2.1 Duties

The Corporation shall

- a) control, manage and administer the Common Property for the benefit of all Proprietors with the intent that the Development be kept up and maintained as a first class residential/resort condo development,
- b) keep in a state of good and serviceable repair and properly maintain the fixtures and fittings in connection with the Common Property, including various amenities,
- c) where practical, establish and maintain suitable landscaping on the Common Property,
- d) maintain and repair (including renewal where reasonably necessary) pipes, wires, cables and ducts located on the Common Property for the time being used in connection with any of the Strata Lots or Common Property,
- e) pay all existing and future rates, taxes, assessments and outgoings now or thereafter imposed on or payable in respect of the Common Property,
- f)
 - (i) insure the Development (which for the avoidance of doubt, shall for this purpose include each and every Strata Lot for the time being contained herein together with the Common Property and all erections, buildings, installations and amenities now or hereafter standing or installed thereon or therein but excluding furniture, contents and personal effects on or in any Strata Lot) and keep it insured against loss or damage by riot, civil commotion, malicious damage, fire, explosion, earthquake, hurricane and such other risks as the Executive Committee may from time to time think fit, with such insurance company of repute as it may decide to an amount or amounts equal to the full replacement value thereof plus surveyor's, architects and attorney's fees relating thereto,
 - (ii) take out and maintain a policy of insurance with an insurance company of good repute covering liability for injury to person or persons in, on or about the Development and against such other risks and in such a sum as the Executive Committee shall from time to time consider reasonable all of which such policies of insurance shall be taken out in the name of the Corporation and such of those Proprietors and registered chargees whose interests have been notified in writing to the Corporation at the time of taking out such policies and at the time of any renewals thereof, provided always that upon receipt of written notification from the transferee or chargee of any such Strata

Lot during the currency of any such policies or insurance, it will forthwith apply to have the interests of such transferee or chargee noted upon such policies of insurance, and shall make all payments necessary for these purposes within fourteen days after the same shall become payable and produce to the Proprietors or their chargees upon demand the policies of such insurance and the receipts for every such payment, and

(iii) take out and maintain a policy of insurance with an insurance company of repute against any third party liability for the benefit of the Proprietors and members of the Executive Committee which may arise, whether to the Corporation, the Proprietors or their chargees (including the costs and expenses of defending any action which may be brought against them or any of them or in connection with an appeal therein) in their capacity as members of the Executive Committee or otherwise as officers of the Corporation (including, but not limited to any action for breach of duties, save in the case of fraud, as members of the Executive Committee) and against such other risks and in such a sum as the Executive Committee shall from time to time think reasonable, and make all payments necessary for these purposes within fourteen days after the same shall become payable; and without prejudice to the generality of the foregoing, the risks insured against may include amounts paid in settling or otherwise disposing of a threatened action or a pending action and costs and expenses incurred in connection therewith,

- g) subject to Article 8, as often as the Development or any part thereof is destroyed or damaged by any insured risk; rebuild and reinstate the same in accordance with the regulations and planning or development schemes of any competent authority for the time being affecting the same, and apply any insurance monies received, so far as the same shall extend, in so rebuilding or reinstating the same,
- h) subject to the contribution of any payment by the Proprietors as herein provided, keep the Common Property and all fixtures and fittings therein and thereon and additions thereto and any personal property vested in the Corporation in a good state of repair and condition including the renewal and replacement of all worn or damaged parts and in particular (but without prejudice to the generality of the foregoing) shall
 - (i) maintain all parts of the Common Property including but not limited to the gardens, shrubberies, entrance drives, roads, retaining wall, dock, DEH area (garbage area), boundary walls, signage and fences in good condition with indigenous landscaping free from weeds and clean and tidy and free from all obstruction,
 - (ii) clean the exterior of the Development and all additions thereto in a proper fashion and workmanlike manner as often as it may be necessary, provided always and it is expressly understood and agreed,

FIRSTLY, nothing herein contained shall prejudice the Corporation's right to recover from the Proprietor of any Strata Lot or any other person the amount or value of any loss or damage suffered by or caused to the Corporation or the Common Property by the negligence or wrongful act or default of the Proprietor of any Strata Lot or such other person, and

SECONDLY, that the Corporation shall not in any way be held responsible for any damage caused by the neglect or failure to maintain the Common Property in respect to any damage caused or any defect of or in relation to the said Common Property by any want or repair of the said Common Property or to any pipes or services thereof unless or until notice in writing of any such neglect, failure, want, repair or defect as aforesaid has been given to the Corporation by or on behalf of a Proprietor or Proprietors of any Strata Lot and the Corporation has failed to make good or remedy such neglect, failure, want of repair as aforesaid within a reasonable time of receipt of such notice,

- (iii) before repairing any joist or beam which is attached to any ceiling or floor of any of the Strata Lots and before carrying out repairs or works to the Common Property for the carrying out of which it requires access to any one or more Strata Lots, give reasonable notice (and except in cases of extreme urgency at least forty-eight hours notice) in writing to the Proprietor and shall on giving such notice be entitled to repair the said joist or beam or carry out the said repairs or works and in doing so have any required access to the Strata Lot or Lots, but shall act carefully and reasonably, doing as little damage as possible to the said Strata Lot or Lots and at its own expense making good all damage done,
 - i) through individual water meters and to the best of its' ability, to secure a constant supply of potable water to all the faucets, outlets and taps provided for the drawing of water in each and every Strata Lot and on the Common Property,
 - j) through individual propane meters and to the best of its' ability, to secure a constant supply of propane to all fixtures, lights and appliances provided for the drawing of propane outlets in each and every Strata Lot and on the Common Property,
 - k) maintain the systems to secure to the best of its' ability, a constant supply of solar power for each and every Strata Lot and on the Common Property,
 - l) maintain the systems to secure to the best of its' ability, a constant supply of internet, telephone and cable TV connectivity,

- m) maintain the dock, to the best of its' abilities in good condition for general loading/unloading of boats of the Proprietors and for individual persons use,
- n) arrange for the disposal of garbage and to the extent applicable the disposal of recycled materials,
- o) arrange for annual maintenance on all individual fire extinguishers from each strata lot and the common property,
- p) keep and maintain minutes of its' meetings and maintain a Register of Proprietors and Chargees containing an up-to-date list of all persons registered under the Registered Land Law (2004 Revision) or as amended from time to time) as the owner(s) of the Strata Lots and all persons similarly registered as the chargees thereof pursuant to the information supplied to the Corporation and to provide written notices of charges given to the Corporation by chargees,
- q) when resolved by a majority of the Proprietors, to provide such staff as may be necessary for the running and operation of the Corporation and the enjoyment by its' Proprietors,
- r) allocate and keep marked at least one parking space for use by each Proprietor or occupier of each Strata Lot which shall be located in front of, below or in closest possible proximity to the Strata Lot of that Proprietor, with the exception of Strata Lots 10 and 11 which shall have at least three parking spaces each for use by the Proprietor of Strata Lot 10 and 11 respectively,
- s) relocate Proprietors cars to high ground in the event of a hurricane or bad Nor Wester storm for the protection of the Development and the car, in the event that the Proprietor is off island, and
- t) provide monthly invoices to each Strata Lot and for the Common Property with sufficient detail on the actual costs of running the strata and monthly payments and bookkeeping of all strata outgoings and incomings.

2.2 Powers

The Corporation may

- a) purchase, hire or otherwise acquire real and personal property for use by the Proprietors in connection with their enjoyment of the Common Property or amenities of the Corporation. This power shall include the holding of property real or personal for use by the Proprietors,
- b) borrow monies required by it in the performance of its' duties or the exercise of its' powers,

- c) secure the repayment of monies borrowed by it and the payment of interest thereon by negotiable instrument or charge on unpaid contributions (whether levied or not) or charge of any Property vested in it, or by combination of those means,
- d) make an agreement with the Proprietor or occupier of any Strata Lot for the provision of amenities or services by it to such Strata Lot or to the Proprietor or occupier thereof,
- e) do all things reasonably necessary for the enforcement of the By-Laws and the control, management and administration of the Common Property, including contracting out its' duties and appointing management companies, and
- f) act as the agent of the Proprietor in respect of their Strata Lot in such manner as it shall be authorized from time to time.

ARTICLE 3 – THE EXECUTIVE COMMITTEE

- 3.1 There shall be an Executive Committee of the Corporation which shall exercise the powers and perform the duties of the Corporation.
- 3.2 The Executive Committee shall consist of a minimum of three Proprietors; and for the purposes of this Article, a Proprietor includes any individual who is duly authorized by Power of Attorney from a Proprietor or the Proprietor themselves. Only a Proprietor whose contributions to the Corporation are duly paid shall be eligible to be elected as a member and any serving Executive Committee member who falls into arrears for more than thirty days during the term of their office shall ipso facto cease to be a member, in such case the remaining Executive Committee members may carry on the business of the Corporation.
- 3.3 The Executive Committee shall consist of a minimum of three Proprietors, provided that where there are not more than three Proprietors, the Executive Committee shall consist of all the Proprietors and provided further that until the first Annual General Meeting of the Corporation the Executive Committee shall consist of three persons appointed in writing by the Board of Directors of Lighthouse Point or its' nominee.
- 3.4 The first members of the Executive Committee nominated in accordance with Clause 3.3 of these By-Laws shall be four persons appointed in writing by Lighthouse Point, or its' nominee, who shall remain in office until the first anniversary of the completion of the last Strata Lot provided always that the Board of Directors of Lighthouse Point, or its' nominee, shall be permitted to remove all or any of the four persons appointed by them at any time and appoint any other person or persons to hold office in their place.

- 3.5 Subject to the provisions of Clauses 3.3 and 3.4 of these By-Laws and except where the Executive Committee consists of all the Proprietors, the Corporation may, by resolution at any Extraordinary General Meeting, remove any member of the Executive Committee before the expiration of his term of office and appoint another Proprietor in his place to hold office until the next Annual General Meeting.
- 3.6 Any casual vacancies on the Executive Committee may be filled by the remaining members thereof and shall be so filled even if the number of members falls below the required minimum.
- 3.7 The quorum of the Executive Committee shall be such number as the Committee may fix from time to time being not less than one-half the number of members thereof.
- 3.8 At the commencement of the first meeting of the members of the Executive Committee they shall elect a Chairperson. If any Chairperson so elected vacates the chair or is not present at the commencement of any meeting, the Executive Committee shall elect one of their members to be Chairperson of the meeting.
- 3.9 At meetings of the Executive Committee all matters shall be determined by majority vote and the Chairperson shall, in addition to any original vote, have a casting vote in any case in which voting is equal.
- 3.10 Subject to the provisions of these By-Laws the Executive Committee shall have the powers to regulate its own procedure.
- 3.11 The Executive Committee shall
- a) keep minutes of its' meetings,
 - b) cause proper books of account to be kept in respect of all monies received and spent by it,
 - c) prepare proper accounting records relating to all monies of the Corporation and the income and expenditures thereof,
 - d) on the application of a Proprietor or a charge or any person authorized in writing by either of them, make the books of account available for inspection at all reasonable times,
 - e) determine the amounts to be raised for administrative expenses for the control, management and administration of the Common Property and the Strata Lots, and the discharge of the duties and obligations of the Corporation, including the establishment of a fund for the depositing therein of contributions for the purpose of meeting actual or expected liabilities incurred or to be incurred in the discharge of its duties as aforesaid or otherwise in the discharge of the

obligations of the Corporation in maintaining the Common Property in first class condition; and the amount so determined shall be apportioned between the various Proprietors in equal one-eleventh proportions and unless otherwise decided by the Executive Committee, shall be payable quarterly, three months in advance, and

- f) open a bank account or bank accounts in the name of the Corporation in such bank as it deems necessary for the purposes of the Corporation and cause all monies of the Corporation to be deposited therein; and all cheques drawn on any account of the Corporation shall be signed by one member of the Executive Committee up to an amount as agreed upon by the Executive Committee, and for cheques in excess of that amount, the approval of the Executive Committee must be obtained in writing, unless and until the Executive Committee otherwise determines.

3.12 The Executive Committee may

- a) appoint a Secretary and such other officers and employ for and on behalf of the Corporation such agents and servants as it thinks fits in connection with the control, management and administration of the Common Property and/or the Strata Lots and the exercise and performance of the powers and duties of the Corporation,
- b) subject to any restriction imposed or direction given by the Proprietors, delegate to one or more of its members, or such other persons or entities as it thinks fit, such of its powers and duties as it thinks fit, and may at any time revoke such delegation,
- c) subject to any restrictions or directions given by the Proprietors, cause the Corporation to enter into such deeds or agreements upon such terms as it may from time to time consider beneficial to the Corporation, including the purchase or sale or lease or letting of any Property real or personal, and
- d) by itself, its servants and agents, exclude, and where deemed necessary or desirable, remove, or cause to be removed from the Common Property, any person who is in breach of, or who would be if they were a Proprietor in breach of a provision of these By-Laws or rules or regulations made thereunder.

3.13 The validity of the proceedings of the Executive Committee shall not be affected by any vacancy amongst the members thereof or by any defect in the appointment of a member thereof.

ARTICLE 4 - GENERAL MEETINGS

- 4.1 A general meeting of Proprietors shall be held within three months after registration of the Strata Plan.
- 4.2 The Corporation shall each year hold a general meeting as its' Annual General Meeting (hereinafter referred to as "the Annual General Meeting") in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. Not more than fifteen months shall elapse between the dates of one Annual General Meeting of the Corporation and that of the next. The Annual General Meeting shall be held at such time and place as the Executive Committee shall appoint.
- 4.3 All general meetings other than the Annual General Meetings shall be called Extraordinary General Meetings.
- 4.4 The Corporation may, whenever, it thinks fit, and shall, upon a requisition in writing made by Proprietors entitled to twenty-five percent of the total unit entitlement of the Strata Lots, convene an Extraordinary General Meeting.
- 4.5
 - a) Twenty-one days notice of every Annual and Extraordinary General Meeting specifying the place, the date and the hour of the meeting and, in case of special business, the general nature of such business, shall be given to all Proprietors and registered first charges who have given notice of their charges to the Corporation. Accidental omission to give such notice to any Proprietor or to any registered first chargee or non-receipt of such notice by any Proprietor or registered first chargee shall not invalidate any proceedings at any such meeting. By mutual agreement of all Proprietors, Annual and Extraordinary General Meetings can be called on less than twenty-one days notice;
 - b) Every notice for an Annual General Meeting shall be accompanied by a copy of the financial statements of the Corporation, and form of motion for adoption of those financial statements; and
 - c) The Executive Committee shall cause a notice board to be affixed to some part of the Common Property. For not less than seventy-two hours immediately before an Annual or Extraordinary General Meeting of the Corporation it shall cause a notice of its' intent to hold the meeting containing a detailed agenda for the meeting, to be displayed on the notice board.
- 4.6 All business that is transacted at an Annual or Extraordinary General Meeting shall be deemed special with the exception of the consideration of accounts, balance sheets and the reports of the Executive Committee, the consideration of insurance, the consideration of contributions to the Corporation, the election of members of the Executive Committee and the appointment and remuneration of auditor and legal advisors. The order of business at an annual General Meeting shall be

- a) Call of the roll and certifying proxies,
 - b) Proof of notice of meeting,
 - c) Reading and confirmation of minutes of previous meeting,
 - d) Consideration of Financial Statements,
 - e) Report of the Executive Committee and any other Committee(s),
 - f) Approval of the budget for the succeeding financial year,
 - g) To decide whether insurance effected by the Corporation should be confirmed, varied or extended,
 - h) To decide whether contributions to the Corporation should be confirmed, varied or extended,
 - i) To appoint the Members of the Executive Committee, and
 - j) Any other business which may properly be dealt with at the meeting.
- 4.7 Save as otherwise provided in these By-Laws, no business shall be transacted in any Annual or Extraordinary General Meetings unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business. Two-thirds of the registered Proprietors of the Strata Lots entitled to vote present in person or by proxy shall constitute a quorum. Notwithstanding the forgoing, in a state of emergency as determined by the circumstance then present, any Proprietor may act individually on behalf of the Strata for the purpose of protecting life and property of the Strata or a Strata Lot, after making all reasonable attempts to contact the Executive Committee for approval, and upon not being able to contact other members of the Executive Committee, then act upon the emergency by themselves and as if consent by the Executive Committee had been so granted.
- 4.8 If within thirty minutes from the time appointed for any Annual or Extraordinary General Meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, and if, at the adjourned meeting, a quorum is not present within thirty minutes from the time appointed for the meeting, the persons entitled to vote present shall be a quorum.
- 4.9 At the commencement of an Annual or Extraordinary General Meeting a Chairperson of the Meeting shall be elected.

ARTICLE 5 – VOTING

- 5.1 At any Annual or Extraordinary General Meeting, a resolution by the vote of the meeting shall be decided on by a show of hands. A declaration by the Chairperson that a resolution has been carried on the show of hands shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.
- 5.2 In the case of equality in votes, the Chairperson of the meeting shall be entitled to a casting vote in addition to their original vote.

- 5.3 On a show of hands each Proprietor shall have one vote.
- 5.4 On a show of hands votes may be given either personally or by proxy.
- 5.5 An instrument appointing a proxy shall be in writing under the hand of the appointer or their attorney and be either general or for a particular meeting. A proxy holder need not be a Proprietor.
- 5.6 Except in cases where by or under Law a unanimous resolution is required, Proprietors shall be entitled to vote at any General Meeting or nominate a person for election as a member of the Executive Committee as long as all contributions payable in respect to their Strata Lot have been duly paid, and as long as the nomination is a Proprietor. In no event shall anyone other than Proprietors serve on the Executive Committee.
- 5.7 Where Proprietors are entitled to successive interests in a Strata Lot, the Proprietor entitled to the first interest shall alone be entitled to vote whether on a show of hands or a poll and this By-Law shall be applicable whether by Law or by these By-Laws the unanimous resolution of the Proprietors is required or not.
- 5.8 Where Proprietors are vested in a fractional ownership in one or more Strata Lots, the joint Proprietors of the unit will nominate one individual to represent their vote, and only one vote will be cast for each Condo.
- 5.9 Where a Proprietor holds their Strata Lot as a trustee, they shall exercise the voting rights in respect of the Strata Lot to the exclusion of persons beneficially interested in the trust, and such persons shall not vote. There shall be one vote per Strata Lot. Where there is fractional ownership, multiple owners, company ownership or trustee ownership there shall be one vote and one spokesperson per Strata Lot. Where there are multiple owners per Strata Lot, it is the responsibility of those owners to elect/appoint one representative to be spokesperson for and to cast the vote of said strata unit.

ARTICLE 6 – PROPRIETORS OBLIGATIONS

A Proprietor shall

- a) in the case where there are multiple owners of a Strata Lot, regardless of the type of ownership, the Corporation must be provided with the names and contact information of all owners, multiple, fractional, trustee, company or otherwise and all such multiple owners shall be jointly and severally responsible for all Proprietors' obligations as set out in this document and as may be amended from time to time by the Executive Committee or the Proprietors at a duly constituted General Meeting,

- b) permit the Corporation and its' agents, at all reasonable times on forty-eight hours notice (except in case of emergency when no notice shall be required), to enter the Proprietor's Strata Lot for the purposes of inspecting it and maintaining, repairing or renewing pipes, wired cable and ducts for the existing Strata Lot or Common Property, or the purposes of maintaining, repairing or renewing Common Property, or for the purpose of ensuring that the By-Laws are being observed,
- c) pay all rates, taxes, charges and other outgoings in respect to water, telephone, electricity, propane, internet, satellite, garbage, insurance and any assessments that may be payable in respect of the Strata Lot,
- d) pay to the Corporation within fourteen days of demand or at such times as the Executive Committee shall from time to time determine,
 - (i) all contributions necessary to establish and maintain a fund for administrative expenses sufficient, in the opinion of the Corporation, for the control, management, repair, maintenance and administration of the Common Property, for the payment of insurance premiums and for the discharge of any of the other obligations of the Corporation, for renewals or replacements which go beyond normal repair and maintenance and any special contributions levied by the Corporation, and
 - (ii) all other costs and expenses incurred by the Corporation in connection with the performance of its' duties under the Law and under these By-Laws,

PROVIDED THAT ALWAYS:

- (iii) in the event of any such payment not being made within fourteen days of such demand or the due date as the case may be, the Proprietor shall pay interest thereon at the rate of four percent per annum above the prime rate at the Bank in the Cayman Islands at the time of default, with a minimum of thirteen percent per annum, which interest shall accrue from day to day and compound monthly until payment in full is made,
- (iv) in the event of any such payment (together with interest accrued) not being made within ninety day of demand or the due date as the case may be or in the event of the strata holder becoming bankrupt or making composition with their creditors or being a corporation entering into liquidation, then and in any of these events, the Proprietor shall and does hereby irrevocably authorize the Corporation to enter into possession of the Strata Lot and further does hereby irrevocably appoint the Corporation to be the receiver

of rents and profits from their Strata Lot in each case until such time as the said payments, together with interest accrued, have been made by them to the Corporation pursuant to the appointment aforesaid and should the Strata Lot not be rented the Executive Committee is hereby empowered to rent such Strata Lot for such periods as it thinks fit in order to recover the monies due and owing to the Corporation, together with all expenses incurred in recovering same, and

- (v) in the event of any Proprietor being more than ninety days in arrears of any payment due to the Corporation, the Executive Committee shall be entitled in addition to any other remedy which it may have, to change the locks on the Strata Lot in order to rent the same and to apply the rent received to the payment of any sums due to the Corporation,
- e) repair and maintain their Strata Lot and keep in a state of good repair, and in the case of the refusal or neglect of the Proprietor for thirty days after notice in writing from the Corporation to make such repairs or restore the Strata Lot to good condition, such repairs or restoration may be made by the Corporation which shall have the right by the Executive Committee to enter the Strata Lot for that purpose and to carry out the necessary repairs or works forthwith and to recover the cost from the Proprietor as a civil debt,
- f) use and enjoy the Common Property in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other Proprietors or their families, visitors or renters,
- g) not use the Strata Lot or permit it to be used in such a manner or for such purposes as shall cause a nuisance or hazard to any other Proprietor or Strata Lot (whether a Proprietor or not) and any member of the household or any guest of such Proprietor,
- h) within twenty-one days of the date of every transfer, lease, grant of probate or administration, mortgage, charge, discharge, order of the Court or other event of document of dealing relating to the Strata Lot, give notice thereof in writing to the Corporation, and in the case of a document send a copy thereof to the Corporation with a registration fee of C\$40.00 or such other amount as the Executive Committee may from time to time determine,
- i) not use or permit to be used the Strata Lot for any purpose other than as a residential/resort residence, with the explicit exception of Strata Lots 10 and 11 which are deemed to be businesses operating a dive shop and day-time bistro respectively or other such businesses as may be undertaken in

the future, given that any other businesses would be approved by the Proprietors in advance,

- j) not permit or suffer to be done in or upon the Strata Lot anything whereby any insurance for the time being effected on the Common Property, the Strata Lot or any of the Strata Lots or any part thereof may be rendered void or voidable or whereby the rate of premium may be increased,
- k) for the purposes of these By-laws the term “structural alteration” is deemed to include but not limited to
 - i) changing any door that opens on to the Common Property,
 - ii) altering or removing any doors opening on to the balcony,
 - iii) painting or otherwise decorating any part of the balcony or removing or adding any part of the screen system on the balcony, and
 - iv) removing any additions or improvements of fixtures or walls from the Strata Lot or Common Property or doing any act that in the opinion of an engineer or architect or similar qualified person could impair the structural soundness of the building in which the Strata Lot is situated or impair any easement thereof,
- l) By-Law 6.1(k) does not affect the right of any Proprietor at his sole cost and expense to decorate, redecorate, maintain, repair, paint, panel, plaster, tile and finish the interior surfaces of the ceilings, floors, window frames, door frames, trim and the perimeter walls inside the Strata Lot and the surfaces of the bearing walls located within the same nor the right to substitute new finished surfaces for the finished surfaces then existing on the said ceilings, floors and walls or the right to maintain, repair, paint, finish, alter, substitute, add or remove any fixtures attached thereto save for bathroom fixtures, except that all such modifications will be completed using the best products available that are designated as green certified products, with particular applicability to appliances, fans, fixtures and the like that can be run from solar power,
- m) not do or permit or suffer to be done any act, matter or thing on or in respect of the Strata Lot which contravenes the provisions of any legislation given or made thereunder relating to development and planning and keep the Corporation indemnified against all claims, damages and liabilities in respect thereof,
- n) permit the Corporation and the Proprietors of other Strata Lots to have access to and enter upon the Strata Lot as often as may be reasonably

necessary for them to do so in the fulfillment of their obligations relating to the Common Property and to other Strata Lots,

- o) permit the Corporation and the Proprietors of other Strata Lots to have access to and enter upon the Strata Lot as often as may be reasonably necessary for them to do so in the fulfillment of their obligations relating to the Common Property and to other Strata Lots,
- p) not use or permit to be used the Strata Lot or any part thereof for any illegal or immoral purpose nor for carrying on of any trade of business, save the permitted rental of the Strata Lot in compliance with the terms hereof and save the explicit acknowledgment of Strata Lots 10 and 11 being designated as businesses,
- q) not to rent the Strata Lot to any individual or Corporation that would cause more tenants being in residence at the Strata Lot than the equivalent of two persons per bedroom (excluding any minor children) at any given time; this provision notwithstanding, Proprietors may rent their Strata Lot for short term resort rentals; Proprietors can allow friends and family to reside in their Strata Lot for short term visitations; and on the condition of family and friends, to increase the number of people per Strata Lot so long as it does not interfere with the quiet enjoyment of other Proprietors; IT BEING UNDERSTOOD that for any short term rental use of the Strata Lot, the individual Proprietor will have full responsibility for, but not limited to, access to, marketing of, cleaning of, maintenance of and payment of any rental income, that not being a responsibility of the Corporation,
- r) not to have fires or barbecues in any areas that are under overhangs, on balconies or within six feet of railings, walls and fixtures; and in the event of a breach of this provision, then the Proprietor responsible shall be fully and solely responsible for the repair of and costs associated with the repair of any and all damages caused as a result of this breach, such damages to be repaired in a timely manner,
- s) pay the cost of repairing any damage to any other Strata Lot or to the Common Property in any part of the Development caused by negligence of the Proprietor, family, servants, licensees, tenants or invitees, provided that such damage is not covered by the insurance on the Strata Lot or any other Strata Lot or the Common Property,
- t) comply with and observe any reasonable regulations which the Executive Committee may from time to time make to govern the use of the Strata Lots and the Common Property, and for the management's use and administration of the Common Property which regulations may be restrictive of acts done on the Strata Lot or on Common Property which in

the opinion of the Executive Committee are or are likely to be detrimental to the character or amenities of the Development and ensure that they are faithfully observed by the family, guests, employees and tenants of the Proprietor PROVIDED THAT the Executive Committee shall not be responsible to any Proprietor for the non-observance or violation of such rules by any other Proprietor or persons,

- u) comply with and observe the energy efficiency measures that have been supplied for the Strata Lots, including notices of solar power, use of electrical plugs, gray water system and the like and ensure that they are faithfully observed by the family guests, employees and tenants of the Proprietor PROVIDED THAT the Executive Committee shall not be responsible to any Proprietor for the non-observance or violation of such rules by any other Proprietor or persons,
- v) maintain and repair all water, gas, sewerage, propane, internet, drainage, sinks, waste pipes, telephone and electrical connections within the boundaries of the Strata Lot and maintain repair any such services beyond the said boundary if such maintenance or repair becomes necessary by reason of the negligent act, omission or default of the Proprietor or of any other person upon the Proprietor's Strata Lot employing only contractors approved by the Executive Committee and be responsible for all damage occasioned through the bursting or stopping of pipes within the Proprietor's Strata Lot and give to the Executive Committee prompt notice in writing of any accident to or defect or want of any repair in any service to the Strata Lot or of any other circumstances likely to be or to cause any danger, risk or hazard to or that in any way may affect the Common Property or the Strata Lot of any other Proprietor, and in default of the observance of this By-Law by the Proprietor, the Executive Committee may carry out any work, if necessary or desirable, for the maintenance or repair of such services at the expense of the Proprietor, and the expense of such maintenance or repair may be recovered by the Executive Committee from the Proprietor, as if such costs were a contribution due and payable by the Proprietor to the Corporation,
- w) at all times keep all the windows of the Strata Lot properly cleaned,
- x) pay for all electricity, telephone, satellite, water, propane, sewage and other services consumed or used in the Strata Lot of the companies or authorities supplying such services, in accordance with the meter for the Proprietor's Strata Lot and in the event of the same or the water rates or other outgoings or any of them on the Strata Lot being chargeable to the Corporation to repay the proportion attributed to the Strata Lot upon demand by the Corporation,

- y) not make any undue noise in the Strata Lot at any time or make or permit any musical or other sound audible outside the Strata Lot, nor play or permit to be played any musical instruments, wireless, television, stereo or other instrument between the hours of 11:00 pm and 7:00 am or at any other time so as to cause annoyance to the Corporation, the Proprietors or occupiers of any other Strata Lot,
- z) take all reasonable and proper precautions to prevent damage to the Strata Lot or any other Strata Lots or the Common Property or any part or parts thereof caused by
 - (i) the bursting or overflowing or leaking of any water pipes, tanks or any other apparatus in the Strata Lot,
 - (ii) fire,
 - (iii) not place or keep any dustbin or other containers used for refuse and rubbish outside the Strata Lot and to place all refuse, rubbish and recycle items securely wrapped in the receptacles provided by the Corporation for garbage disposal/recycling,
 - (iv) not alter or construct or remove from the Common Property anything except with the written consent of the Executive Committee, and
 - (v) not park any car, bike, trailer or other vehicle or thing in any place which is not designated for that purpose,
- aa) not affix to any window of the Strata Lot, whether externally or internally, any venetian or other blind except of such color and construction as shall previously be approved by the Executive Committee,
- bb) not without the previous consent of the Executive Committee cause or permit anything to be placed on the outside walls of the Strata Lot and in particular, but without limiting the generality of the foregoing, not cause or permit any sign, awning, canopy, shutter, radio or television antenna to be affixed to or placed upon the exterior walls or roof or any part of the Strata Lot or Common Property,
- cc) not without the written consent of the Executive Committee alter any electrical wiring or water supply systems,
- dd) in the event that any animal kept at the strata causes nuisance or annoyance, upon request by the Executive Committee, it shall be removed from the Development. A dog must be kept on a leash when not inside a Strata Lot,

- ee) not hang or expose outside the Strata Lot nor in the windows or on the balcony rails thereof nor in any part of the Common Property save where specifically provided for any clothes, linen, food, barbeque grills or other articles and not shake or permit to be shaken any carpet or mat from any window or balcony of the Strata Lot nor any part of the Common Property,
- ff) not cause or permit on the Common Property, driveways or any part or parts thereof any motor car or other vehicles belonging to him or to his family, servants, licensees, invitees, tenants, or renters or under his or their control to
 - (i) travel at an excessive speed or at a speed in excess of any speed limit which may at the discretion of the Corporation be imposed by the Corporation from time to time,
 - (ii) travel over or remain on any grass, lawns or gardens,
 - (iii) be parked or remain stationary except in the areas from time to time indicated and allocated to the Proprietor,
 - (iv) be dismantled or repaired, or
 - (v) store boats and/or trailers in other than designated areas,
- gg) not hold or permit to be held any sale by auction in the Strata Lot or any part thereof,
- hh) not alter or construct in or remove from the Common Property anything except with the written consent of the Corporation,
- ii) not permit or allow the blowing of any horn from any vehicle in which his guests, family, tenants, renters, invitees, or employees shall be occupants approaching or upon any of the driveways or parking areas except as may be necessary for the safe operation thereof,
- jj) assume the credit or debit balance for his particular Strata Lot and share of equity or deficit outstanding on the Corporation books at the time on the effective date of any transfer of interest of his Strata Lot,
- kk) provide the Corporation with a key(s) and PIN code to his Strata Lot which key(s) and PIN code shall be retained and used by the Executive Committee,

- ll) not alter any lock or install a new lock on any door leading into the Strata Lot without the prior consent of the Executive Committee and in the event of such consent being given provide a new pass key and PIN code to the Executive Committee, and
 - mm) in the event that Proprietors intend to rent their Strata Lots, all Proprietors agree to exclusively engage the property manager selected by the Executive Committee as the sole manager for Strata Lot rentals, unless written approval is given by the Executive Committee to retain a different property manager, and
 - nn) leave a set of vehicle keys with the Executive committee when off island to insure that the Proprietors vehicle can be moved in the case of need.
- 6.2 A Proprietor may upon reasonable notice in writing being given to the Executive Committee inspect or have inspected any books of account or documents whatsoever held by or on behalf of the Executive Committee.
- 6.3 To cover normal month to month expenses and maintenance each Proprietor shall pay to the Corporation the monthly amount as so determined by the Executive Committee from time to time, to cover Common Property expenses and monthly expenses including, but not limited to, the following expenses:
- a) Landscaping maintenance;
 - b) Garbage Collection Fees – DEH area (garbage area);
 - c) Common Property electricity service;
 - a) Common Property water service;
 - b) Common Property Propane service;
 - c) Common Property Internet service;
 - d) Common Property Satellite and/or Cable service;
 - e) Common Property Solar power and batteries;
 - f) Common Property wind generation system;
 - g) Common Property Septic tank maintenance;
 - h) Maintenance/replacement of landscaping tools, machinery, batteries;
 - i) Insurance;
 - j) Maintenance of fire extinguisher annually; and
 - k) Pest control, Common Property and Strata Lots.
- 6.4 Each Proprietor shall pay to the Corporation amounts in advance that are equal to approximately three months strata fees, or other such amounts as so determined by the Executive Committee from time to time.

ARTICLE 7 - EASEMENTS

- 7.1 In addition to any easement prescribed or implied by or under the Law, or any rule of the Common Law or equity, the Proprietor of a Strata Lot shall have the benefit of the sole right for the Proprietor or tenant of the Proprietor to park a motor vehicle on the parking lot(s) assigned to their Strata Lot.

ARTICLE 8 - DAMAGE TO BUILDINGS

- 8.1 After damage to any buildings forming part of the Development, the Corporation shall proceed as expeditiously as possible to obtain at least two firm tenders fixing the price for complete reconstruction and to settle the amount of insurance proceeds available.
- 8.2 If the Corporation's insurance proceeds are insufficient to pay the costs of reconstruction by any amount equal to or less than five percent of the pre-casualty value of the entire Development, the Corporation shall be entitled to proceed with such reconstruction forthwith without retaining the approval of the Proprietors.
- 8.3 If the Corporation's reserve fund, if any, and the insurance proceeds are in total insufficient to pay the cost of reconstruction by an amount equal to less than five per cent of the pre-casualty value of the entire Development, the Corporation shall be entitled to proceed with such reconstruction forthwith without obtaining the prior approval of the Proprietors.
- 8.4 In the event that the Corporation's reserve fund, if any, and the insurance proceeds are insufficient to pay the cost of reconstruction by an amount greater than five per cent of such pre-casualty value as aforesaid, the Corporation shall convene an Extraordinary General Meeting and shall proceed with such reconstruction only upon the approval given at such meeting attended by a quorum of seventy-five per cent of the Proprietors at which a favourable vote of seventy-five per cent of the total unit entitlement so attending shall be received.
- 8.5 All decisions with regard to reconstruction (save as aforesaid), adjustments of losses and letting of reconstruction contracts shall be made by the Corporation. The authority of the Corporation in this regard shall include, but not be limited to, the type of materials to be used and the timing of and method of reconstruction save that the decoration and interior finishing of each Strata Lot shall be at the sole discretion and sole expense of the respective Proprietor.
- 8.6 The proceeds of all insurance effected by the Corporation shall be payable to the Corporation and held by it as trustee for the Proprietors and or any chargees from whom it has received written notice of their charges and whose interest have been endorsed on the policy of Insurance.
- 8.7 A Proprietor shall remain liable to pay their contribution to the Corporation for administrative and other expenses even though their Strata Lot is rendered uninhabitable by such damage.

ARTICLE 9 - FISCAL YEAR

- 9.1 The fiscal year of the Corporation shall be January 1 to December 31 or as otherwise determined by the Executive Committee.

ARTICLE 10 - INDEMNITY

- 10.1 The Executive Committee and their heirs, administrators and personal representatives shall be indemnified out of the assets of the Corporation from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason by any act done or omitted in or about the execution of their duty in their respective office or trust, except such (if any) as they shall incur or sustain by or through their own willful neglect or default respectively and no such officer or trustee shall be answerable for the act, receipts, neglects or defaults or any other officer or trustees or for joining any receipt for the sake of conformity or for the solvency or honesty of any banker or other person or other effects belonging to the Corporation may be lodged or deposited for safe custody or for any insufficiencies for any securities upon which any monies of the Corporation may be invested or for any other losses or damages due to any such cause as aforesaid or which may happen in or about the execution of their office or trust unless the same shall happen through the willful neglect of default of such officers or trustee.

ARTICLE 11 - NOTICES

- 11.1 A notice may be served by the Corporation upon any Proprietor or chargees either personally or by sending it through the post in a prepaid letter addressed to the Proprietors at their registered address as appearing in the Registrar maintained by the Registrar of Lands. Each Proprietor shall be allowed to register with the Corporation one additional address to the one on record at the Registrar of Lands for the purposes of receiving notices from the Corporation.
- 11.2 Any notice if served by post shall be deemed to have been served seven days following that on which the letter containing the same is put into the post and, in proving such service, it shall be sufficient to prove that the letter containing the notice was properly addressed and put in the post office as a pre-paid letter.

ARTICLE 12 - AMENDMENTS OF BY-LAWS

12.1 For the avoidance of doubt it is hereby declared that subject to the provisions of the Law, these By-Laws shall not be amended or varied except by resolution of the Corporation passed by two-thirds majority of the Proprietors present, in person or by proxy, and voting in a General Meeting. For the purpose of publishing amended By-Laws, all such amendments shall be incorporated in to the text of the By-Laws and such By-Laws shall be published in paragraph form, provided that

- a) the title page shall read: Strata Plan No. 597, Strata Corporation By-Laws as Amended [insert date amended], and
- b) all subsequent pages shall carry the notation at the bottom of the page: Amended [insert date amended].

**CAYMAN ISLANDS
STRATA TITLES REGISTRATION LAW (1996 REVISION)**

STRATA PLAN No. 597

In pursuance of Section 21(5) of the Strata Titles Registration Law (2005 Revision) (the "Law"), the Proprietors of the above Strata Plan No. 597 unanimously passed the following resolution:

- 1. The Strata By-Laws as contained herein are unanimously approved by the Proprietors and the Executive Committee of the Corporation.

THE COMMON SEAL OF THE)
PROPRIETORS, STRATA PLAN)
NO. 597 was affixed on the 12th day of)
December, 2009 hereto in the presence of:)

_____)
 Witness J. Russell)
 Name: Jepheth Russell)
 Address: Electric Tech)
George Town)
 Occupation: Electrician)

_____)
 _____)
 _____)
 _____)
 _____)
 _____)
 _____)
 _____)