

**BARBADOS**

**THE COMPANIES ACT CAP. 308**

**BY-LAW NO. 1**

**A by-law relating generally to the  
conduct of the affairs of:**

**APES HILL CLUB HOMEOWNERS ASSOCIATION INC.  
A non-profit Company**

BE IT ENACTED as the general by-law of APES HILL CLUB HOMEOWNERS ASSOCIATION INC. (hereinafter called the "Company") as follows:

**DEFINITIONS**

1.1 In this by-law and all other by-laws of the Company, unless the context otherwise specifies or requires:

(a) "Act" means the Companies Act, CAP 308 of the Laws of Barbados as from time to time amended, and every statute that may be substituted therefor and, in the case of such amendment or substitution, any references in the by-laws of the Company shall be read as referring to the amended or substituted provisions therefor in the new statute or statutes;

(b) "by-law" means any by-laws of the Company from time to time in force and effect;

(c) "Common Expenses" means all of the expenses incurred by the Company in upkeeping, maintaining and improving the Common Property but not limited to the costs incurred in administration costs, electricity charges, garbage collection, grounds maintenance, insurance on buildings (if any) constructed on Common Property, roadways and parking area maintenance, security charges, sewage treatment, water rates and such other services as may be provided from time to time.

(d) "Common Property" means all of the land comprised in the Development, (other than the hotel, golf courses, club house and facilities related thereto, the recreational facilities and residential lots shown on the Key Plan) comprising inter alia, the grounds, roads and the car parks which are to be vested in and owned by the Company for the benefit of all owners of Lots the Development.

(e) "Developer" means Apes Hill Development SRL, a Society with restricted liability established in Barbados pursuant to the Societies with Restricted Liability

Act of Barbados.

(f) "Development" means All that certain land formerly part of the Apes Hill Plantation, The Spring Plantation, the Waterhall Plantation and the Greg Farm Plantation in the parishes of Saint James, Saint Andrew and Saint Thomas, Barbados as delineated and shown on a plan certified on the \_\_\_\_\_ day of \_\_\_\_\_ by \_\_\_\_\_ Land Surveyor (hereinafter called "the Key Plan") containing by admeasurement 1,902,000 square metres or thereabouts which has been subdivided and is being developed as a residential development and golfing resort to be known as Apes Hill Club.

(g) "Lot" means a residential lot within the Development, and the term "Lots" shall be construed accordingly.

(h) "Member" has the meaning given to it at Section 5.1

(i) "Principal Office" means in respect of the Company, its principal place of business, namely, "Spring Hall", Saint James, Barbados or any other place which the directors shall by resolution fix as the Company's principal place of business.

(j) "Regulations" means any Regulation made under the Act, and every regulation substituted therefor and, in the case of such substitution, any references in the by-laws of the Company shall be read as referring to the substituted provisions therefor in the new regulations.

(k) "Turnover Date" means the date on which the Developer completes the sale of the last residential lot in the Development.

(l) "Rules" means the Rules made from time to time by the Company regulating the use and enjoyment of the Members of the Common Property, facilities and amenities of the Development and certain matters pertaining to the Lots.

1.2 All terms contained in this by-law which are defined in the Act shall have the meanings given to such terms in the Act;

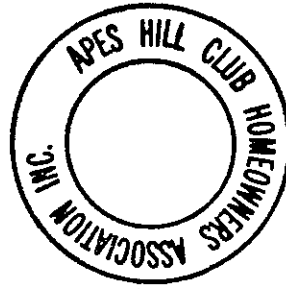
1.3 Words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders; words importing persons shall include bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number or aggregate of person;

1.4 The headings used in this by-law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

REGISTERED OFFICE

2. The Registered Office of the Company shall be in Barbados at such address as the directors may fix from time to time by resolution.

SEAL



3. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Company. The seal shall be retained in the custody of the Secretary of the Company.

#### UNDERTAKING OF THE COMPANY

4. The undertaking of the Company shall be restricted to (i) promoting the benefit of the residents of the Development and the neighbourhood by owning leasing and otherwise providing facilities and other amenities in the interest of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said residents, (ii) providing maintenance and management or cooperating with local statutory authority in the maintenance and management of, the Common Property and (iii) providing such other services as are incidental thereto. The powers of the Company shall be unlimited in the pursuit of these objectives.

#### MEMBERSHIP

5.1 There shall be one class of membership of the Company, comprising the persons who are the owners for the time being of the legal estate in the fee simple in the Lots. There shall be one membership in the Company for each Lot owned in the development notwithstanding that ownership of the Lot may be joint. The person or persons who constitute the owner of a Lot shall automatically be the holder or holders of the membership in the Company and such membership shall automatically pass with the fee simple title to the Lot.

5.2 The three directors appointed at incorporation shall be *ex officio* Members (the "Initial Members") of the Company. The membership of the Initial Members shall cease upon the Turnover Date.

#### 6. *Application and Subscription*

6.1 Subject to the Act, the Articles of Incorporation of the Company and any unanimous Members agreement, application for membership to the Company shall not be required and membership shall, in respect of Members other than the Initial Members, be allotted by a resolution of the directors upon presentation of evidence satisfactory to the directors of ownership of a Lot.

6.2 An annual membership fee shall be determined from time to time by the directors and shall be payable by all Members other than Initial Members.

6.3 All annual membership fees shall be payable in 4 equal installments, quarterly in advance on the first day of each calendar quarter unless otherwise determined by resolution of the directors.

7. *Transfer of Membership*

7.1 On the conveyance or transfer of the legal estate in the fee simple of a Lot by sale, succession or otherwise, membership shall be deemed to be transferred to the transferee even if the conveyance does not specifically mention the said membership.

## OFFICERS

8.1 The officers of the Company shall consist of a President, a Vice-President, a Treasurer and a Secretary. Officers shall be elected at the Annual General Meeting of the Company in each year and shall retire annually but shall be eligible for re-election. No person who is not a Member shall be eligible to become an officer of the Company.

8.2 In the case of a casual vacancy in any of the offices, the directors shall appoint one of their number to fill such casual vacancy until the next annual general meeting.

8.3 In case of the absence or inability to act of the President, the Vice-President or any other officer of the company or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being, provided that a majority of the board of directors concur therein.

8.4 *The President:* The President shall, if present, preside at all meetings of the directors and Members; he shall sign all instruments which require his signature and shall perform all duties incident to his office and shall have such other powers and duties as may from time to time be assigned to him by the directors.

8.5 *The Vice-President:* The Vice-President shall be vested with all the powers and shall perform all the duties of the president in the absence or disability or refusal to act of the President. The Vice-President shall have such powers and duties as may from time to time be assigned to him by the directors.

8.6 *The Secretary:* The Secretary shall, when present, act as Secretary of all meetings, shall have charge of the minute books of the Company and the documents and registers referred to in section 170 of the Companies Act and shall perform such other duties as the directors require of him.

8.7 *The Treasurer:* The Treasurer shall have the care and custody of all the funds and securities of the Company and shall deposit the same in the name of the Company in such bank or banks or with such depository or depositories as the directors may direct and shall perform such other duties as the directors require of him. He may be required to give such bond for the faithful performance of his duties as the directors in their uncontrolled discretion may require and no director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Company to receive any indemnity thereby provided.

## DIRECTORS

9. *Number and powers.* The affairs of the Company shall be managed by a board of directors consisting of not fewer than 3 directors and not more than 5 directors. The directors may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not by the by-laws of the Company or by statute expressly directed or required to be done by the Company at a meeting of Members.

10. *First directors.* The three directors appointed at incorporation (each a "First Director" and together, the "First Directors"), shall continue until they are removed by resolution of the Members to be passed at the first meeting of Members after the Turnover Date. At any such meeting a new board of directors shall be elected by the Members with effect from the date of removal of the first directors of the Company. Save as expressly otherwise provided, the provisions of this by-law relating to directors shall apply *mutatis mutandis* to First Directors.

11. *Election of directors and term of office.*

11.1 Subject to the foregoing provisions of these by-laws, the directors' term of office shall be from the date of the meeting at which they are elected or appointed until the annual meeting of Members next following or until their successors are elected or appointed.

11.2 Directors shall be elected by the Members at a meeting on show of hands unless a poll is demanded and, if a poll is demanded, such election shall be by ballot. Retiring directors shall be eligible for re-election to the board of directors if otherwise qualified and retiring directors shall continue in office until their successors shall have been duly elected or appointed.

12.1 *Vacancy:* From time to time in the event of any vacancy however caused occurring in the board of directors (except through an increase in the number of directors), such vacancy may, as long as there is quorum of directors then in office, be filled by the directors of the Company if they shall see fit to do so; otherwise such vacancy shall be filled at the next annual meeting of Members or at a special general meeting of Members held prior to such annual meeting and any director appointed

or elected to fill any such vacancy shall hold office for the unexpired term of the director who ceased to be a director and who caused such vacancy.

12.2 *Vacancy- First Directors:* From time to time until the Turnover Date in the event of any vacancy however caused occurring among the First Directors (except through an increase in the number of directors), such vacancy may, notwithstanding the absence of a quorum of directors then in office, be filled by the remaining First Directors of the Company if they shall see fit to do so.

13. *Vacation of office.* The office of a director or a First Director of the Company shall become vacated.

(a) if he becomes bankrupt or a receiving order is made against him or he makes an assignment under the Bankruptcy Act or any statute that may be substituted thereof;

(b) if an order is made declaring him to be a mentally incompetent person or incapable of managing his own affairs;

(c) if he convicted of any criminal offence; or

(d) if by notice in writing to the Secretary of the Company he resigns his office and such resignation, if not effective immediately, becomes effective in accordance with its terms;

(e) if he ceases to be a Member of the Company;

(f) in the case of a director only, if he does not attend four consecutive meetings of the directors, unless the directors otherwise determine.

14. *Removal of directors.* The Members of the Company may, by ordinary resolution passed at a special general meeting of Members in respect of which notice specifying the intention to pass such a resolution has been given to all Members, remove any director (not being a First Director) before the expiration of his term of office and may, by a majority of the votes cast at such meeting, elect any person in his stead for the remainder of his term. Removal of a First Director shall be at the instance of the Developer only.

15. *Remuneration of directors.* The directors shall serve without remuneration and no director shall directly or indirectly receive any profit from his position as such, provided that a director may be paid reasonable expenses incurred by him in the performance of his duties. This section does not apply to First Directors.

#### MEETINGS OF DIRECTORS

16. *Place of meetings.* Meetings of the board of directors may be held either at the

Principal Office of the Company or at any other place within Barbados approved by the board of directors as a venue for the relevant board meeting.

17. *Notice.* A meeting of directors may be convened at any time by the President or a Vice-President or any 2 directors. The Secretary, by direction of the President or a Vice-President or any 2 directors, shall convene a meeting of directors. The directors may from time to time by resolution determine to hold regular meetings of the directors and shall by such resolution fix the dates or times of such regular meetings; so long as any such resolution is in effect the Secretary of the Company shall convene such regular meetings by notice given in the manner hereinafter referred to.

18. Notice of any meeting of directors stating the day, hour and place of meeting shall be given to each director at least 2 days (exclusive of the day on which the notice is delivered or sent but inclusive of the day for which notice is given) before the meeting is to take place, provided always that meetings of the board of directors may be held at any time without formal notice if all the directors are present or those absent have waived notice or have signified their consent in writing to the meeting being held in their absence. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any director and such waiver may be validly given either before or after the meeting to which such waiver relates. Subject to subsection 76(1) of the Act the notice of any meeting need not specify the purpose of or the business to be transacted at the meeting.

19. For the first meeting of the board of directors to be held immediately following the election of directors at an annual or special general meeting of the Members or for a meeting of the board of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting shall be necessary to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided that a quorum of the directors is present.

20. *Quorum and voting.* Three directors shall constitute a quorum for the transaction of business. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting, in addition to his original vote, shall have a second or casting vote.

21. A director may, if all the directors consent, participate in a meeting of directors or of any committee of the directors by way of such telephone or other communications facilities as may permit him fully to participate in the meeting and a director participating in such a meeting by such means is deemed to be present at the meeting.

22. *Resolution in lieu of meeting:* Notwithstanding any of the foregoing provisions of this by-law a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the directors or any committee of the director is as valid as if it had been passed at a meeting of the directors or any committee of the directors.

## DUTIES OF DIRECTORS

23. Subject to any unanimous Members agreement, the business and affairs of the Company shall be managed by the directors.

24. The directors shall have the powers necessary for the administration and operation of the Common Property and may do all such things except as by the Act or by these by-laws may not be delegated to the directors by the Members. Such powers shall include but not be limited to the following:

- (i) operation, care, upkeep and maintenance of the Common Property;
- (ii) provision of services for security, refuse collection and pest control to the Development;
- (iii) determination of the common expenses, including without limitation the fee or fees payable to any management agent appointed by the Directors;
- (iv) collection of common expenses from the Lot owners;
- (v) employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Development and the provision of services as aforesaid;
- (vi) adoption and amendment of Rules and regulations covering the details of operation and use of the Common Property, regulating architectural designs of dwelling houses and prescribing finishes of for dwelling houses in the Lots;
- (vii) obtaining insurance for the buildings on the Common Property;
- (viii) making repairs, additions and improvements to or alteration and restoration of the common property in accordance with the other provisions of these by-laws;
- (ix) granting or relocation of easements;
- (x) employment of an individual as a managing agent on contract or otherwise at such remuneration as may be determined by the Directors to perform such duties and services as the Directors shall authorize insofar as the same are capable of being delegated under the Act.
- (xi) making of Rules, from time to time regulating the upkeep and maintenance of dwelling houses and Lots by owners;

## EXECUTIVE OFFICER

25. The directors may from time to time appoint an Executive Officer and may delegate to him full authority to manage and direct the business and affairs of the Company (except such matters and duties as by law must be transacted or performed by the directors or by the Members in general meeting) and to employ



and discharge agents and employees of the Company or may delegate to him any lesser power. He shall conform to all lawful orders given to him by the directors of the Company. He shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Company.

#### SUBMISSION OF CONTRACTS OR TRANSACTIONS TO MEMBERS FOR APPROVAL

26. The board of directors in its discretion may submit any contract, act or transaction for approval or ratification at any annual meeting of the Members or at any special general meeting of the Members called for the purpose of considering the same and may contract, act or transaction that shall be approved or ratified by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act) shall be as valid and as binding upon the Company and upon all the Members as if it had been approved or ratified by every Member of the Company.

#### INDEMNITIES TO DIRECTORS AND OTHERS

27. Every director or officer of the Company or other person who has undertaken or is about to undertake any liability on behalf of the Company and their heirs, executors and administrators, and estate and effects, respectively, shall, from time to time and all times, be indemnified and saved harmless, out of the funds of the Company, from and against:

(a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office or in respect of any such liability; and

(b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own wilful neglect or default.

#### FOR THE PROTECTION OF DIRECTORS AND OFFICERS

28. No director or officer of the Company shall be liable to the Company for:

(a) the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity;

(b) any loss, damage or expense incurred by the Company through the insufficiency or deficiency of title to any property acquired by the Company or for or on behalf of the Company;

- (c) the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Company shall be placed out or invested;
- (d) any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person with whom any moneys, securities or effects shall be lodged or deposited;
- (e) any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Company;
- (f) any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto; unless the same happens by or through his failure to exercise the powers and to discharge the duties of his office honestly and in good faith with a view to the best interests of the Company and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

29. Nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or Regulations made thereunder or relieve him from liability for a breach thereof.

30. The directors for the time being of the Company shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Company, except such as are submitted to and authorized or approved by the directors.

31. If any director or officer of the Company is employed by or performs services for the Company otherwise than as a director or officer or is a Member of a firm, or a shareholder, director or an officer of a body corporate which is employed by or performs services for the Company, the fact of his being a Member, director or officer of the Company shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

#### MEETINGS OF MEMBERS

32. *Annual meetings.* Subject to the provisions of section 105 of the Act, the annual meeting of the Members shall be held on such day in each year and at such time as the directors may by resolution determine at any place within Barbados or, if all the Members entitled to vote at such meeting so agree, outside Barbados.

33. *Special general meetings.* Other meetings of the Members (to be known as "special general meetings") may be convened by order of the President or a Vice-President or by the board of directors to be held at any date and time and at any place within Barbados.

34. The board of directors shall, on the written requisition of not less than 5 per cent of the Members of the Company that have a right to vote at the meeting requisitioned, convene a special general meeting of Members, and in respect of such requisition the following provisions shall have effect:-

- (1) The requisition must state the purposes of the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more of the requisitionists.
- (2) If the directors do not, within twenty one days from the date of the requisition being so deposited, proceed to convene a meeting, the requisitionists or any of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit.
- (3) Unless subsection (3) of section 129 of the Act applies, the directors shall be deemed not to have duly convened the meeting if they do not give such notice as is required by the Act within fourteen days from the deposit of the requisition.
- (4) Any meeting convened under this paragraph by the requisitionists shall be called as nearly as possible in the manner in which meetings are to be called pursuant to the by-laws and Divisions E and F of Part I of the Act.

35. *Notice.* Notice stating the day, hour and place of meeting and the general nature of the business to be transacted thereat shall be given, in writing, to each Member entitled to vote thereat and to the auditors of the Company at least 21 days before the date of every meeting, provided always that a meeting of Members may be held for any purpose at any date and time and at any place within Barbados without notice if all the Members are present in person or, in the case of Members entitled to vote, represented by a form of proxy, in writing, at the meeting or if all absent Members entitled to notice of such meeting shall have signified their assent in writing to such meeting being held and such assent may be validly given either before or after the meeting to which such assent relates. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Member to form a reasoned judgment on the decision to be taken. Notice of each meeting of Members shall state that the Member may vote by proxy.

36. *Waiver of Notice:* A Member and any other person entitled to attend a meeting of Members may in any manner waive notice of a meeting of Members and

attendance of any such person at a meeting of Members shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

37. *Omission of notice.* The accidental omission to give notice of any meeting or the non-receipt of any notice by any Member or Members or by the auditor of the Company shall not invalidate any resolution passed or any proceedings taken at any meeting of Members.

38. *Votes:* Every question submitted to any meeting of Members shall be decided in the first instance by a show of hands unless a person entitled to vote at the meeting has demanded a ballot and, if the Articles so provide, in the case of an equality of votes the chairman of the meeting shall on a ballot have a casting vote in addition to any votes to which he may be otherwise entitled.

38.1 At every meeting at which he is entitled to vote, every Member, proxy holder or individual authorized to represent a Member who is present in person shall have one vote on a show of hands. Upon a ballot at which he is entitled to vote, every Member, proxy holder or individual authorized to represent a Member shall, subject to the articles, have one vote.

38.2 At any meeting unless a ballot is demanded, a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

38.3 When the President and the Vice-President are absent, the persons who are present and entitled to vote shall choose another director as chairman of the meeting; but if no director is present or all the directors present decline to take the chair, the persons who are present and entitled to vote shall choose one of their number to be chairman.

38.4 A ballot may, either before or after any vote by a show of hands, be demanded by any person entitled to vote at the meeting. If at any meeting a ballot is demanded on the election of a chairman - or on the question of adjournment it shall be taken forthwith without adjournment. If at any meeting a ballot is demanded on any other question or as to the election of directors, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chairman of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

39.1 *Proxies:* Votes at meetings of Members may be given either personally or by proxy or, in the case of a Member who is a body corporate or association, by an individual authorized by a resolution of the directors or governing body of that body corporate or association to represent it at meetings of Members of the company.

39.2 A proxy shall be executed by the Member or his attorney authorized in writing and is valid only at the meeting in respect of which it is given or any adjournment thereof.

39.3 A person appointed by proxy need not be a Member.

39.4 Subject to the provisions of Part V of the Regulations, a proxy may be in the following form:

The undersigned Member of **Apes Hill Club Homeowners Association Inc.** hereby appoints  
of \_\_\_\_\_, or failing him  
of \_\_\_\_\_, as the nominee of the undersigned to attend and act for the undersigned and on behalf of the undersigned at the meeting of the Members of the said Company to be held on the \_\_\_\_\_ day  
of 20\_\_\_\_\_ and at any adjournment or adjournments thereof in the same manner, to the same extent and with the same powers as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

Signature of Member

40. *Adjournment:* The Chairman of any meeting may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the Members unless the meeting is adjourned by one or more adjournments for an aggregate of 30 days or more in which case notice of the adjourned meeting shall be given as for an original meeting. Any business that might have been brought before or dealt with at the original meeting in accordance with the notice calling the same may be brought before or dealt with at any adjourned meeting for which no notice is required.

41. *Quorum:* Subject to the Act, a quorum for the transaction of business at any meeting of the Members shall be 10 persons present in person, each being either a Member entitled to vote thereat, or a duly appointed proxy holder or representative of a Member so entitled. If a quorum is present at the opening of any meeting of the Members, the Members present or represented may proceed with the business of the

meeting notwithstanding a quorum is not present throughout the meeting. If a quorum is not present within 30 minutes of the time fixed for a meeting of Members, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business.

42. *Resolution in lieu of meeting:* Notwithstanding any of the foregoing provisions of this by-law a resolution in writing signed by all the Members entitled to vote on that resolution at a meeting of the Members is, subject to section 128 of the Act, as valid as if it had been passed at a meeting of the Members.

#### DUTIES OF MEMBERS

43. A Member shall:

(i) At all times comply strictly with the provisions of the covenants contained in the Conveyance of the Lot to him or his predecessor in title as if those covenants had been expressly set out herein, the Articles of Incorporation of the Company, this bylaw and the rules promulgated by the directors for the proper use of the Common Property;

(ii) Forthwith pay all taxes, charges, outgoings and assessments that may be payable in respect of his Lot;

(iii) Use and enjoy the Common Property in such a manner as not unreasonably to interfere with the use and enjoyment thereof by other Lot owners or their families or visitors;

(iv) Not use his Lot or permit it to be used in such manner or for such purpose as shall cause a nuisance or hazard to the occupier of any other Lots (whether a Member or not) or the family of such occupier; and

(v) Notify the Company forthwith upon any change of ownership of the Lot.

44. All maintenance, repairs, additions and replacements to the Common Property shall be made by the Company and shall be charged to all the Members as a common expense, excepting to the extent that the same are necessitated by the negligence, nuisance or neglect of one or more Members, in which case such expense shall be charged to such Member or Members.

45. Charges for the supply to any unit of electricity, water, gas and any other utility capable of being individually metered, shall be paid by the Lot owners. Charges for the supply of utilities to the Common Property shall be paid by the Company and chargeable to the Members as a common expense.

46. A Member shall not cut, maim, injure or otherwise damage any tree, shrub, hedge or flower garden on the property of the Company and a Member shall be liable to the Company for any damage done thereto by him, his servants, agents family or invitees.

47. Except in recreational or storage areas designated as such by the Company there shall be no playing, lounging, parking of carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the property of the Company.

48. In the event of damage to or destruction of any building forming part of the Common Property as a result of fire or other accident, the directors shall arrange for the prompt meeting of the Members of the Company and provided that such meeting does not resolve not to rebuild the buildings so damaged or destroyed the directors shall arrange for an immediate repair and restoration of the affected building and the Board shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board may assess the Members for such deficit and for a completion bond for such deficit as part of the common expenses.

49. If there shall have been a repair or restoration and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, the excess of such insurance proceeds (if any) shall be added to the reserve fund of common expenses and at the option of the Board divided among all the unit owners in proportion to their respective common interests after first paying out of the share due each unit owner such amounts as may be required to reduce unpaid liens on such unit in order of priority of such liens

#### COMMITTEES

50. *Constitution of committees.* The board of directors may from time to time constitute such committees as it deems necessary to assist the directors in carrying on the affairs of the Company and shall prescribe the duties of any such committee.

51. *Membership of committees, generally.* The board of directors may annually or more often appoint not less than 3 persons to be Members of any committee and shall designate one of the Members of each committee as Chairman thereof. The President and one Vice-President shall be Members of each such committee. Members of committees shall be subject to removal by the board of directors at any time with or without cause. Members of committees shall serve without remuneration but shall be entitled to reimbursement for any expenses which they may incur.

52. *Meetings.* The committees may meet for the transaction of business, adjourn and otherwise regulate their meetings as they think fit provided, however, that of the Members of each committee shall constitute a quorum thereof for the transaction of business. Questions arising at any meeting of a committee shall be decided by a majority of votes and in case of an equality of votes the Chairman shall have a second or casting vote.

## NOTICES

53. *Service.* Any notice to be given to any Member, director or auditor shall be served either personally or by sending it through the post in a prepaid envelope or wrapper or by fax to such Member, director or auditor addressed to him at his address as the same appears in the books of the Company, or if no address be given therein, then addressed to the last address of such Member, director or auditor known to the Secretary of the Company. With respect to every notice sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into a post office or into a post office box. The signature to any notice may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed. Without derogating from any provision of the Act or this by-law requiring a longer period of notice, every notice sent by post shall be given at least 14 days in advance of the date of the meetings to which it relates.

54. *Computation of time.* Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not be counted in such number of days or other period but the day for which notice is given shall be so counted.

55. *Proof of service.* A certificate of the President, any Vice-President, the Treasurer or the Secretary of the Company or of any other officer of the Company in office at the time of the making of the certificates as to facts in relation to the mailing delivery of any Member, director or auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every Member, director or auditor of the Company, as the case may be.

## CHEQUES, DRAFTS, NOTES, ETC.

56. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the Company, and in such manner as the board of directors may from time to time designate by resolution.

## ENACTMENT AND AMENDMENT OF BY-LAWS AND RULES

57. By-laws of the Company may be enacted, and such by-laws repealed or amended, by the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two thirds of the Members present at a meeting of Members duly called for the purpose of considering the said by-law.

58. Rules governing the activities of the Company and the conduct of its membership in relation to the affairs of the Company may from time to time be made or prescribed, and such rules repealed or amended, by the directors at a meeting of the board of directors.



EXECUTION OF CONTRACTS, ETC.

59. Contracts, documents or instruments in writing requiring the signature of the Company may be signed by the President or the Vice-President together with the Secretary or the Treasurer, or by any two directors, and all contracts, documents and instruments in writing so signed shall be binding upon the Company without any further authorization or formality. The directors shall have power from time to time by resolution to appoint any officers or persons on behalf of the Company either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

60. The common seal of the Company may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any director.

61. The term "contracts, documents or instruments in writing" as used herein shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, powers of attorney, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures, or other securities and all paper writings.

62. In particular, without limiting the generality of the foregoing and subject to section 134 of the Act any two directors authorized together may sell, assign, transfer, exchange, convert or convey any and all shares, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Company and to sign and execute (under the corporate seal of the Company or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, bonds, debentures, rights, warrants or other securities. Provided however that the aforementioned powers shall not be exercisable without a unanimous resolution of the directors consenting thereto.

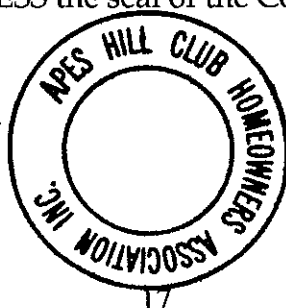
FISCAL YEAR


66. The first fiscal year period of the Company shall terminate on the 31st day of December, 2006 and thereafter the fiscal year of the Company shall terminate on the 31st day of December in each year or on such other date as the directors may from time to time by resolution determine.

ENACTED this      day of      , 2006.

WITNESS the seal of the Company.

  
.....  
Director



  
.....  
Secretary  
Steve Walker