

PLANNED RESORT COMMUNITY RULE & REGULATIONS

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INDEX

1. INTRODUCTION.....	4
1.1. BACKGROUND.....	4
1.2. PURPOSE AND SCOPE OF REGULATIONS	5
1.3. DESCRIPTION OF THE RESORT	5
1.4. DESCRIPTION OF THE DEVELOPMENT	6
2. DEFINITIONS	6
3. MASTER PLAN OF THE DEVELOPMENT	14
3.1. MASTER PLAN OF THE DEVELOPMENT	14
3.2. SUPPLEMENTARY REGULATIONS.....	14
3.3. EXCLUSIVE DEVELOPMENT REGULATIONS	14
3.4. INCLUSION OF ADDITIONAL PROPERTY IN THE DEVELOPMENT	15
4. ADMINISTRATION OF THE DEVELOPMENT	16
4.1. THE ADMINISTRATOR.....	16
4.2. DESIGNATION OF THE ADMINISTRATOR.....	16
4.3. FUNCTIONS OF THE ADMINISTRATOR.....	16
5. REGULATIONS CONCERNING USE	18
5.1. SERVICE AREAS.....	18
5.2. COMMON AREAS AND EXCLUSIVE COMMON AREAS	18
5.2.1. ADMINISTRATION OF COMMON AREAS.....	18
5.2.2. ADMINISTRATION OF EXCLUSIVE COMMON AREAS	18
5.2.3. RIGHTS OF THE ADMINISTRATOR IN COMMON AREAS	19
5.3. RESIDENTIAL AREAS.....	19
5.4. LEASING OF PROPERTIES.....	19
5.5. DISAGREEMENTS WITH RESPECT TO USE.....	19
5.6. EXEMPTIONS AND APPROVALS	19
5.7. ACKNOWLEDGEMENT OF THE RULES & REGULATIONS	20
5.8. COMMUNITY GUIDELINES, STANDARDS, AND RULES	20
5.9. RULES AND RESTRICTIONS ON USE	20
5.9.1. SIDEWALKS, ROADS, AND VEHICLE ENTRY	20
5.9.2. FUEL STORAGE	20
5.9.3. ANIMALS AND PETS.....	21
5.9.4. ANTENNAS, SATELLITE DISHES	21
5.9.5. GAME EQUIPMENT AND AREAS	21
5.9.6. WET AREAS, LAKES AND STREAMS	21
5.9.7. FIREARMS AND SHARP OBJECTS.....	22
5.9.8. PLANES, GLIDERS, AND SIMILAR OBJECTS	22
5.9.9. MAILBOXES AND EXTERIOR METALWORK	22
5.9.10. TENNIS COURTS.....	22
5.9.11. CONVERSION OF GARAGE OR PARKING SPACES	22
5.9.12. WINDOW CURTAINS	22
5.9.13. VISIBILITY AT INTERSECTIONS.....	22
5.9.14. DRAINAGE	22
5.9.15. ALTERNATIVE ENERGY EQUIPMENT	23
5.9.16. PARKING	23
5.9.17. ACCESSORY STRUCTURES.....	23
5.9.18. LIGHTING	23
5.9.19. IRRIGATION.....	23
5.9.20. SIGNS AND FLAGPOLES	23
5.9.21. PROPERTY MAINTENANCE.....	24
5.9.22. ANNOYANCES	24
5.9.23. OBLIGATIONS OF THE RESIDENTS	24
5.9.24. WALLS AND FENCES	25

5.9.25. FISHING AND HUNTING.....	25
5.9.26. SWIMMING POOLS.....	25
5.9.27. WATER WELLS.....	25
5.9.28. REMODELING OF PROPERTIES.....	25
5.9.29. REMOVAL OF TREES.....	25
5.9.30. SUBDIVISION OF PROPERTIES OR PARCELS.....	25
5.9.31. CLOTHESLINES, GARGABE CANS, TANKS, AND EQUIPMENT.....	25
5.9.32. TERRACES AND EXTERIOR SPACES.....	26
5.9.33. TENTS, MOBILE HOMES, AND TEMPORARY STRUCTURES.....	26
5.9.34. WINDOW AIR CONDITIONING UNITS.....	26
5.9.35. COMMERCIAL USE.....	26
5.9.36. ARTIFICIAL PLANTS, EXTERIOR DECORATIONS, AND SIMILAR ARTICLES.....	27
5.9.37. MOTOR VEHICLES.....	27
5.9.38. PROHIBITED VEHICLES.....	27
5.9.39. WASTE WATER DISPOSAL.....	27
5.10. TRANSFERRING PROPERTY.....	28
5.10.1. NOTIFYING THE ADMINISTRATOR.....	28
5.10.2. RIGHT OF FIRST REFUSAL.....	28
5.10.3. PROPERTY SALE AND PURCHASE CONDITIONS.....	28
5.10.4. AGREEMENTS TO EXERCISE RIGHT OF FIRST REFUSAL OPTION.....	29
5.10.5. WAIVER OF RIGHT OF FIRST REFUSAL OPTION.....	29
5.11. INTERNAL REAL ESTATE AGENCY.....	30
6. BOARD OF PLANNING AND REGULATION.....	31
6.1. DESIGNATION OF THE BOARD.....	31
6.2. FREQUENCY OF THE MEETINGS OF THE BOARD.....	31
6.3. FUNCTIONS OF THE BOARD.....	31
6.4. ABSENSE OF RESPONSABILITY.....	31
7. REVIEW PROCESS AND APPROVAL OF PROJECTS.....	33
7.1. STEP I: PRESENTATION OF THE CONCEPT AND TIMETABLE OF THE PROJECT.....	33
7.2. STEP II: INITIAL REVIEW OF THE PRELIMINARY PROJECT.....	34
7.3. STEP III: PROJECT REVIEW.....	34
7.4. STEP IV: PRESENTATION OF PLANS TO AUTHORITIES.....	35
7.5. STEP V: FINAL APPROVAL.....	35
7.6. INSPECTION OF SITE, CERTIFICATE OF OCCUPATION.....	36
7.7. LIMITATIONS.....	36
7.8. RESPONSABILITIES OF THE OWNER.....	36
8. CONSTRUCTION AND PRELIMINARY PROJECT PLANS.....	36
8.1. PRELIMINARY PROJECT PLANS.....	36
8.2. CONSTRUCTION PLANS.....	37
9. URBAN PLANNING SPECIFICATIONS.....	37
9.1. MATERIALS AND DESIGN SPECIFICATIONS.....	37
9.2. CONSTRUCTION REGULATIONS AND STANDARDS.....	42
9.3. LANDSCAPING STANDARDS.....	45
10. EXCLUSIVE DEVELOPMENTS.....	47
11. INFRASTRUCTURE, FACILITIES, SERVICES, AND FEES.....	50
11.1. RESPONSIBILITY OF THE ADMINISTRATOR.....	50
11.2. RESPONSIBILITY OF THE EXCLUSIVE DEVELOPMENT ENTITY.....	50
11.3. RESPONSIBILITY OF THE OWNER.....	51
11.4. GARDEN MAINTENANCE.....	51
11.5. FEES.....	51
11.6. SANCTIONS.....	51
11.7. AGREEMENT TO PAY FEES.....	51
11.8. ESTABLISHING FEES.....	52

11.8.1. MAINTENANCE FEES.....	52
11.8.2. EXCLUSIVE COMMON AREA FEES	52
11.8.3. CONDOMINIUM FEES	52
11.8.4. EXCLUSIVE DEVELOPMENT FEES	52
11.8.5. ONE-TIME FEES.....	52
11.8.6. SPECIAL ASSESSMENTS	52
11.9. PAYMENT OF FEES	53
11.10. CALCULATING MAINTENANCE FEES.....	53
11.11. CALCULATION OF THE FEES FOR EXCLUSIVE COMMON AREA.....	53
11.12. CALCULATION OF THE CONDOMINIUM EXPENSES	54
11.13. CALCULATION OF EXCLUSIVE DEVELOPMENT FEES	55
11.14. CALCULATION OF ONE-TIME FEES	55
11.15. CALCULATION OF SPECIAL ASSESSMENTS.....	55
11.16. LIENS.....	55
11.17. CAPITAL RESERVE BUDGET	56
11.18. TAXES	56
11.19. EXEMPT PROPERTY	56
11.20. TELECOMMUNICATIONS, CABLE TELEVISION, AND SURVEILLANCE SYSTEMS	56
12. INSURANCE	57
13. RIGHT OF WAY AND OTHER RIGHTS.....	61
14. NO PARTITIONS.....	61
15. HARD ROCK GOLF CLUB AT CANA BAY	62
16. CANA BAY BEACH CLUB.....	66
17. RIGHTS OF THE ADMINISTRATOR.....	69
17.1. PURPOSE.....	69
17.2. DURATION OF RIGHTS	69
17.3. RECOGNITION OF THE RIGHTS OF THE ADMINISTRATOR TO DEVELOP AND BUILD ...	69
IMPROVEMENTS ON THE PROPERTY.....	69
17.4. RIGHTS OF THE ADMINISTRATOR WITH RESPECT TO THE DEVELOPMENT	69
17.5. FUTURE RIGHTS OF WAY AND MODIFICATIONS.....	70
17.6. CONSTRUCTION AND MARKETING	70
17.7. SCOPE	71
17.8. ADMISSION RIGHTS	71
18. GENERAL CONDITIONS	72
18.1. AMENDMENTS.....	72
18.2. INDIVIDUALITY OF THE PROVISIONS.....	72
18.3. INACTION	72
18.4. RESOLUTION OF CONTROVERSIES	72
18.5. USE OF THE TERM AND BRAND “CANA BAY” AND OTHER BRANDS OWNED BY THE	72
ADMINISTRATOR.....	72
18.6. ASSIGNMENT OF RIGHTS	73
18.7. NOTIFICATION OF ACTIOKN OF MORTGAGE CREDITORS	73
18.8. INDEPENDENT DEVELOPERS.....	73
18.9. NO RIGHT TO UNOBSTRUCTED VIEWS	73
18.10. POWER OF ATTORNEY	73

1. INTRODUCTION

1.1. BACKGROUND

U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY, a corporation constituted and existing under the laws of Spain, with authorized domicile in the Dominican Republic in Avenida Estados Unidos, Plaza Tobacco, Local 62, Bavaro, Higüey, Provincia La Altagracia, under the National Register as Contribuyente (R.N.C.) No. 130282773, as owner of the DEVELOPMENT (as defined below), has drafted these RULES & REGULATIONS in order to provide the administrative structure, as well as the system of standards, specifications and procedures for the development, promotion, administration, maintenance and preservation of the DEVELOPMENT. These RULES & REGULATIONS govern all past, present, and future real estate sale & purchase contracts in the DEVELOPMENT.

As U.T.E. OTRASANU RAMIRESORT PROYECTO CANA BAY was constituted as a joint venture with the sole purpose of developing the DEVELOPMENT, the RULES & REGULATIONS included a provision allowing for changes in the regulations and the appointment of a successor administrator. Since the two corporate entities that formed U.T.E. OTRASANU RAMIRESORT PROYECTO CANA BAY have reached an agreement to dissolve the joint venture and appoint a successor administrator that will assume all the rights and responsibilities from U.T.E. OTRASANU RAMIRESORT PROYECTO CANA BAY, through its Sole Administrator, ANGEL RAMIREZ GONZALEZ, Spanish, of age, businessperson with D.N.I. No. 35316032-S and Spanish Passport No. AAD205960, U.T.E. OTRASANU RAMIRESORT PROYECTO CANA BAY has modified the existing RULES & REGULATIONS, substituting it in its entirety by this new version of the RULES & REGULATIONS. These new RULES & REGULATIONS have been accepted by the successor administrator of the DEVELOPMENT, CANA BAY, S.R.L., a limited liability company constituted under the laws of the Dominican Republic, headquartered in Avenida Estados Unidos, Plaza Tobacco, Local 62, Bavaro, Higüey, Provincia La Altagracia, Dominican Republic, under the National Register as Contribuyente (R.N.C.) No. 130329992, and represented by its Manager, EVAGRIO SANCHEZ CAMPO, Spanish, of age, businessperson with Cedula de Identidad No. 001-1790953-1, resident of Punta Cana, Higüey, Provincia La Altagracia, Dominican Republic.

1.2. PURPOSE AND SCOPE OF REGULATIONS

These REGULATIONS have the purpose of guaranteeing, preserving and protecting, in a fair and orderly manner, the real estate value and quality of the PROPERTIES that comprise the CANA BAY Tourist Real Estate DEVELOPMENT, which is being developed, promoted, administered, sold and transferred subject to the following regulations, restrictions, reserves, appraisals and other provisions established in these REGULATIONS, which are attached to the DEVELOPMENT, obligate all of the parties holding any right, title or interest in any part of the DEVELOPMENT, their successors and assigns, and are applied for the benefit of every OWNER (as this term is defined below).

These REGULATIONS are not conceived to alleviate or evade compliance with any other local or national permit or license required of the OWNERS.

Acceptance of these REGULATIONS by the OWNER of a PROPERTY (as will be defined below) is an essential condition to transfer any interest in any PROPERTY. PERSONS acquiring ownership rights, tenants, beneficiaries of concessions, users, or beneficiaries of any title will be subject to the provisions of these REGULATIONS.

All title certificates as well as the contracts to transfer any right over any part of the DEVELOPMENT must have attached a copy of these REGULATIONS and contain a clause that stipulates compliance with same. The clauses of the REGULATIONS will in their entirety constitute essential and decisive elements of said contracts, without which the parties would not have contracted.

1.3. DESCRIPTION OF THE RESORT

This DEVELOPMENT is part of a project (hereinafter the “RESORT”), which has as its main objective the promotion of an enclosed tourism focused real estate complex and that includes, among other things, a beach club and

a golf course. Said RESORT is named CANA BAY (the description of which is detailed in another section of these REGULATIONS) and includes two PHASES of development.

1.4. DESCRIPTION OF THE DEVELOPMENT

The DEVELOPMENT that is regulated by these REGULATIONS is comprised of the First Stage of CANA BAY which consists of a surface area of One Million Five Hundred Sixty-Eight Thousand Six Hundred Seventy-Five Point Zero Nine Square Meters (1,568,675.09 m²). Per the MASTER PLAN, the DEVELOPMENT consists of:

- a) Two Hundred Thirty-nine (239) LOTS for residential use;
- b) Eighteen (18) hole golf course measuring One Million Seventy-Six Thousand Five Hundred Ninety Square Meters (1,076,590 m²);
- c) LOTS for non-residential usage that includes avenues, streets, buffer areas, service areas and common areas for the RESORT.

The Second PHASE of CANA BAY will be submitted as an ADDITIONAL DEVELOPMENT when the land adjacent to the DEVELOPMENT is improved and its infrastructure completed. This Second PHASE has a land surface of Six Hundred Five Thousand Six Hundred Fifty-Eight Point Eighty-Two Square Meters (605,658.82 m²). Per the MASTER PLAN, the Second PHASE of the RESORT will consist of the following:

- a) Fifty-four (54) LOTS for residential use;
- b) LOTS for non-residential usage that includes avenues, streets, buffer areas, service areas and common areas for the RESORT.

2. DEFINITIONS

2.1. CONDOMINIUM ADMINISTRATION

This is the PERSON, legal entity, or other party responsible for the operation, maintenance and administration of a CONDOMINIUM (as defined below). The CONDOMINIUM ADMINISTRATION will have the authority to assign to the OWNERS of the apartment and/or villa PROPERTIES within said CONDOMINIUM, expenses associated exclusively with said CONDOMINIUM in accordance with the corresponding CONDOMINIUM Regulations.

2.2. ADMINISTRATOR

This refers to the entity responsible for the operation, maintenance and administration of the DEVELOPMENT, which was initially the PROMOTER and which is now CANA BAY, S.R.L., the legal entity that assumed the PROMOTER's rights and responsibilities under the previous RULES & REGULATIONS.

2.3. INTERNAL REAL ESTATE AGENCY

This is the real estate agency that is promoted and designated by the ADMINISTRATOR to coordinate the commercial activity of the PROPERTIES within the DEVELOPMENT. It may be charged with the sale, resale or rental of Products and PROPERTIES within the DEVELOPMENT. It will act in coordination with the DEVELOPERS, OWNERS and external real estate agencies with the purpose of receiving, showing and promoting the PROPERTIES that are for sale, resale or rental to potential buyers who visit the DEVELOPMENT. The personnel of the INTERNAL REAL ESTATE AGENCY will represent the corporate image of the DEVELOPMENT within the DEVELOPMENT. The purpose of the AGENCY is to support the ADMINISTRATOR, as well as the DEVELOPERS

and OWNERS, in the process of selling, reselling or rental of the PROPERTIES, guaranteeing that said process is carried out in a professional, orderly and fair manner, that it increases the global value of the DEVELOPMENT and, consequently, of the PROPERTIES of the latter. The INTERNAL REAL ESTATE AGENCY will keep an updated list of all the PROPERTIES that are for sale, resale or rental within the DEVELOPMENT.

2.4. COMMON AREAS

This is the totality of the real estate PROPERTY, jointly with any real estate PROPERTY, designated at any time as such by the ADMINISTRATOR for the common use and enjoyment of the OWNERS.

2.5. EXCLUSIVE COMMON AREAS

This refers to certain parts of COMMON AREAS, including any improvements, that have been granted for exclusive use to one or more PROPERTIES, but not to all PROPERTIES, for the common enjoyment and use of the OWNERS of said PROPERTIES. The EXCLUSIVE COMMON AREAS may be designated by the ADMINISTRATOR in Regulations for a DEVELOPMENT or EXCLUSIVE DEVELOPMENT, or in any other manner. All the costs associated with the maintenance, repair, replacement and insurance of EXCLUSIVE COMMON AREAS will be charged only to the OWNERS of the PROPERTIES benefiting from same.

2.6. AREAS OF COMMON RESPONSABILITY

This refers to COMMON AREAS, jointly with any other areas, should any exist, that are under the responsibility of the ADMINISTRATOR, including, but not limited to canals, lakes, swamps and other public areas located within or adjacent to the DEVELOPMENT, designated by the ADMINISTRATOR as a part of the AREAS OF COMMON RESPONSABILITY, or those areas of a PROPERTY, should they exist, which the ADMINISTRATOR has a responsibility to maintain, repair, or replace. The AREAS OF COMMON RESPONSABILITY also include service areas, infrastructure, or easements that benefit the DEVELOPMENT.

2.7. RENTAL

The regular exclusive occupancy of a PROPERTY by any PERSON or PERSONS other than the OWNER and that the latter receives remuneration and benefits, including, but not limited to, a fee, service, gratuities or payment of any kind.

2.8. CANA BAY

Trade name given to the DEVELOPMENT, Cana Bay Beach Club & Golf Resort.

2.9. CANA BAY, S.R.L.

Cana Bay, S.R.L. is the ADMINISTRATOR of the DEVELOPMENT.

2.10. CANA BAY BEACH CLUB

This means the ADMINISTRATOR, or one or more of their successors or assigns, that carry out business as CANA BAY BEACH CLUB, which will own and operate the PROPERTY of the CANA BAY BEACH CLUB.

2.11. CONDOMINIUM

This is a building or multiple buildings of one, two or more stories, divided into Villas and/or into Apartments and/or other type of independent PROPERTY, which will have an entrance and exit to the internal hallways of the building and/or to the exterior area of the territorial perimeter of the CONDOMINIUM, and the ownership of which may belong to different PERSONS who will hold a specific and exclusive right of ownership over the PROPERTY, and in whose totality will have the joint right of ownership over the elements that are common and necessary for the use and enjoyment of each PROPERTY, by virtue of the provisions of Law 5038, of the twenty-first (21st) of November of the year nineteen fifty-eight (1958), O.G. (Official Gazette) 8308, as modified.

2.12. FEES

These are fees imposed on the PROPERTIES to cover COMMON EXPENSES, EXCLUSIVE COMMON AREA EXPENSES, CONDOMINIUM EXPENSES, EXCLUSIVE DEVELOPMENT EXPENSES, and EXTRAORDINARY EXPENSES. Also, includes any other fees imposed by the ADMINISTRATOR, which may include ONE-TIME FEES.

2.13. EXCLUSIVE COMMON AREA FEES

This means those FEES that are the responsibility of the OWNERS benefiting from EXCLUSIVE COMMON AREAS to cover EXCLUSIVE COMMON AREA EXPENSES.

2.14. CONDOMINIUM FEES

This refers to those fees that are the responsibility of OWNERS of the PROPERTIES forming a CONDOMINIUM, in accordance with the corresponding CONDOMINIUM REGULATIONS.

2.15. MAINTENANCE FEES

These are those fees that are payable to the ADMINISTRATOR that will be the responsibility of the OWNERS to pay the COMMON EXPENSES.

2.16. EXCLUSIVE DEVELOPMENT FEES

These are fees that are the responsibility of the OWNERS of the PROPERTIES of an EXCLUSIVE DEVELOPMENT to cover the EXCLUSIVE DEVELOPMENT EXPENSES.

2.17. SPECIAL ASSESSMENTS

These mean and refer to the FEES imposed in accordance with Article 11.15 of these REGULATIONS.

2.18. ONE-TIME FEES

These mean and refer to FEES imposed in accordance with Article 11.14 of these REGULATIONS.

2.19. DEVELOPER

Any PERSON that acquires one or more LOTS or other PROPERTIES in the DEVELOPMENT for the purposes of building one or more PROPERTIES to be used for commercial purposes, sold or rented.

2.20. DEVELOPMENT

Those PROPERTIES and EXCLUSIVE COMMON AREAS associated with them, which have been or are being constructed and promoted by a DEVELOPER or by the ADMINISTRATOR.

2.21. BOARD OF PLANNING AND REGULATION

THE BOARD or THE BOARD refers to an administrative body created mainly to promulgate the URBAN PLANNING SPECIFICATIONS, procedures for application of same, review of new construction, modification of improvements, the review and approval of the plans and works of the projects to be constructed in the DEVELOPMENT.

2.22. DOCUMENTS

This refers to the content of these REGULATIONS, including any modifications, annexes or appendices, as well as any additional regulation that affects the operations of the DEVELOPMENT and the resolutions of THE BOARD, which by their nature may be for general application.

2.23. EXCLUSIVE DEVELOPMENT DOCUMENTS

These will be the rules and regulations of the EXCLUSIVE DEVELOPMENT, plus the CONDOMINIUM Regulations if said DEVELOPMENT includes or consists of a CONDOMINIUM.

2.24. EXCLUSIVE DEVELOPMENT ENTITY

This is the association or other entity responsible for the operations, maintenance and administration of an EXCLUSIVE DEVELOPMENT. The ADMINISTRATOR, the EXCLUSIVE DEVELOPMENT ENTITY and the CONDOMINIUM ADMINISTRATION (should it exist) will have competent jurisdiction over said EXCLUSIVE DEVELOPMENT in their respective areas.

2.25. URBAN PLANNING SPECIFICATIONS

These mean the architectural guidelines and specifications for design and construction and the procedures for application and review, as well as the modifications and supplements that could be the object of same from time to time, adopted by THE BOARD with respect to the DEVELOPMENT.

2.26. MATERIALS AND DESIGN SPECIFICATIONS

Section of the URBAN PLANNING SPECIFICATIONS that deals with the aspects of architectural design and materials to be used in the structures of the DEVELOPMENT.

2.27. CONSTRUCTION REGULATIONS AND SPECIFICATIONS

Section of the URBAN PLANNING SPECIFICATIONS that deals with the construction aspects of the DEVELOPMENT.

2.28. LANDSCAPING SPECIFICATIONS

Section of the URBAN PLANNING SPECIFICATIONS that deals with the landscaping aspects of the DEVELOPMENT.

2.29. COMMUNITY STANDARDS

These are the STANDARDS of conduct, maintenance or other generally prevailing activity throughout the DEVELOPMENT. Said STANDARDS may be determined more specifically by the ADMINISTRATOR.

2.30. PHASE

Each one of the development periods foreseen for the DEVELOPMENT.

2.31. COMMON EXPENSES

These are those current and estimated costs and expenses, incurred or to be incurred by the ADMINISTRATOR for the general benefit of all the OWNERS, including any reasonable reserve for deferred maintenance, repairs or replacements that the ADMINISTRATOR deems necessary and appropriate.

2.32. EXCLUSIVE COMMON AREA EXPENSES

These are the current and estimated costs and expenses, incurred or to be incurred by the ADMINISTRATOR, the CONDOMINIUM ADMINISTRATION or the EXCLUSIVE DEVELOPMENT ENTITY, mainly for the benefit of the OWNERS of the PROPERTIES benefiting from said EXCLUSIVE COMMON AREA.

2.33. CONDOMINIUM EXPENSES

Current and estimated costs and expenses incurred or to be incurred by the CONDOMINIUM ADMINISTRATION or, lacking same, the ADMINISTRATOR for the benefit of all the OWNERS of the PROPERTIES that comprise a CONDOMINIUM in accordance with the corresponding CONDOMINIUM REGULATIONS.

2.34. EXCLUSIVE DEVELOPMENT EXPENSES

These refer to and include those current and estimated expenses incurred or to be incurred by the ADMINISTRATOR, the CONDOMINIUM ADMINISTRATION, or the EXCLUSIVE DEVELOPMENT ENTITY, mainly for the benefit of the OWNERS of PROPERTIES within an EXCLUSIVE DEVELOPMENT, which may include a reasonable reserve for deferred maintenance, repair and replacements, as is specifically authorized from time to time by the ADMINISTRATOR.

2.35. EXTRAORDINARY EXPENSES

These are the current and estimated costs and expenses incurred or to be incurred by the ADMINISTRATOR, the CONDOMINIUM ADMINISTRATION or the EXCLUSIVE DEVELOPMENT ENTITY and that have not been budgeted or that exceed the amounts budgeted because of any unexpected or unforeseen circumstance in calculating the COMMON EXPENSES, EXCLUSIVE COMMON AREA EXPENSES, CONDOMINIUM EXPENSES or EXCLUSIVE DEVELOPMENT EXPENSES.

2.36. HARD ROCK GOLF CLUB AT CANA BAY

This means INVERSIONES ZAHENA S.A., or one or more of their successors and assigns that manages the commercial activity within the PROPERTY of HARD ROCK GOLF CLUB AT CANA BAY.

2.37. HARD ROCK GOLF CLUB AT CANA BAY MEMBERSHIP

This means INVERSIONES ZAHENA S.A., or one or more of their successors and assigns that manages the commercial activity within the PROPERTY of HARD ROCK GOLF CLUB AT CANA BAY.

2.38. CANA BAY BEACH CLUB MEMBERSHIP

Temporary right of use of the installations and services of the CANA BAY BEACH CLUB granted by the ADMINISTRATOR.

2.39. HARD ROCK GOLF CLUB AT CANA BAY MEMBER

Any PERSON holding a MEMBERSHIP in the HARD ROCK GOLF CLUB AT CANA BAY.

2.40. CANA BAY BEACH CLUB MEMBER

Any PERSON holding a MEMBERSHIP in the CANA BAY BEACH CLUB.

2.41. LOT

Portion of land within the DEVELOPMENT, which has a property title in accordance to the laws of the Dominican Republic.

2.42. PERSON

Person Any individual, corporation or other entity that has legal rights and is subject to obligations.

2.43. MASTER PLAN

This means and refers to the urban plan of the DEVELOPMENT, including the territorial demarcation and the location of the various components and installations of the DEVELOPMENT, as well as the modifications and supplements that the ADMINISTRATOR may introduce from time to time. The MASTER PLAN is attached as Attachment I to these REGULATIONS.

2.44. DEVELOPMENT

This refers to the real estate project CANA BAY defined in Article 1.4 of these REGULATIONS.

2.45. ADDITIONAL DEVELOPMENT

This is the real estate PROPERTY that may be submitted at any time to these Regulations by the ADMINISTRATOR, at its entire and absolute discretion, in accordance with the terms established in these REGULATIONS.

2.46. EXCLUSIVE DEVELOPMENT

Those PROPERTIES and COMMON AREAS which have been designated as an EXCLUSIVE DEVELOPMENT by the ADMINISTRATOR, and in which the EXCLUSIVE DEVELOPMENT OWNERS may have common interests, other than the common interests of all the OWNERS, such as a unique entrance, a different name of the EXCLUSIVE DEVELOPMENT and/or COMMON AREAS and establishments that are not available for

use by all the OWNERS. An EXCLUSIVE DEVELOPMENT may be a part of or form one or several CONDOMINIUMS.

2.47. PROMOTER

This refers to U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY, the ADMINISTRATOR, or to one of their successors or assigns, so long as said successor or assignee is designated as ADMINISTRATOR by the entity mentioned immediately above, in a DOCUMENT signed in accordance with the terms of these REGULATIONS. The ADMINISTRATOR may assign all or part of the rights contained in these REGULATIONS.

2.48. PROPERTY

Term that includes any portion of the DEVELOPMENT intended for residential, commercial or recreational use and includes, but not limited to, CONDOMINIUM units, commercial units, apartments, villas, houses, individual dwellings and LOTS. Should a structure contain multiple dwellings, each dwelling will be considered as one separate PROPERTY. When this term is used in reference to one LOT, this should include all the parts of the LOT, as well as any structure on same.

2.49. PROPERTY OF THE CANA BAY BEACH CLUB

Any movable or immovable PROPERTY possessed by the CANA BAY BEACH CLUB or its successors or assigns, plus all the recreational and social installations built on same, operated by the CANA BAY BEACH CLUB, its successors or assigns, including, but not limited to, to the CANA BAY BEACH CLUB and related installations and structures. The PROPERTY of the CANA BAY BEACH CLUB is not a COMMON AREA.

2.50. PROPERTY OF THE HARD ROCK GOLF CLUB AT CANA BAY

Any movable or immovable PROPERTY owned by the HARD ROCK GOLF CLUB AT CANA BAY, its successors or assigns, plus all the recreational and commercial installations built on same, operated by the HARD ROCK GOLF CLUB AT CANA BAY, its successors or assigns, including, but not limited to, the golf course, the clubhouse and the related installations. The PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY is not a COMMON AREA.

2.51. OWNER

This means and refers to the registered or recorded owner on the title of a PROPERTY (including the PROMOTER and the DEVELOPERS, but excluding any PERSON or party that has any interest in a PROPERTY merely as a guarantee for fulfilling an obligation).

2.52. RESORT

This means the DEVELOPMENT.

2.53. REGISTRY

This means the Title Registry of Higüey, Province of La Altagracia, Dominican Republic, which, by Law No. 108-05, Real Estate Registry, of the twenty third (23rd) of March of 2005, that is the agency responsible for registering all real estate PROPERTIES located in its area of jurisdiction.

2.54. CONDOMINIUM REGULATIONS

These are the co-ownership and administration regulations and other conditions, restrictions and provisions (if so determined) imposed by a DOCUMENT registered on the CONDOMINIUMS to be developed in the DEVELOPMENT in accordance with the provisions of Law 5038, of the Twenty-first (21st) of November of the year Nineteen Fifty-eight (1958), O.G. 8038, as modified, and any successor laws.

2.55. EXCLUSIVE DEVELOPMENT REGULATIONS

These are the co-ownership and administration regulations and other conditions, restrictions and provisions (if so determined) imposed by a DOCUMENT registered on one or more EXCLUSIVE DEVELOPMENTS in accordance with the Third Chapter of these REGULATIONS. When an EXCLUSIVE DEVELOPMENT is a CONDOMINIUM, it must have its CONDOMINIUM REGULATIONS.

2.56. RULES & REGULATIONS

This refers to this document, as well as the modifications and supplements made to them from time to time.

2.57. SUPPLEMENTARY REGULATIONS

This refers to a supplement to these REGULATIONS, signed and/or consented to by the ADMINISTRATOR in accordance with Article 3.3 of this DOCUMENT.

2.58. RULES

These are all the decisions, standards, specifications, norms and regulations that govern the use of the PROPERTY in addition to those contained in these REGULATIONS, in the COMMUNITY STANDARDS and the URBAN PLANNING SPECIFICATIONS, promulgated by the ADMINISTRATOR or THE BOARD. Said STANDARDS, SPECIFICATIONS, norms and regulations will be obligatory for the OWNERS, DEVELOPERS, residents, visitors, guests and users of any kind.

2.59. SECTOR

This refers to a continuous group of LOTS with a common access road identified with a letter and a number on the MASTER PLAN.

2.60. URBAN PLANNING WORKS

The installations and utilities of the DEVELOPMENT, which include the supply of electricity, potable water, sewage, telephone and cable, access streets and other services and infrastructure required for the development of the DEVELOPMENT.

2.61. UNIT

This means "PROPERTY."

3. MASTER PLAN OF THE DEVELOPMENT

3.1. MASTER PLAN OF THE DEVELOPMENT

U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY promoted the DEVELOPMENT as part of a tourist residential community to be developed in various PHASES, as per the MASTER PLAN and subject to the required government permits.

The PHASES of the DEVELOPMENT that comprise the MASTER PLAN are described in Article 1.4 of the REGULATIONS.

U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY has transferred its rights and obligation of the MASTER PLAN to the ADMINISTRATOR, which reserves its right to modify or expand the MASTER PLAN at its own discretion. The ADMINISTRATOR may modify or expand the MASTER PLAN without OWNER approval.

The infrastructure for the first PHASE of the DEVELOPMENT is being completed by the ADMINISTRATOR. This obligation and funds required to complete said obligation were transferred from U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY to the ADMINISTRATOR.

The second PHASE of the DEVELOPMENT and its infrastructure has practically not started, other than demarcation of boundaries and preliminary infill of future roads.

At a later stage, the ADMINISTRATOR will establish an infrastructure fee that will be allocated amongst the LOTS that comprise the second PHASE of the DEVELOPMENT. This infrastructure fee will be calculated assuming the same quality of infrastructure work completed in the first PHASE of the DEVELOPMENT, and will be audited by an independent consultant. This infrastructure fee will be prorated and allocated to each LOT based on each LOT's surface area (in square meters).

3.2. SUPPLEMENTARY REGULATIONS

The ADMINISTRATOR will have the right, from time to time, to add to these REGULATIONS, at its own discretion, SUPPLEMENTARY REGULATIONS containing provisions that:

- a) Impose a specific use on a part of the PROPERTY;
- b) Designate certain PROPERTIES and COMMON AREAS as an EXCLUSIVE DEVELOPMENT, their specific use or provisions with respect to said EXCLUSIVE DEVELOPMENT;
- c) Impose additional restrictions or eliminate restrictions on a part of the DEVELOPMENT;
- d) Assign any or all rights and obligations of the PROMOTER under these REGULATIONS;
- e) Submit additional PROPERTY to the effectiveness of these REGULATIONS; y,
- f) Undertake any other action permitted in these REGULATIONS.

3.3. EXCLUSIVE DEVELOPMENT REGULATIONS

The ADMINISTRATOR, or another PERSON with the prior and written consent from the former, may submit an EXCLUSIVE DEVELOPMENT to EXCLUSIVE DEVELOPMENT REGULATIONS, in which case the portion of the DEVELOPMENT that is subject to these REGULATIONS will be submitted both to these

REGULATIONS as well as to the REGULATIONS for said EXCLUSIVE DEVELOPMENT. In the event of a conflict, these REGULATIONS and the DOCUMENTS will prevail over the DOCUMENTS of the EXCLUSIVE DEVELOPMENT.

3.4. INCLUSION OF ADDITIONAL PROPERTY IN THE DEVELOPMENT

The ADMINISTRATOR will have the right, at its sole discretion, to submit any additional PROPERTY to the provisions of these REGULATIONS, as well as any SUPPLEMENTARY REGULATIONS. Such SUPPLEMENTARY REGULATIONS will not require the consent of any of the OWNERS. The ADMINISTRATOR will have the right, at its sole discretion, to transfer to any other PERSON the right, privilege and option to include additional PROPERTY to the provisions of these REGULATIONS, which is reserved in this DOCUMENT for the ADMINISTRATOR, so long as said transfer is stated in a SUPPLEMENTARY REGULATION.

4. ADMINISTRATION OF THE DEVELOPMENT

4.1. THE ADMINISTRATOR

The DEVELOPMENT will be operated, maintained and administered by the ADMINISTRATOR, CANA BAY, S.R.L.

4.2. DESIGNATION OF THE ADMINISTRATOR

The ADMINISTRATOR has been designated by U.T.E. OTRASANU-RAMIRESORT PROYECTO CANA BAY. It is expressly established that the DEVELOPMENT is not a CONDOMINIUM, nor has it been nor will it be submitted to the provisions of Law 5038 of 1958 concerning Horizontal Property. Consequently, the administration of the DEVELOPMENT, currently in the hands of CANA BAY S.R.L., may not be substituted in its faculties and powers, very specifically, those related to the designation of a successor ADMINISTRATOR or THE BOARD, via assemblies, meetings or decisions taken by the OWNERS or RESIDENTS of villas or apartments.

The ADMINISTRATOR will have the right to assign all or part of their powers and responsibilities to PERSONS or companies specializing in administration, maintenance, security or other aspects of the management of real estate communities.

4.3. FUNCTIONS OF THE ADMINISTRATOR

The functions of the ADMINISTRATOR will include but not be limited to those listed below:

- a) Handle all matters related to the operation corresponding to the DEVELOPMENT;
- b) Ensure the supply of all public services to the DEVELOPMENT, including electricity, potable water, drains, access streets and communications;
- c) Maintain COMMON AREAS and the AREAS OF COMMON RESPONSABILITY in accordance with the MASTER PLAN and COMMUNITY STANDARDS;
- d) Direct the financial matters of the administration and operation of COMMON AREAS, including the keeping of books and records, administration of funds from FEES and reserve accounts, as well as the payment of necessary or appropriate expenses;
- e) Prepare the annual budget of COMMON EXPENSES, determine and collect the FEES from each OWNER in the corresponding amount;
- f) Notify the OWNERS of violations of the DOCUMENTS;
- g) Impose sanctions on the OWNERS due to lack of payments of FEES or non-compliance with the terms of the DOCUMENTS;
- h) Record privileges in the case of delinquent payments; prosecute appropriately the delinquency of the OWNERS;
- i) Hire and fire employees in accordance with the labor laws of the Dominican Republic;
- j) Pay the corresponding labor benefits to former employees in accordance with the worker compensation table established by the Ministry of Labor;

- k) Submit to the Ministry of Labor within the first ten (10) days of each calendar year, the Roll of Permanent Employees and the Book of Inspector Visits;
- l) Report salaries and pay the amounts established by the law for the National Social Security Council, submitting all the necessary information with respect to permanent employees that qualify for Social Security coverage;
- m) Comply with any other obligation related to labor legislation;
- n) Keep an updated record of OWNERS;
- o) Execute the terms of the DOCUMENTS; and,
- p) Carry out all other actions and exercise full the authority granted to them by the DOCUMENTS or based on need and that are appropriate for the ongoing and successful operation of the DEVELOPMENT and as determined by the ADMINISTRATOR.

5. REGULATIONS CONCERNING USE

The DEVELOPMENT may be subject to uses designated in accordance with the terms of these REGULATIONS, any SUPPLEMENTARY REGULATION or by any other reasonable means established by the ADMINISTRATOR. The ADMINISTRATOR, at its sole and absolute discretion, will have the right to establish any use for the DEVELOPMENT described in the terms of the MASTER PLAN, these REGULATIONS and applicable law. Without limiting the foregoing, the DEVELOPMENT may be used in the following manner:

5.1. SERVICE AREAS

Service areas will be those areas designated in the MASTER PLAN for services, including but not limited to water sanitation services, electrical lines and utilities, water and sewage pipes, stores, restaurants, or other infrastructure or recreational uses. The ADMINISTRATOR may impose additional agreements, restrictions and conditions on the service areas or applicable to a certain area. The ADMINISTRATOR may furthermore establish any rights and obligations of the OWNERS of said areas, and the way said areas must be administered and treated by these REGULATIONS. Certain parts of the DEVELOPMENT may be used by the ADMINISTRATOR, the INTERNAL REAL ESTATE AGENCY or those PERSONS assigned by them to act as agent in the sale, resale or rental of PROPERTIES.

5.2. COMMON AREAS AND EXCLUSIVE COMMON AREAS

Las COMMON AREAS will be those areas designated in the MASTER PLAN as COMMON AREAS. Each OWNER will have the non-exclusive right to use, access and enjoy COMMON AREAS, subject to these REGULATIONS and its modifications. Every OWNER will have the right to delegate their right of use and enjoyment in COMMON AREAS to the members of their family, tenants and guests, as applicable, subject to the reasonable regulations established by the ADMINISTRATOR and in accordance with the procedures that could be adopted.

Certain portions of COMMON AREAS may be designated as an EXCLUSIVE COMMON AREA and be reserved for the exclusive use of the OWNERS and residents of the PROPERTIES benefiting from same. As an example, without limitation, EXCLUSIVE COMMON AREAS may include recreational installations intended for the exclusive use of the OWNERS within an EXCLUSIVE DEVELOPMENT, and maintained exclusively by the FEES of the corresponding EXCLUSIVE DEVELOPMENT.

5.2.1. ADMINISTRATION OF COMMON AREAS

The administration and operation of COMMON AREAS will be the responsibility of the ADMINISTRATOR, unless the ADMINISTRATOR assigns or delegates said responsibility entirely or in part, exclusively or not, and permanently or temporarily, with respect to any portion of COMMON AREAS to any PERSON or entity that the ADMINISTRATOR deems appropriate.

5.2.2. ADMINISTRATION OF EXCLUSIVE COMMON AREAS

The administration and operation of EXCLUSIVE COMMON AREAS will be the responsibility of the ADMINISTRATOR, of the EXCLUSIVE DEVELOPMENT ENTITY or of the corresponding CONDOMINIUM ADMINISTRATION, in accordance with which the decision of the ADMINISTRATOR, unless the ADMINISTRATOR assigns or delegates said responsibility entirely or in part, exclusively or not, permanently or temporarily, with respect to any portion of COMMON AREAS to another PERSON or entity that the ADMINISTRATOR deems appropriate.

5.2.3. RIGHTS OF THE ADMINISTRATOR IN COMMON AREAS

The ADMINISTRATOR must decide upon the improvements to COMMON AREAS and the use of same, and will also have the right to modify the limits of COMMON AREAS and build, develop or modify COMMON AREAS of same, as well as any improvement, right of way and rights of use over or belonging to same, at its sole and absolute discretion, so long as the general quality of the MASTER PLAN is not substantially modified to its detriment.

5.3. RESIDENTIAL AREAS

The residential areas will be those areas designated in the MASTER PLAN for residential use, which will include PROPERTIES and improvements associated with residential purposes, as well as uses that include, but are not limited to streets, vehicle entrances, sidewalks, entrance ways, street lighting, open spaces, spaces for parking, landscaping, pools, other recreational installations and other areas and amenities belonging to the PROPERTIES. Unless any other provision is established in a SUPPLEMENTARY REGULATION or EXCLUSIVE DEVELOPMENT DOCUMENT, each OWNER will be responsible for the maintenance of their PROPERTY.

5.4. LEASING OF PROPERTIES

The PROPERTIES may be leased only in their entirety. LEASING of parts of PROPERTIES is prohibited.

Sub-leasing of PROPERTIES will not be permitted, nor assignment of the LEASE, unless approved beforehand by the ADMINISTRATOR. All the LEASES must have a copy attached of these REGULATIONS, as well as all the RULES and DOCUMENTS applicable to the PROPERTY and must require the tenant to acknowledge receipt of said DOCUMENTS and that they declare compliance with the provisions of same. In the event of noncompliance, the ADMINISTRATOR will have the right, in addition to other recourses available in their favor, to evict the tenant on behalf of the OWNER and to levy all the costs associated with same against the tenant.

If at any time and from time to time the OWNER decides to offer a PROPERTY for LEASE and, when the time comes, the ADMINISTRATOR or their affiliate or concessionaire, through the INTERNAL REAL ESTATE AGENCY, offers duly accredited real estate brokerage services for real estate properties within the DEVELOPMENT, with the shared brokerage agreements that are common within the tourist real estate complex industry, the OWNER must sign an agreement acknowledging the ADMINISTRATOR, the INTERNAL REAL ESTATE AGENCY, and their affiliates has the right to LEASE said PROPERTY.

5.5. DISAGREEMENTS WITH RESPECT TO USE

Should any disagreement arise with respect to whether the designation of a portion of the DEVELOPMENT complies or not with the provisions of these REGULATIONS, a SUPPLEMENTARY REGULATION or other document(s), the conflict will be referred to the ADMINISTRATOR. The decision given by the ADMINISTRATOR will be final and applicable to all the PERSONS involved in the controversy.

5.6. EXEMPTIONS AND APPROVALS

The ADMINISTRATOR, THE BOARD, the clubs and any other of their agents has the right to grant, retain or deny their consent, permission or approval in any case, when their consent, permission or approval is permitted or required, at its sole discretion and without incurring in any responsibility of any kind toward the OWNER or any other PERSON for any reason, and must be indemnified and kept free and not liable by said OWNER or another PERSON for all of the damages resulting from same, including, but not limited to, costs of procedures and attorneys' fees. Each consent, permission or approval on the part of the ADMINISTRATOR, THE BOARD, the clubs or any of their agents by these REGULATIONS must be expressed in writing and will be obligatory and applicable to all PERSONS.

5.7. ACKNOWLEDGEMENT OF THE RULES & REGULATIONS

All the OWNERS (and residents of PROPERTIES will be informed by OWNERS that the use of their PROPERTIES is limited by the REGULATIONS), in the manner established in accordance with same. Each OWNER, upon signing the sales contract and accepting a title certificate, acknowledges and accepts that the use and the commercialization of their PROPERTY may be affected by the REGULATIONS and that the REGULATIONS may vary from time to time.

5.8. COMMUNITY GUIDELINES, STANDARDS, AND RULES

THE BOARD will have the right to adopt and impose additional Rules, STANDARDS, SPECIFICATIONS and GUIDELINES and subsequently to modify, alter, amend and increase any of the latter with respect to use, operation and enjoyment of all or part of the PROPERTY, COMMON AREAS, EXCLUSIVE COMMON AREAS and any improvement located on same, including, but not limited to, the establishment of reasonable fees for the use of the installations and the setting of schedules and manners of operation.

5.9. RULES AND RESTRICTIONS ON USE

The DEVELOPMENT must be used for residential, commercial, recreational, tourist and related purposes, which may include, but not limited to, offices for the ADMINISTRATOR and business, sales or real estate offices managed by the ADMINISTRATOR, as well as any other business that serves, and is a part of the DEVELOPMENT, in the manner established more specifically in these REGULATIONS and its modifications. Every SUPPLEMENTARY REGULATION or additional agreements imposed on any EXCLUSIVE DEVELOPMENT, may impose stricter standards and SPECIFICATIONS than those contained in this Article.

The ADMINISTRATOR will have the authority and the power to execute said STANDARDS. The ADMINISTRATOR will have the authority to establish and enforce the Rules and Restrictions. The Rules and Restrictions will be obligatory for all the OWNERS, residents, visitors, guests and users of any kind. Notwithstanding any contrary provision, the ADMINISTRATOR will be exempt from the enforcement of the provisions of this Article.

Each Rule or Restriction mentioned below must be considered as independent and as a separate agreement and in the event that any of these Rules and Restrictions, for any cause or reason, is invalidated or is left without effect, all the other Rules and Restrictions will remain in full effect and period of validity.

5.9.1. SIDEWALKS, ROADS, AND VEHICLE ENTRY

All public services within the DEVELOPMENT will be installed underground, unless specifically allowed otherwise by the ADMINISTRATOR or THE BOARD. The lines for public services, including but not limited to cable television and gas, may only be installed, repaired or replaced below the existing roads, sidewalks or vehicle entrance, after authorization and under the supervision of the ADMINISTRATOR. This restriction is intended to preserve the esthetic nature of the paved surfaces.

5.9.2. FUEL STORAGE

The storage of gasoline and other fuels in an amount greater than five (5) gallons, for the operation of equipment for the maintenance of lawns and similar equipment and/or emergency purposes, is prohibited in any part of the DEVELOPMENT, unless the ADMINISTRATOR given the authority to store fuel for the operation of vehicle maintenance, power generators and similar equipment. Notwithstanding the content of this provision, fuel tanks for storing fuel for furnaces, ovens, dryers, water heaters, homes, pools, gas grills and similar equipment may be allowed if they are installed below ground or are appropriately concealed and approved by THE BOARD.

5.9.3. ANIMALS AND PETS

Raising or keeping any animal, reptile, livestock, wild animals or birds in any part of the DEVELOPMENT is prohibited, except in the area, if any, specifically determined by the ADMINISTRATOR, and except for a total limit per PROPERTY of two (2) dogs, cats, fish or other usual and common house pets. The raising or possession of pets for commercial purposes is prohibited.

Furthermore, the free roaming of pets is prohibited, and whenever they are outside of the PROPERTY of the OWNER, they will be confined on a chain held by a responsible PERSON. The OWNERS must ensure that their animals and pets are duly vaccinated. The OWNERS must immediately clean up after their pets have defecated in any portion of COMMON AREAS or on the LOT. The OWNERS will be responsible to third parties for the damages caused by animals kept on the LOT of an OWNER. Any pet that, at the sole discretion of THE BOARD, places the health and safety of the OWNERS at risk, makes objectionable noises, or causes annoyances or inconveniences to other OWNERS will be removed on demand from THE BOARD. If the OWNER does not honor said demands, the ADMINISTRATOR may remove the pet. Breeds of dogs that, at the sole discretion of THE BOARD, are considered potentially dangerous, may be prohibited.

5.9.4. ANTENNAS, SATELLITE DISHES

The placing of radio and communication antennas or satellite dishes within the DEVELOPMENT is prohibited unless THE BOARD so allows and in accordance with the Design Guidelines, exhibition and landscaping requirements and other applicable Rules related to the placement and manner of installation. The ADMINISTRATOR will have the right, without the latter being obligatory, to erect, install and maintain for the benefit of all or part, any of these devices.

5.9.5. GAME EQUIPMENT AND AREAS

All bicycles, tricycles, motorcycles, skateboards and other game equipment, pool floaters, baby strollers and similar articles will be stored in a manner so as not to be visible from the street or the PROPERTY adjoining the PROPERTY. It is prohibited for any of these articles to remain outside or visible from the adjoining PROPERTY when they are not in use. Notwithstanding the above, THE BOARD will have the right, without being so obligated, to allow the installation of swing sets and permanent game equipment. All play areas or other areas for games or equipment supplied by the ADMINISTRATOR or erected within the DEVELOPMENT will be used at the risk of the user, and neither the PROMOTER, the ADMINISTRATOR nor the clubs will be responsible to any third PERSON for any claim, damages or harm that occurs with same or related to the use of same.

5.9.6. WET AREAS, LAKES AND STREAMS

All of the non-navigable waters within the DEVELOPMENT will be only esthetic amenities or installations for retaining rainwater, and no other use of same will be allowed without the prior and written consent from the ADMINISTRATOR, including but not limited in any way, to fishing, swimming, games, or use of personal flotation instruments, unless the aforementioned are permitted by the ADMINISTRATOR. Neither the ADMINISTRATOR nor the clubs will be responsible for losses, harm or damages to any PERSON or PROPERTY originating from the authorized or unauthorized use of lakes, ponds, streams or coastline within the DEVELOPMENT. The construction of docks, ports or other structures in or on bodies of water within the DEVELOPMENT is prohibited, except those built by the PROMOTER, the ADMINISTRATOR or the clubs, or as may be approved in accordance with these REGULATIONS.

5.9.7. FIREARMS AND SHARP OBJECTS

The use of firearms is prohibited within the DEVELOPMENT. The terms “firearms” includes “BB” pistols, pellet guns and firearms of any kind, regardless of the size. Only personnel designated by the ADMINISTRATOR may carry firearms with their respective license issued by the Ministry of the Interior and Police, in accordance with Law No. 136 of 1965, Sharp objects that are more than three inches long and ½ inch wide, such as knives, swords, machetes, etc., are also prohibited, except for those PERSONS and workers who are authorized by the ADMINISTRATOR for the construction work that is carried out in the DEVELOPMENT.

5.9.8. PLANES, GLIDERS, AND SIMILAR OBJECTS

Unless the ADMINISTRATOR so allows, the operation of mechanical, combustion instruments, apparatus with propellers or similar objects is prohibited within the airspace over the DEVELOPMENT.

5.9.9. MAILBOXES AND EXTERIOR METALWORK

The style and design of all the mailboxes, signs, numbers and exterior metalwork must be in accordance with the URBAN PLANNING SPECIFICATIONS.

5.9.10. TENNIS COURTS

The construction of private tennis courts is prohibited, unless by exception and special cases of lots that are larger than five thousand (5,000) square meters and with the prior approval from THE BOARD.

5.9.11. CONVERSION OF GARAGE OR PARKING SPACES

The conversion of garages to finished spaces to be used as an apartment or other integral part of the habitable space of the PROPERTIES is prohibited, without the prior consent from THE BOARD.

5.9.12. WINDOW CURTAINS

All windows on any structure that is visible from the street or other PROPERTIES must have window curtains with a white or off-white background, or that blends with the exterior color of the dwelling, by the decision in this respect at the sole discretion of THE BOARD. The placement of reflective window curtains is prohibited.

5.9.13. VISIBILITY AT INTERSECTIONS

All PROPERTIES located at the intersections of streets will be gardened in a manner to allow the safe view around street corners. The placement of fences, walls, enclosures or the planting of bushes where they could create a traffic or vision problem is prohibited.

5.9.14. DRAINAGE

Basins or dams and drainage areas are intended solely for the purposes of the natural flow of water. Deviations, the placement of obstructions or partitions in these areas is prohibited. No PERSON, except the PROMOTER, the ADMINISTRATOR may obstruct or redirect the flow of drainage, after the placement and installation of the drainage canals, storm pipes, or storm drains. The PROMOTER, the ADMINISTRATOR hereby reserves for itself and the clubs a perpetual right of way through the DEVELOPMENT, for the purposes of altering the drainage and flow of water.

5.9.15. ALTERNATIVE ENERGY EQUIPMENT

The construction or installation of panel for collecting solar energy or other equipment for the conservation of energy on the PROPERTIES is prohibited, unless same form an integral and harmonious part of the architectural design of the PROPERTY, as determined by THE BOARD at its sole discretion.

5.9.16. PARKING

Vehicles must be parked only in the garages or in the vehicle parking lots, should any exist, corresponding to the PROPERTIES or in appropriate spaces or designated areas, in which parking may or may not be assigned. The doors of the Garage must remain closed always except during entry and exit.

All vehicles parked in violation of this paragraph or parking rules adopted by THE BOARD may be towed. Notwithstanding the above, service and delivery vehicles may be parked at the vehicle entrances of a PROPERTY during the times of day for the periods of time that are relevant and necessary for the provision of the service or for making a delivery to a PROPERTY.

In the DEVELOPMENT, there will be parking spaces for the handicapped, located conveniently. Said parking spaces will be identified with the international handicapped parking sign and the appropriate ramps allowing access from and to the parking spaces for the handicapped will be installed.

5.9.17. ACCESSORY STRUCTURES

Doghouses, tool sheds or structures of a similar nature will not be allowed, without the prior and written consent from THE BOARD.

5.9.18. LIGHTING

Each OWNER or DEVELOPER may be required to install on any PROPERTY built by said OWNER or DEVELOPER, exterior lighting in the manner determined by THE BOARD. The OWNERS of the PROPERTIES that are served by said lighting will be responsible for maintaining the lighting and the ADMINISTRATOR will have the right at the cost and expense of the OWNER, for maintaining said lighting should the OWNER not comply in doing so. All exterior lighting must be approved by THE BOARD before it is installed, except for reasonable decorative seasonal lights to be placed starting on the First of December of the year to the Tenth (10th) of January of the following year, only.

5.9.19. IRRIGATION

The installation, construction and operation of sprinkler or irrigation systems of any kind, which are fed from water sources within the DEVELOPMENT, are prohibited, except when installed, constructed, and operated by the PROMOTER, the ADMINISTRATOR or the clubs, without the prior consent of the ADMINISTRATOR or THE BOARD. Each one of the developed LOTS may be required, at the ADMINISTRATOR'S or THE BOARD's sole discretion, to have a buried irrigation system connected to the general irrigation system of the DEVELOPMENT.

5.9.20. SIGNS AND FLAGPOLES

The placing of signs, posters, announcements or flagpoles will not be allowed, unless THE BOARD so allows specifically in accordance with the applicable zoning regulations. The ADMINISTRATOR and the clubs will have the right to place signs and flags as they deem appropriate, at their discretion.

5.9.21. PROPERTY MAINTENANCE

5.9.21.1. GENERAL

The OWNERS must maintain the PROPERTIES in accordance with these REGULATIONS, as well as modifications to same.

5.9.21.2. LANDSCAPING

The growth of roots, weeds or other deformed growth within the LOTS is prohibited, as well as the placing or keeping of deformed objects. All landscaping, sprinkler systems and, any PROPERTY structure and other belongings will be kept in good condition, safe, clean and attractive.

5.9.21.3. PAINT

The exterior of all PROPERTIES must have a coat of fresh paint, applied evenly and excessive cracks and peeling must be immediately repaired.

5.9.21.4. ON THE PART OF THE ADMINISTRATOR

Should any OWNER not comply with maintaining the PROPERTY to the satisfaction of the ADMINISTRATOR, the latter will have the right, without being obligatory, of entering said PROPERTY and to perform improvements and corrections that are necessary, the cost of which, plus ten per cent (10%), must be paid by said OWNER as a ONE-TIME FEE.

5.9.21.5. ROOFS

The roofs of all the PROPERTIES must be maintained in clean, neat and attractive condition with a full set of roof tiles, wood slates or palm leaves.

5.9.22. ANNOYANCES

The use of any portion of the DEVELOPMENT, in its entirety or in part, is prohibited for the storage of goods or things that could create conditions of uncleanness, lack of hygiene or that are offensive to the sight, as well as the keeping of substances, things or materials, in any portion of the DEVELOPMENT, which emit pestilent or offensive odors or that cause noise that exceeds fifty (50) decibels at a distance of thirty (30) feet from the emitting source of said sound, or other conditions that disturb or could disturb the peace, quiet, safety, comfort and serenity of the residents of the surrounding PROPERTIES. Holding activities and keeping pets, plants, instruments or things of any type in the DEVELOPMENT that in any way are hazardous, dangerous, illegal, offensive, deformed, unpleasant or of a nature such that they could diminish or destroy any portion of the DEVELOPMENT is prohibited.

5.9.23. OBLIGATIONS OF THE RESIDENTS

All the provisions of these REGULATIONS, the Rules, the COMMUNITY STANDARDS or the restrictions on use adopted with respect to same that govern the conduct of the OWNERS and which foresee sanctions against the OWNERS, will be applied additionally to all the renters, tenants, residents, visitors and guests of the PROPERTIES.

Each OWNER must ensure that all the residents of their PROPERTY comply with these REGULATIONS, the Rules and the COMMUNITY STANDARDS or the restrictions on use and will be jointly responsible with the latter, for all violations and losses to COMMON AREAS caused by said residents, notwithstanding the fact that said residents are entirely responsible and may be sanctioned for any violation of these REGULATIONS, the Rules and the COMMUNITY STANDARDS.

5.9.24. WALLS AND FENCES

Walls and fences are prohibited on the LOTS, unless they have been specifically permitted by THE BOARD.

5.9.25. FISHING AND HUNTING

Fishing and hunting are prohibited within the DEVELOPMENT, unless it has been permitted by the ADMINISTRATOR or THE BOARD in an exclusive area determined for said purpose, in accordance with the provisions established by law, the ADMINISTRATOR or THE BOARD.

5.9.26. SWIMMING POOLS

The construction, erection or installation of pools above ground level is prohibited on the LOTS, unless THE BOARD approves Spas and Jacuzzis above ground level.

5.9.27. WATER WELLS

Private wells are not permitted on any LOT without the consent of the ADMINISTRATOR or THE BOARD.

5.9.28. REMODELING OF PROPERTIES

All types of structural and architectural changes are prohibited that affect the internal area of the PROPERTIES, except the villas built on LOTS. Likewise, changes to the exterior of the PROPERTIES is prohibited.

5.9.29. REMOVAL OF TREES

The removal of trees is prohibited, unless they are lifeless trees and those that should be removed to promote the growth of other trees or for reasons of safety, unless approved by THE BOARD. The stumps resulting from trees damaged by force majeure should be removed.

5.9.30. SUBDIVISION OF PROPERTIES OR PARCELS

The subdivision of the PROPERTY, modification of its borders or dividing boundary lines is prohibited, as well as the alteration of walking paths and access roads, except with prior approval from the ADMINISTRATOR or THE BOARD.

5.9.31. CLOTHESLINES, GARBAGE CANS, TANKS, AND EQUIPMENT

Clotheslines, garbage cans and storage tanks, mechanical equipment, including but not limited to electricity meters, gas gauges, air conditioning compressors or other similar articles must be placed in such a

manner that they are concealed from view by neighboring PROPERTIES. All litter, garbage and waste must be kept in appropriate containers with lids and be removed regularly, accumulation of same being prohibited.

All basketball hoops, boards, storage tents, mechanical equipment, structures for storing garbage cans and other similar articles will be subject to the approval of THE BOARD.

5.9.32. TERRACES AND EXTERIOR SPACES

All terraces must be approved by THE BOARD. The configuration, details and design of porch railings must be harmonious with the architectural style of the PROPERTY.

5.9.33. TENTS, MOBILE HOMES, AND TEMPORARY STRUCTURES

Unless allowed by THE BOARD, during the initial construction within the DEVELOPMENT, OWNERS or residents must abstain from placing or allowing the placement of tents, utility sheds, huts, mobile homes or other structures of a temporary nature within the DEVELOPMENT.

5.9.34. WINDOW AIR CONDITIONING UNITS

Except in the manner allowed by THE BOARD, window air conditioning units may not be installed on any PROPERTY.

5.9.35. COMMERCIAL USE

Conducting business or commerce in or from the PROPERTY is prohibited; however, an OWNER or occupant residing at the PROPERTY will be allowed to conduct legal business activities so long as:

- a) The existence or operation of the business activity is not apparent or visibly detectable, sounds are not heard nor odors perceived from the exterior part of the PROPERTY;
- b) The business activity is in accordance with the applicable zoning requirements;
- c) The business activity does not include solicitation or door-to-door promotion of residents;
- d) The business activity does not include the storage or placement of any specific business tools in areas in which they could be seen from COMMON AREAS or other PROPERTIES;
- e) The business activity is consistent with the residential nature of the zone and does not cause annoyances or a hazardous or offensive use, or threaten the safety of other residents, as determined at the sole discretion of THE BOARD;
- f) The business is not carried out openly, with the understanding that there be no type of sign nor indication that could be related to same;
- g) The business is limited to representation, and to the sale or rental of products or services as such; and,
- h) That the activity is not harmful nor is it in conflict with the businesses and interests of the PROMOTER or the ADMINISTRATOR.

The terms “businesses” and “commerce” in the manner that they are used in this provision, will be interpreted within the generally accepted meaning and will include, without limitation of any kind, all occupations, work or activity carried out based on the continuity that is involved in supplying goods or services to PERSONS other than the family of the supplier and from which the supplier receives fees, compensation or other forms of payment, regardless of whether:

- a) Said activity is carried out full time or part time;
- b) Said activity is intended to generate profits; or
- c) A license is required for same.

Notwithstanding the above, the LEASING of a PROPERTY will not be considered as a commerce or business within the meaning of this section. This section will not apply to any activity conducted by the PROMOTER or the ADMINISTRATOR with respect to the development and sale of the PROPERTY or the use of any LOT or PROPERTY owned by the former within the DEVELOPMENT.

5.9.36. ARTIFICIAL PLANTS, EXTERIOR DECORATIONS, AND SIMILAR ARTICLES

Artificial vegetation is prohibited on the LOTS. Exterior decorations, including but not limited to sculptures, fountains, flags and similar articles must be approved by THE BOARD.

5.9.37. MOTOR VEHICLES

The use of all types of motor vehicles (including private golf carts) within the DEVELOPMENT is permitted as established by THE BOARD in compliance with the Rules, with the understanding that holding motor vehicle competitions or of any type of vehicle that could threaten the safety of the OWNERS will be completely prohibited within the DEVELOPMENT.

5.9.38. PROHIBITED VEHICLES

The use of vehicles, motorcycles or any other means of transport that produces noises that exceed 50 decibels at 30 feet from the source is prohibited. Commercial vehicles, vehicles containing commercial logos on their exterior, vehicles used or designated mainly for commercial purposes, collection trucks, tractors, mobile homes, recreational vehicles, trailers (with or without wheels), camping vehicles, camping vehicles on wheels, boats and other water apparatus and boat trailers must be parked only in the garages designated for each PROPERTY or in the common parking area, should any exist, designated by THE BOARD. Within the DEVELOPMENT, stored vehicles or vehicles that are obviously inoperable or that do not have current operating licenses, will not be permitted except in the garages. To this end, a vehicle will be considered as “stored” if it has been placed on blocks or covered with an impermeable cloth and is kept on blocks or covered for Fourteen (14) consecutive days. Notwithstanding the above, service and delivery vehicles may be parked at the vehicle entrance of a LOT during the times of day for a period that is reasonably needed to provide the service or make a delivery to the LOT. Any vehicle that is parked in violation of this paragraph may be towed with a tow truck at the expense of the OWNER. This paragraph will not apply to any commercial vehicle that provides services or makes deliveries on behalf of the PROMOTER, the ADMINISTRATOR, the clubs, their successors and assigns.

5.9.39. WASTE WATER DISPOSAL

All PERSONS are prohibited from spreading remnants of lawn after cutting the same, leaves or other particles, petroleum products, fertilizers or other toxic or potentially hazardous substances in any place within the DEVELOPMENT, except the fertilizers and toxic substances for controlling pests that could be applied to the landscaping on LOTS, so long as the pertinent measures are taken to minimize the spreading, following authorization from the ADMINISTRATOR.

5.10. TRANSFERRING PROPERTY

5.10.1. NOTIFYING THE ADMINISTRATOR

Any transfer of a PROPERTY will obligate both the seller and the buyer to notify the ADMINISTRATOR in writing of the sale as well as obligate the seller to provide the ADMINISTRATOR the name, mailing address and telephone number of the new buyer.

5.10.2. RIGHT OF FIRST REFUSAL

To protect the value of PROPERTY within the DEVELOPMENT, the ADMINISTRATOR will have the right to first purchase to acquire the PROPERTY or PROPERTIES that are put up for Sale. Consequently, if the OWNER wishes to sell or in another manner transfer the PROPERTY, they must list the PROPERTY with the INTERNAL REAL ESTATE AGENCY and notify the ADMINISTRATOR by means of a Notification of Preferential Option of this decision. The Notification of Preferential Option must describe the conditions of the PROPERTY, must contain the sale price, as well as the other terms under which the OWNER is willing to sell. The date on which the notification of preferential option is received will be known as the "Date of Notification".

The ADMINISTRATOR will have a period of fifteen (15) days, starting on the Date of Notification, to exercise their Right to First Purchase. If once the period expires, the ADMINISTRATOR has not exercised the sale by the INTERNAL REAL ESTATE AGENCY, under the system of their having the Right to First Purchase, the PROPERTY will be placed in established [sic] by the INTERNAL REAL ESTATE AGENCY, the ADMINISTRATOR having the right to participate in the offer to be made of the refusal of the PROPERTY, jointly with any other parties interested in purchasing the PROPERTY.

This preferential right granted via the Right of First Refusal contemplated herein will not be applicable for the first sale of any PROPERTY in question.

This preferential right granted via the Right of First Refusal contemplated herein may be registered in favor of the ADMINISTRATOR before the corresponding Title Registrar.

5.10.3. PROPERTY SALE AND PURCHASE CONDITIONS

The following conditions must be met by the OWNER as a prior condition to selling their PROPERTY:

- a) Be current in the payments of FEES and other obligations to the ADMINISTRATOR or THE BOARD;
- b) Request that the third party acquiring the PROPERTY expressly accept and acknowledge in the transfer DOCUMENT, all the FEES applicable to the PROPERTY, any FEE pending to date and any other possible subsequent FEE:

- c) Submit for the purposes of prior and written approval from the ADMINISTRATOR the purchase contract for the sale of the PROPERTY, which should state the following:
 1. That the OWNER acknowledges these REGULATIONS and any other regulation applicable to the PROPERTY; and,
 2. That the OWNER and/or third party acquirer obligate(s) themselves to comply with all the provisions that are amended from time to time.

In the event of the sale of one or several LOTS, the OWNER will apply a system of notifications identical to the one mentioned above.

5.10.4. AGREEMENTS TO EXERCISE RIGHT OF FIRST REFUSAL OPTION

If the ADMINISTRATOR exercises their Right of First Refusal, the Parties agree to the following:

- a) If the LOT is sold without having built the authorized dwelling, but said sale is produced within the period of effectiveness granted in the purchase contract for carrying out the construction. The ADMINISTRATOR will re-purchase the LOT for the amount established in the sales offer of the real estate property, and must pay to the OWNER the amount of re-purchase within a period of One Hundred Twenty (120) days starting on the date on which they exercise their repurchase option; and,
- b) If the LOT is sold without having built the authorized dwelling, but said sale is produced after the term granted in the purchase contract for carrying out said construction has expired, the ADMINISTRATOR will re-purchase the LOT for the original sale of same by the ADMINISTRATOR to the OWNER, and must pay to the OWNER the amount of the re-purchase within a period of One Hundred Twenty (120) days starting on the date on which they exercise their re-purchase option.

The ADMINISTRATOR may compensate against the value of the LOT the amounts that are owed to them by the OWNER by the purchase contract signed for the LOT in question, or any other amount owed for said concept.

5.10.5. WAIVER OF RIGHT OF FIRST REFUSAL OPTION

Should the ADMINISTRATOR expressly reject the purchase option or not give the notifications indicated above, the Parties agree to the following:

- a) The third-party acquirer of the PROPERTY must expressly assume, in addition to all the obligations imposed on the OWNER by these REGULATIONS and of the purchase contract for said PROPERTY, the obligations established in subsections 1, 2 and 3 below, unless expressly authorized by the ADMINISTRATOR, to wit:
 1. Initiate the Construction of the authorized dwelling on the LOT within two (2) years starting with the date on which the URBAN PLANNING WORKS of the area in question is completed. The two (2) years described above will begin starting with the first purchase by the initial OWNER and will continue in effect with the subsequent purchase contracts that are signed with respect to said LOT;
 2. Complete the construction of the dwelling within the twenty-four (24) months starting on the date of initiation of the construction of said dwelling; and,

3. Not suspend the construction initiated on the LOT for more than Fifteen (15) consecutive calendar days, excluding the two days that by law or generalized use in the country are non-working days, except in cases of force majeure that are not attributable to the third-party acquirer, or during the Christmas holidays. By force majeure is meant only acts of nature such as hurricanes, earthquakes, tidal waves, storms, floods, tornados or others such as strikes or walkouts by workers (that are not workers for the third-party acquirer) and that in effect hinder the construction work, war, riots, hostilities, sabotage, terrorist or guerilla acts and fires.
- b) Once the transfer of the LOT is executed, the first OWNER assigns in guarantee to the ADMINISTRATOR, all the credits that are generated from the sale of the LOT to the thirdparty acquirer, and the latter will be responsible for payment of the amounts and compensations required in the purchase contract originally signed with the first OWNER.
 - c) The first OWNER will be obligated to include in the purchase contract to be signed with the third-party acquirer, the necessary clauses that guarantee acceptance by the acquirer of the provisions indicated in these REGULATIONS. On the contrary, the first OWNER expressly and irrevocably agrees to be constituted as a joint guarantor of the amounts to be generated because of the transfer of the PROPERTY, expressly renouncing the benefits of division and exclusion.

5.11. INTERNAL REAL ESTATE AGENCY

To facilitate and properly administer the commercialization of PROPERTY in the DEVELOPMENT, the ADMINISTRATOR will form an INTERNAL REAL ESTATE AGENCY that will ensure that the marketing, sale, re-sale, and/or rental of PROPERTY within the DEVELOPMENT will be conducted in a fair, professional and organized manner. These activities will enhance the value of the DEVELOPMENT and all PROPERTIES within the DEVELOPMENT.

The INTERNAL REAL ESTATE AGENCY will provide the following services:

- a) Support the ADMINISTRATOR, DEVELOPERS, and PROPERTY OWNERS in the marketing, sale, re-sale and/or rental of PROPERTY within the DEVELOPEMNT,
- b) Coordinate all commercial activity within the DEVELOPMENT,
- c) Sell, re-sell, and/or rent PROPERTY within the DEVELOPMENT,
- d) Coordinate with DEVELOPERS, PROPERTY OWNERS, and external real estate brokers any visits to the PROPERTIES of any prospective buyers or renters and attend such prospective buyers or renters, and
- e) Maintain a current database of listings for all PROPERTY that is for sale, re-sale, or rent within the DEVELOPMENT.

To cover expenses, the INTERNAL REAL ESTATE AGENCY will charge a 5% commission on the total value of each sale or rental transaction when the sale or rental of PROPERTY is executed directly by the INTERNAL REAL ESTATE AGENCY. The INTERNAL REAL ESTATE AGENCY will charge a 0.5% commission on the total value of each sale or rental transaction when such sales or rentals are executed through third parties.

The INTERNAL REAL ESTATE AGENCY will maintain an office within the DEVELOPMENT with good visibility and accessibility.

6. BOARD OF PLANNING AND REGULATION

THE BOARD, jointly with the ADMINISTRATOR, will be responsible for establishing and modifying the URBAN PLANNING SPECIFICATION and any other matter that is delegated to them by the ADMINISTRATOR or by these REGULATIONS.

6.1. DESIGNATION OF THE BOARD

The ADMINISTRATOR must designate and dismiss all the members of THE BOARD, which will be constituted by no less than three (3) individuals who are recognized in the field of engineering, architecture, planning, law, the game of golf or tourism. Should a vacancy be produced on THE BOARD, the member that will occupy the vacant position will be designated by the ADMINISTRATOR.

6.2. FREQUENCY OF THE MEETINGS OF THE BOARD

THE BOARD will meet at least once every two months, at the offices of the ADMINISTRATOR after being convened 15 days in advance. The information concerning each convocation may be obtained at the offices of the ADMINISTRATOR.

6.3. FUNCTIONS OF THE BOARD

The functions of THE BOARD, including but not limited to, will be those that are listed below:

- a) Assist the ADMINISTRATOR in promulgating the URBAN PLANNING SPECIFICATIONS of the DEVELOPMENT;
- b) Assist the ADMINISTRATOR in the modification of the URBAN PLANNING SPECIFICATIONS of the DEVELOPMENT;
- c) Review and approve or reject the proposals corresponding to new constructions and modifications of PROPERTIES in accordance with the STANDARDS, SPECIFICATIONS and GUIDELINES included in this document;
- d) Assist the DEVELOPERS and OWNERS in the interpretation of these REGULATIONS;
- e) Evaluate and mediate in special conditions that could cause conflicts among the DEVELOPERS, builders or OWNERS in achieving the STANDARDS, SPECIFICATIONS and GUIDELINES in these REGULATIONS;
- f) Assist the ADMINISTRATOR in executing the terms of the REGULATIONS and other Documents;
- g) Carry out all other actions and exercise the complete authority that are attributed to them by the DOCUMENTS or that are delegated to them by the ADMINISTRATOR; and,
- h) Monitor and observe the process of design and construction of the PROPERTIES to ensure their compliance in accordance with the approved DOCUMENTS and that which is established in these REGULATIONS. It is, however, the basic responsibility of the builder and the OWNER to ensure that the actual construction is in accordance with all the DOCUMENTS approved by THE BOARD.

6.4. ABSENSE OF RESPONSABILITY

Review or approval by THE BOARD will not imply or constitute an opinion from THE BOARD, nor will it impose on the latter, the PROMOTER, the ADMINISTRATOR or any other party, the responsibility for design or construction elements, including but not limited to, for example, the structural integrity of life or security requirements. The scope of said reviews and approvals by THE BOARD is limited only to whether the plans or the work meet certain requirements, STANDARDS, SPECIFICATIONS and GUIDELINES related to the esthetics, harmony and compatibility of the proposed improvements. No other review or approval will be granted to PERSONS or purposes, and only THE BOARD will have the right to submit to same; the review or approval by THE BOARD will not generate responsibility of any kind for the latter, the PROMOTER, the ADMINISTRATOR towards any other PERSON or party.

Every PERSON that submits plans or specifications and every OWNER agrees that said PERSON or OWNER will not file any action or suit against THE BOARD, the PROMOTER, the ADMINISTRATOR or any other party, to recover damages, and by these means discharge, release, renounce to claims and agree not to sue for the latter, legal actions and lawsuits that could arise from, or in relation to this Article, furthermore they hereby renounce the provisions of any law that establish that a general release is not extended to claims, suits and legal actions not known at the time in which the release is granted.

7. REVIEW PROCESS AND APPROVAL OF PROJECTS

The process of review has been developed to facilitate compliance with the URBAN PLANNING SPECIFICATIONS of the DEVELOPMENT. Any construction of improvements and modifications on the PROPERTY or the UNIT must comply with the Master Plan, the applicable building regulations and the standards established by the government authority that are applicable from time to time, the conditions established in this Declaration and the URBAN PLANNING SPECIFICATIONS. Every OWNER and DEVELOPER recognizes that before submitting a request for a permit for any construction, change or remodeling of the interior or exterior of a UNIT the plans for said construction or improvement apply and must be submitted to the review and approval of THE BOARD.

THE BOARD will review each proposal and will respond in a timely manner, thus authorizing the continuation for the following phase of the review process. Proposals that are not approved will be modified and resubmitted for their review and approval.

THE BOARD will make every possible effort to respond within the 15 calendar days following the arrival of a complete request. If within this period THE BOARD does not respond, it should not be considered as if the proposal has been approved. Approvals will be given in writing and in no way will exonerate the DEVELOPER nor the owner from their responsibility and obligation to adhere to any ordinance and national or local law.

The process of Review and Approval of Projects will consist of five steps and separate approvals and a final inspection. Approval should be received in writing before proceeding to the next step.

If the information provided to THE BOARD is incomplete or insufficient in any way, THE BOARD may request and require the submittal of additional or supplementary information.

7.1. STEP 1: PRESENTATION OF THE CONCEPT AND TIMETABLE OF THE PROJECT

With the purchase of one or several LOTS, and prior to initiating the detailed design itself, the DEVELOPER or OWNER will make the following available to THE BOARD in two (2) copies for approval:

- a) El Registration of the project, including but limited to the name of the owner, address, contact person, architect, engineer, landscaper, other consultants.
- b) A letter of request for approval for the project.
- c) An approximate idea of the concepts. Including the “desired height” of the building, square meters, number of dwellings, number of bedrooms, configuration and location on the LOT, at the option of the builder or owner, preliminary plans, elevations and sketches may be submitted.
- d) An initial timetable of the design, permits and construction time, including the estimated dates for initiating and completing construction.
- e) A letter stating that the owner and their architect are familiar with and have reviewed these REGULATIONS and the URBAN PLANNING SPECIFICATIONS contained in same.
- f) A Letter that substantiates the financing sources for completing the construction within the scheduled timeframe with references from banks or financial institutions.

Non-compliance with the preceding points when submitting the concept and Preliminary Project for the INITIAL REVIEW OF THE PRELIMINARY PROJECT may result in serious delays in the approval of the process.

7.2. STEP II: INITIAL REVIEW OF THE PRELIMINARY PROJECT

With the written approval of the requirements for Presentation of the Concept and Timetable, the DEVELOPER or OWNER will submit two (2) copies of the following for approval from THE BOARD:

- a) A survey of the area and an analysis of the LOT(S) and immediate surroundings on a scale of 1:200. The inspection will include information that defines the location of the area, in critical elevation areas including, but not limited to, the pavement border, location and description of the vegetation, relationships of adjacent roads, properties, golf course and other features of the area. The inspection will include a report containing a brief analysis of the area, including information about the vegetation that will remain and a geotechnical evaluation for structural, topographic and drainage limitations and other natural or manmade elements that affect the DEVELOPMENT of the area.
- b) A preliminary plan of the area on a scale of 1:200 pointing out the location of the building, the configurations of the entry path and hallways, approximate area to be leveled, landscaping concept, permanent lighting installations, location of mechanical and service equipment, etc.
- c) Schematic plans of the area by floor (on minimum scale of 1:50), pointing out the location of the uses within the structure, approximate location of doors and windows, patios, terraces, parking areas, pools, etc.
- d) Schematic sections of the area and at least four (4) elevations (on minimum scale of 1:50 and on the same scale as the previous schematic plans), indicating exterior treatments of the surface, roof treatments, door treatments, windows, porches, patios, etc.
- e) Any other information necessary to clarify the design.
- f) An updated timetable indicating the date of delivery of the rest of the design, permits and dates of starting and concluding the construction.

7.3. STEP III: PROJECT REVIEW

With the written approval of the INITIAL REVIEW OF THE PRELIMINARY PROJECT, the DEVELOPER or OWNER will submit two (2) copies of the following for the approval of THE BOARD:

- a) Un A final plan of the area (in scale of 1:200), pointing out the boundaries of the property, markings of the building, configurations of entrance path and hallways, areas to be leveled, permanent lighting installations, location of service and mechanical equipment, and the borders for clearing the LOT.
- b) A service plan (on scales of 1:200) pointing out the location, sized and materials of sanitary sewage lines, location and sized of water lines and telephone, gas and electricity connections, including service lines for permanent lighting installations and the estimated demand for water and electricity.
- c) A plan (in scale of 1:200) showing levels and drainage indicating same in intervals of 30 cm and points to be leveled, elevations of finished floors, drainage patterns, control measures against erosion and sediment, etc.
- d) A landscaping plan (in scale of 1:200), pointing out the existing vegetation and vegetation coverage that will remain in addition to the location, species, quantity and size of all new species.
- e) An irrigation plan (in scale of 1:200) indicating the locations and coverage of the irrigation heads, laterals, valve control equipment, etc., in addition to the water source.

- f) Architectural and elevation sections (in scale of 1:50) indicating the exterior materials, doors, window, porch, patio and roof treatments, etc.
- g) Any necessary information will be permitted to clarify the design.
- h) Estimated specifications of the exterior materials.
- i) Samples of the materials and colors for the exterior of the surfaces of buildings, walls, fences, paths, etc. (please note: only a copy of the material/color is required.)
- j) Written documentation indicating that the applicable ordinances and codes have been complied with. If the builder or owner requests a variation in the local ordinances and codes, the design equipment must provide a detailed explanation of the reasons for this request.
- k) The estimated budget in dollars must indicate the projected cost of the project, including all the components of same.
- l) An updated timetable, including dates foreseen for initiating and completing the construction. Said timetable must have an attachment with financial information concerning the capacity to maintain and complete the construction project.

7.4. STEP IV: PRESENTATION OF PLANS TO AUTHORITIES

Con With the approval of the FINAL REVIEW by THE BOARD, the DEVELOPER or OWNER will submit plans and specifications to the official agencies that have jurisdiction over the project. The owner will pay any taxes and fees with respect to the permit process.

The approval from THE BOARD does not ensure compliance with the requirements of the official agencies. Where applicable codes and requirements exist that conflict with these Urban Planning Standards and Design Guidelines, the more rigorous regulations will govern.

Every participating DEVELOPER or OWNER must comply with the restrictions on building, all the building codes subdivision control standards and time of purchase and development.

7.5. STEP V: FINAL APPROVAL

When the DEVELOPER or OWNER receives approval from all the official agencies, they must submit four (4) copies of the following:

- a) Approved plans.
- b) Final specifications of the project.
- c) Copies of the building permits and other approvals that have been received.
- d) A final construction timetable indicating the dates foreseen for completing the foundation, roofs and structure, area work and other significant achievements in the construction.
- e) Verifications that the payments and/or guarantees that are owed to the ADMINISTRATOR are current.

After receiving this information, and once the approval is granted, THE BOARD will issue a Construction Certificate authorizing the initiation of the work and will return to the DEVELOPER or owner a duly sealed copy of the approved documents.

7.6. INSPECTION OF SITE, CERTIFICATE OF OCCUPATION

THE BOARD and any entity authorized by the PROMOTER or the ADMINISTRATOR will be authorized to inspect the construction process at any time. In the case of an emergency, said entities will be authorized to enter any unit or property.

Within thirty (30) days of having received the certificate of occupation from the local authorities, the DEVELOPER or owner will submit one (1) copy of the certificate of occupation, an inspection of the site, including the location of all the completed construction and a certificate of construction from the competent professionals. With the delivery of these documents, a representative of THE BOARD will make a final inspection of the LOT(S) and of the adjacent areas to ensure compliance with the URBAN PLANNING SPECIFICATIONS.

7.7. LIMITATIONS

Neither the Contractor, directors nor officials of the PROMOTER or ADMINISTRATOR, members of THE BOARD nor any PERSON acting on behalf of any of them, will be responsible for the costs or damages incurred by an owner or any other party involved, due to any error of judgment, negligence or any action of THE BOARD about the adaptation or approval of the URBAN PLANNING SPECIFICATIONS, or without the approval of any suggested improvement.

Each owner, as well as their successors and assigns will agree that acquiring the title or an interest or if they assume possession as such, that they will not file any legal action against the Contractor, directors or the representatives of the PROMOTER or ADMINISTRATOR, members of THE BOARD, or any PERSON acting on behalf of any of them to then recover any damages caused by the actions of THE BOARD, and will defend and consider THE BOARD and each of its members to be free of responsibility for any cost, expense and debt, including legal fees of any kind resulting from the actions of THE BOARD or its members.

Neither the Contractor, directors nor representatives of the DEVELOPMENT, members of THE BOARD, nor any PERSON acting on behalf of them will be responsible for any defect in the plans or improvements built after this.

7.8. RESPONSABILITIES OF THE OWNER

Each owner that submits plans and specifications for approval will be responsible for Proper compliance with applicable regulations, laws, ordinances and codes, for the quality of the construction and for compliance with these URBAN PLANNING SPECIFICATIONS.

8. CONSTRUCTION AND PRELIMINARY PROJECT PLANS

8.1. PRELIMINARY PROJECT PLANS

These should contain the following information:

- a) Location.
- b) Placement (with setbacks, topography and floor levels referring to said topography and rainwater drainage solutions).

- c) Blueprints (with the corresponding elevation marks and measurements).
- d) Elevations (with the corresponding elevation marks and measurements).
- e) Cross Sections (with the corresponding elevation marks and measurements).
- f) Photographs (which would be used as an instrument to clarify the surroundings in question).
- g) Verification of ownership of said LOT in the DEVELOPMENT.
- h) Accompany these documents with a letter requesting approval of the preliminary project, forwarded in CD format or electronically.

8.2. CONSTRUCTION PLANS

All plans submitted for approval must be drawn and signed by an architect or civil engineer having documents that authorize them to exercise their profession in the Dominican Republic.

The submitted plans must contain all the necessary information to define the proposed construction: Placement, topographic map showing major trees and ground levels at a height of 0.25 meters each level curve, location showing the site proposed for each building or structure, roads, access points and parking areas, plants, sections elevations of the structure, as well as electricity and sanitary installations.

When a building is proposed on any LOT in the project, the landscaping and land conditioning plan must be submitted for the purposes of obtaining the written approval from THE BOARD, establishing that this may require an adequate budget for conditioning the landscaping or green area and hence to preserve the maintenance standards within Cana Bay,

The construction of structures per the submitted plans may only be initiated when the latter have been approved, via a Certificate of Construction, by THE BOARD. Once the construction work is initiated, the work may not be interrupted and must be completed within a maximum term of one year (twelve (12) months). This period may be increased by submitting to THE BOARD a work timetable that justifies this and that has been approved previously by the Engineering Department or when completion is impossible for the owners or DEVELOPERS because of fire, national emergency or any other natural calamity.

9. URBAN PLANNING SPECIFICATIONS

9.1. MATERIALS AND DESIGN SPECIFICATIONS

9.1.1. STYLE

The architectural styles of the structures that are built in the DEVELOPMENT will become a vital component of the visual esthetics of same and consequently will affect the property value of the total. Hence it is important that the styles used maintain a certain harmony and coherence. To be able to provide practical guidance to the architects and designers of the structures, the PROMOTER or ADMINISTRATOR will place at the disposal of the DEVELOPERS and OWNERS a CATALOG OF VISUAL STYLE REFERENCES. This CATALOG will also be the reference that THE BOARD will use to judge the esthetic quality of the projects to be approved.

9.1.2. MAXIMUM AND MINIMUM CONSTRUCTION AREAS

In the sale contract for each LOT or group of LOTS, it states the percentage (%) of maximum lot coverage that can be built.

This area will be calculated in the following manner:

- a) Closed area of the structure, taken from the outer side of the exterior walls 100%.
- b) Area of covered and open terraces and porches, or uncovered and fenced in access entrances and covered passageways and roofed patios adjacent to the house 100%.
- c) Area of garages, machinery or covered parking areas 100%.

The minimum area permitted for the floor area constructed directly on the land will be 1 m²

The number of floors allowed, the maximum height of roof limits and points, as well as the required setbacks from the boundaries of each LOT or LOTS themselves will appear registered in the sale contract of each LOT or group of LOTS.

The ADMINISTRATOR will inform the OWNERS or DEVELOPERS that request same the capacity of areas for construction, floors, heights and setbacks allowed for each LOT that has been sold.

9.1.3. VOLUME, FORM, AND SCALE

The use of architectural features such as sloping roofs, or ornaments to customize each one of the structures is suggested.

The proportion of the structure to the area is important. Sloping roof lines with variations in height and volume are suggested. The ratio of scale of each component of the building will be related to the general volume.

Miscellaneous details such as moldings on doors and windows, wood railings and partitions at grand level must be related to the materials and colors to unify the appearance of the construction. It is suggested that imitation materials not be used.

Although individuality of the construction is encouraged, it should be consistent and complementary in some way or another. All the fences and walls will be an extension of the structures and will serve to define the space or conceal non-esthetic elements.

9.1.4. EXTERIOR COLORS AND MATERIALS

THE BOARD will give special attention to the exterior textures and colors. Natural materials, such as stone and wood will work well with the surroundings as well as natural colored materials. On the other hand, the use of too many different textures and materials may create confusion and distract from a good design.

9.1.4.1. PERMITTED EXTERIOR MATERIALS

- a) Stone.
- b) Stucco on masonry.

- c) Wood (any wood used in interiors or exteriors must be pre-treated against all types of pests).

9.1.4.2. PROHIBITED EXTERIOR MATERIALS

- a) Aluminum or steel siding and soffits.
- b) PLYWOOD or T-1-11 PLYWOOD.
- c) Cement, asbestos sidings.
- d) Composite siding.
- e) All plastics.
- f) Imitation stone.
- g) Masonry blocks.

9.1.4.3. EXTERIOR COLORS

- a) Neutral tones are suggested that can be accented with slight trimming and bright colors on walls and windows. Neutral schemes are refined and elegant and complement the natural surroundings.
- b) Colors inherent to Dominican architecture are suggested when they are used as accents.
- c) A sample must be submitted to THE BOARD for their approval.

9.1.5. ROOFS

9.1.5.1. ROOF SPECIFICATIONS

- a) The appearance of the roofs is of great importance for each type of dwelling. The incline of the main structure of the roof will not be less than 25%. Secondary structures (verandas, wind channels, etc.) may have a lesser incline but it is suggested that they not be flat. Roofs with an incline of less than 25% will be reviewed on an individual basis. The relationship of the roof to the overall composition and design of the area will be considered.
- b) The use of roofing elements, such as skylights, transoms and dormers must be an integral part of the shape of the roofs. These features must not have an appearance that is flashy.
- c) On walls with holes, the eaves of the roof must jut out a minimum of 1.2Mts (4'), and a maximum of 1.50Mts. On the wall; on walls without holes the overhang of the eaves must be a minimum of 0.60Mts (2') and maximum of 1.00Mts, over the wall.

9.1.5.2. PERMITTED ROOF MATERIALS

- a) Palm leaves.
- b) Wood slates.
- c) Concrete tiles.

- d) Natural clay tiles.

The flashing will be copper or aluminum and will be painted the color of the roof. All other accessories will be painted the color of the roof.

9.1.5.3. PROHIBITED ROOF MATERIALS

- a) Rolled asphalt.
- b) Cement asbestos shingles.
- c) Brightly painted metal.
- d) Asphalt shingles.

9.1.6. VERANDAS, PORCHES AND SCREENED-IN AREAS

These are important elements. Every structure will be built of materials that complement the style of the building.

The materials allowed for these structures must have the same materials and the same designs as the main construction.

Additionally, all the auxiliary structures will be adjoined to the main structure of the dwelling and will adhere to the construction criteria dictated by local codes and these Urban Planning Standards and Design Guidelines.

9.1.7. OPEN-AIR TERRACES AND PATIOS

Terraces and patios will be built in such a way as to complement the overall construction style. The design of Built-in Barbeques in the patio spaces will be designed in such a way that the smoke will not bother the neighbors and that the design is safe against fires. The Barbeques will not be allowed on the terraces of apartments.

9.1.8. POOLS AND JACUZZIS

All pools and Jacuzzis will be built into the ground. The design must contemplate the area for muffling sound between the pool and the golf course. Pools located in the front garden will be reviewed more carefully by THE BOARD. These installations must comply with all local codes and its area may not exceed 15% of the surface area. All the terraces will be built to be consistent with the main structure.

9.1.9. PARKING SPACES

Each single-family unit, whether villa or apartment, must provide an adequate space for the parking of at least one automobile and one golf cart. Should the UNIT have more than two bedrooms, the parking space will be increased to one more parking space. The apartment developments must provide one extra space for parking for guests that is no less than 20% of the parking for residents. (That is, a block of 10 twobedroom apartments each unit must have 12 parking spaces for cars and 10 parking spaces for golf carts).

These parking spaces will be located within the PROPERTY, and never on the access streets. If the

parking spaces are covered, the roof will be like the design of the structure or pergolas of the building.

9.1.10. MECHANICAL EQUIPMENT, ANTENNAE AND SATELLITE DISHES

Mechanical equipment, such as pool equipment, breaker boxes, openings, air conditioning equipment, etc., must be in such a way as to minimize their visibility. Air conditioning condenser units will be concealed by walls integrated into the design of the main house. Furthermore, air conditioning units will require sound barriers (that is, natural wood fences, stone walls or landscaping) that have a height of at least 30 cm above the equipment and 90 cm away from the equipment. The materials and construction must be compatible with the character of the lateral façade. Vegetation coverage is suggested for machinery enclosures. Air conditioners mounted on windows are not permitted. All exterior service equipment will be concealed from view of other houses, the street and the golf course.

All the utility cables, pipes, etc., must be installed and maintained below ground. Exterior antennas will not be allowed. If an antenna is required for some electrical operation it will be placed inside the house, attic or the garage structure.

9.1.11. DRAINAGE AND DRAIN PIPES

Before occupying any residence built on any LOT or LOTS, the necessary provisions must be taken to connect the drains and drainpipes for the sewage system. No drains may be discharged into the sea, lakes, ponds, rivers, parks, natural streams, open spaces, green areas or beaches and banks.

9.1.12. WALLS AND FENCES

Walls and fences are forbidden on the LOTS, unless specifically allowed by THE BOARD. All fences or walls will be an extension of the structures and will serve to define space or conceal non-esthetic elements.

9.1.13. SERVICE PATIOS

Each PROPERTY must build a fence or wall to protect and conceal a small service patio, with a maximum height of 6 feet above the floor level. No fuel tanks or similar storage container may be exposed to view, may only be installed in an adequate place within the structure in the protected area of the service patio or placed below ground.

9.1.14. GARBAGE AND WASTE CONTAINERS

Each single-family unit design must provide spaces for waste containers that will consist of containers with a minimum capacity of 30 gallons (120 liters) and a maximum of 50 gallons (200 liters). Each apartment building design must provide an area designed within same that is adequate for storing waste, which will be placed in garbage bags and only deposited by each building located in such a way so as not to be visible from the street or the Golf courses.

9.1.15. SOLAR PANELS

All solar collectors must be incorporated into the shape of the roof and be an integral part of the roof structure. The visual impact will be reduced by the raising of the flush to the roof and will be in such a way so as not to be visible from the street. All materials that are not glass will be painted colors that are in consonance with those of the roof.

9.1.16. HURRICANE SHUTTERS AND PROTECTION

Any dwelling construction must adhere to the local requirements for hurricane-proof construction.

It is recommended that all residences incorporate features against hurricane protection, such as storm windows, etc. into the architectural design.

An insurance policy against hurricanes, earthquakes and flooding is obligatory and will be under the policy provided by the insurance company of the DEVELOPMENT. The policy must be current and active always.

9.1.17. ROOF GUTTERS AND DOWNSPOUTS

All roof gutters and downspouts must be located to control spilling onto the surface of the roof and at the same time should maintain the esthetic nature of the building. All the downspouts will be located at the corners of the building or concealed.

All the roof gutters will have watertight connections and all will be connected to a drainage system (on the surface or below ground) that carries the spillage off the building. The downspouts will not be connected to the sanitary sewage collection system.

9.1.18. NUMBERS AND NAMES OF DWELLINGS

Numbers and names of houses in the DEVELOPMENT will be one consistent size and dimension and will be exhibited on each house. However, the style of the numbers of each house may vary. The house numbers will not be higher than 15 cm nor will they be flashy, but will rather reflect the overall style of the structure. The numbers of the house will be of a material and color that will allow them to be seen easily from the street during the day and at night.

9.2. CONSTRUCTION REGULATIONS AND STANDARDS

9.2.1. INITIATING CONSTRUCTION

Construction will begin only when the Construction Certificate is received from THE BOARD, indicating that the final design has been approved. All construction will begin within the two years of buying the LOT and will be completed within 12 months, if the built surface does not exceed 500 m² and 18 months for construction that is greater than 500 m², unless specified to the contrary in the sales contract.

9.2.2. CONSTRUCTION HOURS AND DELIVERIES

The hours permitted for construction and delivery are the following:

8:00 a.m. - 6:00 p.m., from Monday to Friday

8:00 a.m. - 12:00 p.m., Saturdays

Neither construction nor deliveries will be allowed on Sundays, holidays or special events.

THE BOARD reserves the right to require special procedures for reducing noise for construction activities and deliveries that could disturb the existing residents or special events related to the project.

Construction equipment and vehicles will only use the entrances and roads designated to this effect in the project. Construction equipment and vehicles will limit their trips to those that are necessary and essential for the construction activities.

Under no circumstance will the PROMOTER and/or the ADMINISTRATOR be responsible for any loss or damages caused to the vehicles or equipment stored in the area designated by the DEVELOPER, and each builder, on behalf of themselves and their sub-contractors hereby exonerate the PROMOTER and the ADMINISTRATOR from any claim for damages or losses to vehicles or equipment stored within the DEVELOPMENT.

All construction equipment and vehicles that will be used within the DEVELOPMENT will be registered in advance with the ADMINISTRATOR. The registration will require that the contractors identify the individuals who are authorized to operate the vehicles and equipment and estimate the time that the vehicle or equipment will be assigned to the project within the DEVELOPMENT.

9.2.3. VEHICLE INSPECTION PROGRAM

All special contractors and sub-contractors, workers, agents, employees and guests will be authorized to enter the DEVELOPMENT, subject to all the restrictions imposed by the DEVELOPMENT to regulate vehicle access to the project.

All personnel entering the DEVELOPMENT, as contractor, sub-contractor, workers, agents, employees or guests, must register with the individuals designated by the ADMINISTRATOR and once approved, are authorized to enter the DEVELOPMENT. To reinforce access restriction to the project, registration may include the right of these individuals to inspect the content of any vehicle that has requested and that has been permitted access to the project.

9.2.4. PERMITTED BEHAVIOR AND PERSONNEL

Only the employees of active builders, general contractors, designers of the owners, special contractors and approved sub-contractors are authorized to enter the DEVELOPMENT.

General contractors and builders will be responsible for the actions and behavior of their employees, sub-contractors and all the agents, guests and PERSONS with permits.

Builders will be strictly responsible for keeping the General Contractor duly informed of the termination of any sub-contractor, workers, agent, employee or guest that has been registered about the construction of the builder in the DEVELOPMENT.

General contractors, sub-contractors, workers, agents or guests that violate the rules of the DEVELOPMENT, may be prohibited from carrying out other services.

Construction personnel will be permitted vehicle access only from and to the work site and will not use the universally used installations within the DEVELOPMENT, nor drive/walk around the area without legitimate cause.

Harassing residents and visitors is strictly prohibited.

All construction personnel must be duly identified and always use shoes and shirts, as well as the safety equipment required for the work they perform and will observe professional behavior measures dictated by good judgment and best practices, and those that are notified to them by the ADMINISTRATOR.

Preparing food will not be permitted in the area. Only registered food vendors will be allowed.

9.2.5. TRAILER HOMES, PORTABLE TOILETS, AND GARBAGE DISPOSAL

The DEVELOPERS will be responsible for designating an area within the construction LOT for a trailer home (Construction Office), before initiating the construction and it will be withdrawn within 30 days of completion.

All DEVELOPERS will provide the necessary portable toilets, placed in a discrete part of the area, concealed as much as possible from the street and the adjacent LOTS. As an alternative, the builders may construct bathrooms connected to the sewage systems adjacent to the construction building specified in the preceding paragraph.

The DEVELOPERS may provide in the area a garbage container with a lid that closes completely to collect the garbage and debris generated by the construction activities and employees. As an obligation and at the cost of the DEVELOPER, both the portable toilet as well as the garbage container will be emptied regularly to prevent health problems.

9.2.6. MAINTENANCE AND APPEARANCE OF THE CONSTRUCTION AREA

During the construction process, all portions of the construction area will be kept clean and in order. The construction materials will be neatly piled on one side or behind the construction of the main house. The debris and garbage will be collected and removed regularly. The tall grass will be cut on a routine basis. Dirt and remains of construction materials will be cleared away frequently from the streets adjacent to the construction area.

9.2.7. BUILDER SIGNS AND BILLBOARDS

The builders will be allowed to put up one sign (billboard) in accordance with the requirements of Dominican law. The sign must be placed next to the building under construction and will have a maximum size of 1.2 by 0.6 meters.

9.2.8. LIMITATIONS ON CONSTRUCTION

The construction will be carried out in such a way that it will not harm nor offend the adjacent buildings due to the emission or creation of noise, music, vibrations, smoke, dust or other toxic particles or harmful waste materials, odors, fire and dangerous or bright explosives.

When particularly offensive construction activities are carried out next to an existing residence or land, THE BOARD may require the builder or owner to place a fence that conceals this activity. The location and design of the fence will be approved by THE BOARD.

The DEVELOPERS will always comply with environmental regulations, laws, ordinances, rules and regulations applicable to the LOT within the DEVELOPMENT, including the storage of hazardous material and the disposal of hazardous waste. Every builder and owner hereby agrees to indemnify and exonerate the Contractor, the PROMOTER, and the ADMINISTRATOR from any loss incurred by or claim made against the DEVELOPMENT.

9.2.9. GOLF COURSE AND COMMON AREAS

At no time are equipment, materials or personnel associated with the construction of any LOT allowed entry into the golf course or any common area.

9.2.10. FINAL INSPECTION BY THE BOARD

The date of the final inspection will be set by THE BOARD upon receiving the certificate of completion of the construction and a copy of the Certificate of Occupation. The final inspection by THE BOARD may only occur if the builders have completed all the construction of the landscape and in the work area, clearing away all debris from the area and removing construction tools and equipment.

9.3. LANDSCAPING STANDARDS

9.3.1. EXISTING VEGETATION

All necessary measures must be taken to preserve the greatest number of existing vegetation and trees that are found on the LOT.

All existing vegetation that has been selected to remain within a LOT must be selectively trimmed and protected during the construction process. The materials for trimming must remove vegetation, but preserve the overall form.

9.3.2. REQUIREMENTS FOR STREET LANDSCAPING

The DEVELOPMENT has a paved road system as well as, in some cases, a path for pedestrians, bicycles, golf carts. Each OWNER is responsible for the maintenance of the street landscaping in front of their LOT, which includes the area from the front property line of the LOT to the street gutter.

9.3.3. LANDSCAPING

Landscaping designs must conceal service areas, vehicle entrances, guest parking areas and all those elements that must be concealed. The plants used must have an appropriate shape, be sufficiently large to ensure the desired effect in no more than one year.

9.3.4. GRASS AND LAWNS

The grass and lawn areas must be planted with species that are identical to those used in the fairways of the golf course (Sea Shore Paspalum).

9.3.5. IRRIGATION

All LOTS will have an underground irrigation system that will provide 100% coverage to all planted areas. THE BOARD will have the right to adopt Standards, including frequency, quantity and time of day of watering.

9.3.6. MAINTENANCE REQUIREMENTS

LOTS on which the construction process has not yet begun will be maintained starting on the date of purchase, including the trimming of existing bushes and trees, periodic removal of branches and regular removal of debris and garbage. Cutting of grass will be required. After thirty (30) days of notifying the builder or owner of vacant LOTS that are left unattended, the ADMINISTRATOR reserves the right to maintain such areas and to charge the builder or owner for incurred expenses.

The maintenance of individual dwellings must include the periodic removal of debris and garbage,

regular maintenance of weeds, lighting of the area, irrigation systems and cutting of grass.

10. EXCLUSIVE DEVELOPMENTS

10.1. EXCLUSIVE DEVELOPMENT AND CONDOMINIUM

A portion of land intended for the DEVELOPMENT or PROMOTION of a residential area with its own name and image may comprise an EXCLUSIVE DEVELOPMENT, subject to additional division into one or more PROPERTIES. The ADMINISTRATOR will have the authority to approve and/or designate EXCLUSIVE DEVELOPMENTS within the area of the MASTER PLAN. If an EXCLUSIVE DEVELOPMENT consists of or includes one or several CONDOMINIUMS, a CONDOMINIUM Declaration will be required as per law, which will regulate the activities of each CONDOMINIUM and the distribution of expenses among the OWNERS of the PROPERTIES of the CONDOMINIUM. An EXCLUSIVE DEVELOPMENT may receive a higher level of services or special services for the benefit of the PROPERTIES in said EXCLUSIVE DEVELOPMENT, the cost of which must be imposed on the beneficiary PROPERTIES as an EXCLUSIVE DEVELOPMENT FEE.

10.2. ALLOWED USES OF EXCLUSIVE DEVELOPMENTS

It is agreed by the Parties that the PROPERTIES within an EXCLUSIVE DEVELOPMENT may only be used exclusively for family dwellings. Consequently, the OWNER or the DEVELOPER may not install or establish on same or in the improvement that is built on same any type of commercial exploitation, including, but not limited to, offices, bars, restaurants, and dance halls.

Should the OWNER subsequently decide to sell, rent, donate, exchange, give as payment or transfer the PROPERTY in any way, they agree to inform the new acquirers of the provisions contained in these REGULATIONS which must be noted on the back of the Title Certificate when registering the transfer of the PROPERTY and that encumber the real estate property. Said subsequent transfer must be carried out in the manner determined in these REGULATIONS. Additionally, the OWNER agrees to expressly include in the contract to be signed upon the subsequent transfer, the prohibition, by which the receiver of the PROPERTY may not use it for anything other than the purposes indicated in this Article.

10.3. EXCLUSIVE DEVELOPMENT INFRASTRUCTURE

The following services and infrastructure must be available to all the PROPERTIES that comprise the EXCLUSIVE DEVELOPMENT:

10.3.1. ELECTRICITY

The Electricity lines that will serve the PROPERTIES will be underground from the DEVELOPMENT source. The electricity provided will be 119va and 220v at a frequency of 60Hz.

10.3.2. WATER

The main distribution line will be underground and capable of supplying with the required pressure in a constant manner to the PROPERTY.

10.3.3. SEWAGE

Sewage water will need to connect to the main line.

10.3.4. TELEPHONE AND CABLE

These services will be supplied by the general network of the DEVELOPMENT.

10.3.5. INTERNAL STREETS

Internal streets will be paved and will be provided with exuberant landscaping and attractive architectural lighting that is compatible with the architectural STANDARDS of the DEVELOPMENT.

Rainwater will be removed from said roads using an underground rainwater network of conveniently concealed canals, and will be available to also improve the residential rainwater runoff.

10.4. RIGHTS OF ADMINISTRATOR WITH RESPECT TO EXCLUSIVE DEVELOPMENTS

10.4.1. MAINTENANCE OF EXCLUSIVE COMMON AREAS

The ADMINISTRATOR will have the right to maintain EXCLUSIVE COMMON AREAS within an EXCLUSIVE DEVELOPMENT, including particularly, all landscaping within the EXCLUSIVE DEVELOPMENT and may assign the cost of said maintenance as an EXPENSE OF THE EXCLUSIVE DEVELOPMENT.

10.4.2. FEES

The ADMINISTRATOR will have the right, in addition to any other rights, to charge the OWNERS within an EXCLUSIVE DEVELOPMENT for the expenses incurred for the benefit of said DEVELOPMENT and allocate said expenses to OWNERS using MAINTENANCE FEES, EXCLUSIVE COMMON AREA FEES, CONDOMINIUM FEES, EXCLUSIVE DEVELOPMENT FEES, SPECIAL ASSESSMENTS, and/or ONE-TIME FEES.

10.4.3. COLLECTING FEES

The ADMINISTRATOR may require that the entity of the EXCLUSIVE DEVELOPMENT, should any exist, collect from each OWNER the MAINTENANCE FEES for each PROPERTY within the EXCLUSIVE DEVELOPMENT and immediately forward said amounts to the ADMINISTRATOR. The ADMINISTRATOR reserves the right to collect said FEES directly from the OWNER.

10.4.4. ENTRY RIGHTS

The ADMINISTRATOR will have the right, for themselves, their assignee, or any other agent or employee, to enter any PROPERTY within the EXCLUSIVE DEVELOPMENT to carry out the provisions of the DOCUMENTS or any applicable DOCUMENT of the EXCLUSIVE DEVELOPMENT.

10.4.5. ASSIGNMENT

The ADMINISTRATOR will have the right and the power, but never the duty nor obligation, to assign entirely or in part, exclusively or not, and on a temporary or permanent basis, to any EXCLUSIVE DEVELOPMENT ENTITY any obligation for maintenance and repair under these REGULATIONS or by means of assignment from the PROMOTER. Should an EXCLUSIVE DEVELOPMENT ENTITY not accept said rights and obligations in a manner consistent with the STANDARDS, SPECIFICATIONS AND GUIDELINES established by the ADMINISTRATOR, then the latter will have the right, but not the obligation, at its sole discretion, of terminating said assignment.

10.4.6. PRIORITY

If the DOCUMENTS of the EXCLUSIVE DEVELOPMENT conflict with these REGULATIONS, the latter will prevail.

11. INFRASTRUCTURE, FACILITIES, SERVICES, AND FEES

11.1. RESPONSIBILITY OF THE ADMINISTRATOR

The ADMINISTRATOR agrees to maintain and preserve in good conditions the AREAS OF COMMON RESPONSIBILITY, as foreseen in this document. This maintenance will include, but will not be limited to, maintaining, repairing and replacing the paths, lakes, water canals, reserves, gardens, flora, fauna, structures and improvements that comprise COMMON AREAS, and those parts of any additional PROPERTY included within the AREAS OF COMMON RESPONSIBILITY. Notwithstanding any provision that is contrary to that which is established in these REGULATIONS, so long as certain elements of the road system of the DEVELOPMENT (including improvements in the landscaping, signs or other improvements) are located entirely or partially in a certain LOT, these areas will be considered as part of the AREAS OF COMMON RESPONSIBILITY for all of the purposes established in this DOCUMENT and the ADMINISTRATOR, their agents and assigns will have the right of way through and within the LOT in order to enter or exit same to carry out maintenance in said part of the AREA OF COMMON RESPONSIBILITY.

All the costs related to the maintenance, repair and replacement of the AREAS OF COMMON RESPONSIBILITY will be considered COMMON EXPENSES to be distributed among the PROPERTIES as part of the MAINTENANCE FEES. All the costs related to the maintenance, repair and replacement of EXCLUSIVE COMMON AREAS of a certain group of PROPERTIES will be an expense to be charged to the PROPERTIES that benefit from said EXCLUSIVE COMMON AREAS.

The ADMINISTRATOR will furthermore be responsible for the maintenance of EXCLUSIVE COMMON AREAS within the entire EXCLUSIVE DEVELOPMENT and for the maintenance, repair and replacement of PROPERTIES within any other EXCLUSIVE DEVELOPMENT to the extent established by any SUPPLEMENTARY REGULATION applicable to said EXCLUSIVE DEVELOPMENT. The ADMINISTRATOR, by the provisions of these REGULATIONS, as well as other written agreements, will assume the responsibilities of maintenance with respect to the entire EXCLUSIVE DEVELOPMENT, in addition to those that are designated via a SUPPLEMENTARY REGULATION.

The costs of said maintenance will be distributed among the beneficiary PROPERTIES as an EXCLUSIVE DEVELOPMENT FEE.

The ADMINISTRATOR may maintain different PROPERTIES, including, but not limited to, PROPERTIES accessible to the public, if THE BOARD determines that said maintenance is necessary or desirable to maintain the COMMUNITY STANDARDS. The costs of said maintenance will be distributed among the benefiting PROPERTIES as MAINTENANCE FEES, FEES for EXCLUSIVE DEVELOPMENT or ONE-TIME FEES against a PROPERTY as the ADMINISTRATOR deems appropriate.

11.2. RESPONSIBILITY OF THE EXCLUSIVE DEVELOPMENT ENTITY

Any EXCLUSIVE DEVELOPMENT ENTITY having the responsibility for the maintenance of all or a part of the PROPERTY within an EXCLUSIVE DEVELOPMENT must carry out said maintenance responsibility in a manner that is consistent with the COMMUNITY STANDARDS. Should any EXCLUSIVE DEVELOPMENT ENTITY not comply with their maintenance responsibility as required in this DOCUMENT and in any other EXCLUSIVE DEVELOPMENT DOCUMENT, the ADMINISTRATOR may carry out said functions and charge the costs to all the PROPERTIES within said EXCLUSIVE DEVELOPMENT.

The EXCLUSIVE DEVELOPMENT ENTITY is authorized to allocate expenses to OWNERS of PROPERTY within the EXCLUSIVE DEVELOPMENT associated with the EXCLUSIVE DEVELOPMENT in accordance with its own DOCUMENTS.

11.3. RESPONSIBILITY OF THE OWNER

Each OWNER must maintain their PROPERTY and all the improvements and areas related to same in accordance with the DOCUMENTS and the COMMUNITY STANDARDS. If any OWNER does not comply with adequately maintaining their PROPERTY, the ADMNSITRATOR may at any time, undertake said maintenance or repairs and avoid damages to third parties, their PROPERTIES or to COMMON AREAS, and charge all the costs plus an administrative surcharge equivalent to ten per cent (10%) of the amount charged against the PROPERTY and the OWNER in question as a ONE-TIME FEE.

11.4. GARDEN MAINTENANCE

THE BOARD will have the right to adopt COMMUNITY STANDARDS with respect to the maintenance and irrigation of gardens, including, but not limited to, the frequency and quantity of the maintenance and the frequency, quantity and time of day of watering. These COMMUNITY STANDARDS will be adopted in accordance with accepted practices. The ADMINISTRATOR may, but is not obligated to provide garden maintenance services for the PROPERTIES based on voluntary contracts. If an OWNER does not comply with maintaining their LOT in accordance with the COMMUNITY STANDARDS, the ADMINISTRATOR, at their option, may maintain said LOT. The cost of the gardening services will be distributed among the LOTS which are being given maintenance as ONETIME FEES.

11.5. FEES

Any maintenance required by this Article will be carried out in a manner that is consistent with the COMMUNITY STANDARDS. Should any EXCLUSIVE DEVELOPMENT ENTITY or OWNER not comply with their maintenance responsibility as per the COMMUNITY STANDARDS, the ADMINISTRATOR may carry out said maintenance and charge all the costs plus an administrative surcharge equivalent to ten per cent (10%) of the amount charged to the PROPERTY and to the OWNER as a ONE-TIME FEE.

Prior to entering the PROPERTY to proceed with the maintenance, the ADMNISTRATOR will grant to the OWNER, via written notification, a period of ten (10) days starting on the date of said notification, to correct the condition that is inconsistent with the COMMUNITY STANDARDS, except when entering is necessary because of an emergency. All maintenance costs of a PROPERTY within an EXCLUSIVE DEVELOPMENT will be charged as an EXCLUSIVE DEVELOPMENT FEE to the PROPERTIES within which the services are provided.

11.6. SANCTIONS

The sanctions by the DOCUMENTS could include reasonable monetary fines (as determined by the ADMINISTRATOR), expulsion from the PROPERTY of any DEVELOPER, contractor, subcontractor, agent or any guest that does not comply with the provisions of the Documents, and suspension of any service or public service that is provided to the PROPERTY.

Prior to imposing any sanction, the ADMINISTRATOR will notify the OWNER in writing concerning the violation and will require the latter to cease immediately. Should the OWNER not correct the violation within Ten (10) days starting on the date of notification, the ADMINISTRATOR may impose the enforcement of sanctions. Additionally, the ADMINISTRATOR, will have the power to seek compensation in any court for violations of the DOCUMENTS or inconveniences caused.

11.7. AGREEMENT TO PAY FEES

These REGULATIONS impose an obligation on every OWNER and PROPERTY to pay the ADMINISTRATOR all the FEES corresponding to each PROPERTY.

Each OWNER agrees and accepts to pay all FEES, regardless of their nature, including, but not limited to, any FEE that is due because of the provisions of these REGULATIONS and agrees and accepts the rights and privileges granted by this contract to PROPERTY.

The responsibility for FEES belongs personally to the OWNER and may not be avoided through the waiver of use and enjoyment of COMMON AREAS or EXCLUSIVE COMMON AREAS or through negligence of the PROPERTY on which charges are due. Neither the responsibility for FEES, nor the amount of same may be reduced or avoided since all or part of COMMON AREAS, EXCLUSIVE COMMON AREA or portions of the PROPERTY have not been completed.

Neither claims nor permission for decreasing or reducing the amount or compensation will be allowed, as a result of any alleged fault of the ADMINISTRATOR or THE BOARD in undertaking actions or carrying out required functions to be executed by the ADMINISTRATOR or THE BOARD under these REGULATIONS, or due to any inconvenience or annoyance that could arise from the carrying out of repairs or improvements, or due to any legal action undertaken to enforce any law, order or directive of any municipal authority or other government authority.

11.8. ESTABLISHING FEES

FEES are hereby established for the expenses of the DEVELOPMENT, which the ADMINISTRATOR could authorize from time to time to initiate on the dates and manner established in this Article. There will be the following types of FEES:

11.8.1. MAINTENANCE FEES

MAINTENANCE FEES will be imposed on all the PROPERTIES inside the DEVELOPMENT.

11.8.2. EXCLUSIVE COMMON AREA FEES

FEES FOR THE EXCLUSIVE COMMON AREA will be imposed on the PROPERTIES for the benefit of which said expenses have been incurred.

11.8.3. CONDOMINIUM FEES

CONDOMINIUM FEES will be imposed on the PROPERTIES that form part of the corresponding CONDOMINIUM.

11.8.4. EXCLUSIVE DEVELOPMENT FEES

EXCLUSIVE DEVELOPMENT FEES will be imposed on all the PROPERTIES within the EXCLUSIVE DEVELOPMENT for whose benefit said charges have been incurred.

11.8.5. ONE-TIME FEES

ONE-TIME FEES will be imposed as provided below in Article 11.14 of this Chapter 11.

11.8.6. SPECIAL ASSESSMENTS

SPECIAL ASSESSMENTS will be imposed as provided below in Article 11.15 of this Chapter 11.

11.9. PAYMENT OF FEES

FEES will be paid in the manner and on the dates established by the ADMINISTRATOR, which may include, but will not be limited to advance payment of the annual MAINTENANCE FEES, as well as setting any ONE-TIME FEES due to late payments. Except in those cases in which it is expressly stated to the contrary by the ADMINISTRATOR, the MAINTENANCE FEES and EXCLUSIVE DEVELOPMENT FEES will be paid annually in advance. The ADMINISTRATOR will issue, upon request from the interested party, a certification of payment to the OWNER upon compliance with their payment obligation with respect to a PROPERTY. Said certification will constitute reliable proof of the payment made for said obligation to the ADMINISTRATOR. The ADMINISTRATOR reserves the right to request in advance the payment for the processing cost for issuing said certificate.

The obligation to pay the MAINTENANCE FEES will be effective for each corresponding OWNER on the first day of the month following the month in which the PROPERTY submits to these REGULATIONS; or the month in which the ADMINISTRATOR for the first time prepares the budget and establishes the MAINTENANCE FEES, in accordance with this Article and in whatever manner established by the ADMINISTRATOR. The first MAINTENANCE FEES established for each PROPERTY must be prorated in accordance with the number of months of the fiscal year at the time said MAINTENANCE FEES are imposed.

11.10. CALCULATING MAINTENANCE FEES

It is the obligation of the ADMINISTRATOR to prepare an annual budget that reflects the estimated income and the COMMON EXPENSES for the following fiscal year, including the fees and charges for use of COMMON AREAS, should same exist, the estimated surplus or deficit and the estimated funds needed for the maintenance of the accounts established by the ADMINISTRATOR (including any capital reserve foreseen in the budget). Said annual budget, as well as the amount of the COMMON EXPENSES, will be determined by the ADMINISTRATOR at its sole and absolute discretion.

The MAINTENANCE FEES imposed on each PROPERTY will be calculated by dividing the projected COMMON EXPENSES by the total number of PROPERTIES subject to the payment of the MAINTENANCE FEES plus the total number of PROPERTIES that is reasonably estimated to be subject to said MAINTENANCE FEES during said fiscal year. In dividing the EXPENSES, a proportional system will be applied in accordance with the square meters of surface area and the type of use given to each PROPERTY.

The ADMINISTRATOR will produce a copy of the budget of COMMON EXPENSES and notify of the amount of the MAINTENANCE FEES established for the following year, which will be notified to each OWNER at least thirty days in advance of the beginning of the fiscal year.

The budget adopted by the ADMINISTRATOR will be effective in full rights. Without affecting that which has been established, should the ADMINISTRATOR not prepare a budget for any year, the budget of the preceding year will remain in effect until the ADMINISTRATOR produces a budget in accordance with that which is foreseen in this document. However, when the new budget enters effect, it will operate in a retroactive manner, and each OWNER must jointly pay the retroactive increase in the MAINTENANCE FEES, should it exist, upon expiration of the next payment.

11.11. CALCULATION OF THE FEES FOR EXCLUSIVE COMMON AREA

It is the obligation of the ADMINISTRATOR to prepare yearly a separate budget that reflects the EXPENSES FOR EXCLUSIVE COMMON AREA that the ADMINISTRATOR estimates will be incurred to the benefit of the PROPERTIES of said EXCLUSIVE COMMON AREA during the following fiscal year.

It is the right of the ADMINISTRATOR to establish said budget at its sole discretion, its only limitation being these REGULATIONS or another SUPPLEMENTARY REGULATION, which authorizes the ADMINISTRATOR to impose EXCLUSIVE COMMON AREA EXPENSES. Any EXCLUSIVE COMMON AREA may receive additional services or services for STANDARDS that are higher, subject to additional costs in the budget of EXCLUSIVE COMMON AREAS.

Said budget may include a contribution to the capital, establishing a reserve fund for the repair and replacement of capital goods within EXCLUSIVE COMMON AREAS, as needed.

The amount to be fixed as EXCLUSIVE COMMON AREA FEES for each PROPERTY within said EXCLUSIVE COMMON AREA will be determined by dividing the amount fixed as EXCLUSIVE COMMON AREA EXPENSES by the total number of PROPERTIES within same that are subject to the payment of EXCLUSIVE COMMON AREA FEES, plus the total number of PROPERTIES that it is reasonably estimated are subject to said EXCLUSIVE COMMON AREA EXPENSES during said fiscal year.

In the division of EXPENSES, a proportional system will be applied using surface area (per square meter) and the type of use given to each PROPERTY.

The ADMINISTRATOR will produce a copy of the budget of EXCLUSIVE COMMON AREA EXPENSES and of the notification of the amount of EXCLUSIVE COMMON AREA FEES established for the next year, which will be notified to each OWNER at least thirty days in advance of the beginning of the fiscal year. Should the ADMINISTRATOR not produce a budget for any year, the budget of the preceding year will remain in effect, until said ADMINISTRATOR produces a budget in accordance with that which is foreseen in this document.

11.12. CALCULATION OF THE CONDOMINIUM EXPENSES

It is the obligation of the CONDOMINIUM ADMINISTRATION to prepare annually a separate budget that reflects the CONDOMINIUM EXPENSES that the CONDOMINIUM ADMINISTRATION estimates they will incur in for the benefit of the PROPERTIES of said CONDOMINIUM during the following fiscal year. It is the right of the CONDOMINIUM ADMINISTRATION to fix said budget at its sole discretion, its only limitations being Law 5038, of the twenty-first (21st) of November of the year nineteen fifty-eight (1958), O.G. 8308, these REGULATIONS or another SUPPLEMENTARY REGULATION that authorizes the CONDOMINIUM ADMINISTRATION to impose the CONDOMINIUM EXPENSES. Any CONDOMINIUM may receive additional services or services for superior STANDARDS subject to additional costs in the CONDOMINIUM budget. Said budget may include a contribution to the capital, establishing a reserve fund for the repair and substitution of capital goods within the CONDOMINIUM, as needed. The amount to be fixed for the CONDOMINIUM FEES for each PROPERTY within said CONDOMINIUM will be determined by dividing the amount fixed as CONDOMINIUM EXPENSES by the total number of PROPERTIES within same, subject to the payment of CONDOMINIUM FEES, plus the total number of PROPERTIES that is reasonably estimated will be subject to said CONDOMINIUM FEES during said fiscal year. In dividing the EXPENSES, a proportional system will be applied per the square meters of surface area of each PROPERTY.

The CONDOMINIUM ADMINISTRATION will produce a copy of the budget of CONDOMINIUM EXPENSES and of the notification of the amount of the CONDOMINIUM FEES fixed for the next year, which will be notified to each OWNER within at least thirty days in advance of the beginning of the fiscal year. Should the CONDOMINIUM ADMINISTRATION not produce a budget for any year, the budget of the preceding year will remain in effect until said CONDOMINIUM ADMINISTRATION produces a budget in accordance with that which is foreseen in this DOCUMENT.

11.13. CALCULATION OF EXCLUSIVE DEVELOPMENT FEES

It is the obligation of the ADMINISTRATOR to prepare annually a separate budget that reflects the EXCLUSIVE DEVELOPMENT EXPENSES that the ADMINISTRATOR estimates will be incurred to the benefit of said EXCLUSIVE DEVELOPMENT during the subsequent fiscal year. It is the right of the ADMINISTRATOR to fix said budget at its sole discretion, its only limitation being these REGULATIONS or another SUPPLEMENTARY REGULATION that authorizes the ADMINISTRATOR to impose certain expenses as EXPENSES of an EXCLUSIVE DEVELOPMENT. Any EXCLUSIVE DEVELOPMENT may receive additional services or services for superior STANDARDS subject to additional costs in the budget of the EXCLUSIVE DEVELOPMENT. Said budget may include a contribution to the capital, establishing a reserve fund for the repair and substitution of capital goods within the EXCLUSIVE DEVELOPMENT, as needed. The amount to be fixed for FEES of an EXCLUSIVE DEVELOPMENT for each PROPERTY within said DEVELOPMENT will be determined by dividing the amount fixed as EXCLUSIVE DEVELOPMENT EXPENSES by the total number of PROPERTIES within same that are subject to the payment of EXCLUSIVE DEVELOPMENT FEES, plus the total number of PROPERTIES that it is reasonably estimated will be subject to said EXCLUSIVE DEVELOPMENT FEES during said fiscal year. In dividing the EXPENSES, a proportional system will be applied per the square meters of surface area of each PROPERTY.

The ADMINISTRATOR will produce a copy of the budget of EXCLUSIVE DEVELOPMENT EXPENSES and of the notification of the amount of the EXCLUSIVE DEVELOPMENT FEES fixed for the next year, which will be notified to each OWNER at least thirty days in advance of the beginning of the fiscal year. Should the ADMINISTRATOR not produce a budget for any year, the budget of the preceding year will remain in effect until said ADMINISTRATOR produces a budget in accordance with that which is foreseen in this document.

11.14. CALCULATION OF ONE-TIME FEES

The ADMINISTRATOR may impose ONE-TIME FEES to any one OWNER or PROPERTY as reimbursement for expenses incurred to adapt said PROPERTY to the provisions of these REGULATIONS, its modifications, SUPPLEMENTARY REGULATIONS, the RULES or COMMUNITY STANDARDS.

In addition, the ADMINISTRATOR may impose ONE-TIME FEES on certain PROPERTIES to cover costs (including surcharges and administrative costs) for services provided to said PROPERTIES that are requested by their OWNERS, in accordance with a menu of services that may be offered by the ADMINISTRATOR. These types of ONE-TIME FEES may be payable in advance of providing the requested service.

Should the ONE-TIME FEE be payable due to non-compliance with any of the DOCUMENTS, the ADMINISTRATOR will add an administrative FEE equivalent to Ten per cent (10%) of the amount fixed, plus the additional expenses in which they have had to incur because of any OWNER, due to said non-compliance.

11.15. CALCULATION OF SPECIAL ASSESSMENTS

Applicable to all the OWNERS, the ADMINISTRATOR may set SPECIAL ASSESSMENTS for nonbudgeted expenses or expenses that exceed the budgeted amounts, including expressly, capital improvements and repairs or deficiencies in the budgeted amounts due to the urgent to protect, preserve or repair COMMON AREAS because of any unexpected circumstance or threat.

SPECIAL ASSESSMENTS will be payable in the manner and on the date established by the ADMINISTRATOR. SPECIAL ASSESSMENTS may be payable after the end of the fiscal year in which they were established.

11.16. LIENS

All late FEES, penalty interest, (at a rate that does not exceed the highest one allowed by applicable law) calculated from the date on which FEES are past due, fines or penalties in the form of ONE-TIME FEES established by the ADMINISTRATOR, and reasonable legal fees and expenses, can become a lien against the PROPERTY and OWNER owing said late FEES. A lien may also be placed against any other asset of the OWNER.

Said liens or security interests may be executed in accordance with the specific regulations approved by the ADMINISTRATOR or THE BOARD in compliance with all the applicable legal provisions and regulations to record said privilege before the Title Registrar as per the provisions of Laws numbers 511, 1542 and 5038 of 1920, 1947 and 1958, respectively.

All FEES, together with any penalty interest, late FEES, and reasonable legal fees and expenses, will also become the obligation of the PERSON owning said PROPERTY at the time the FEES are established, and its beneficiary must be jointly and mutually responsible for said portion when FEES become due and payable. All payments must be applied in first place to the lawyers' fees and costs, then to interest, then to late FEES, then to other FEES in the order of their due date.

Lawsuits for recovering unpaid FEES and lawyer fees will not waive the right and privileges of the ADMINISTRATOR or THE BOARD to collect FEES and lawyer fees.

11.17. CAPITAL RESERVE BUDGET

The ADMINISTRATOR may include in the budget for each year a capital replacement reserve, which may consider the amount and nature of the replaceable properties, the life expectancy of each property and the estimated cost of repair or replacement.

11.18. TAXES

Each OWNER will be directly responsible for the payment of taxes, fees and any other amount hereby imposed or estimated, now or in the future, on any PROPERTY by any local or national government authority.

11.19. EXEMPT PROPERTY

Notwithstanding any provision established to the contrary in this document, all COMMON AREAS, EXCLUSIVE COMMON AREAS and all PROPERTIES devoted by the ADMINISTRATOR to public utility companies or to government entities will be exempt from the payment of MAINTENANCE FEES, EXCLUSIVE DEVELOPMENT FEES, ONE-TIME FEES, and SPECIAL ASSESSMENTS.

11.20. TELECOMMUNICATIONS, CABLE TELEVISION, AND SURVEILLANCE SYSTEMS

The ADMINISTRATOR reserves for itself, its successors and assigns, and beneficiaries of licenses the right to sign one or more contracts for the provision of one or more master systems for the reception and distribution of telecommunications, cable television and electronic surveillance (referred hereinafter jointly or partially as the "System") for all or part of the PROPERTY. The exact description, location and nature of the System have not yet been negotiated or determined. The ADMINISTRATOR will reserve for itself, its successors and assigns, and beneficiaries of licenses an exclusive and perpetual right, privilege, right of way and right to pass on and through the DEVELOPMENT, privilege and usufruct of entry and exit, unlimited access on and over the DEVELOPMENT, to install, construct, inspect, maintain, alter, move, improve and replace installations and equipment that comprise the system.

If and so long as the services provided by the System serve all the PROPERTIES, the cost of the System may be a Common Expense and should be included in the MAINTENANCE FEES. Should any of the services provided by the System be supplied only to some and not all the PROPERTIES, then the cost of said services may be an expense

for the benefit of the PROPERTIES benefiting from the service and must be charged as a SPECIAL EXPENSE to said PROPERTIES.

The providers of the System will be allowed to pre-wire each PROPERTY built within the DEVELOPMENT for the services of the System. Each OWNER acknowledges that the pre-wiring installed on each PROPERTY will be and will continue to be the personal PROPERTY of the System provider. The OWNERS will not have interests over the ownership of the pre-wiring and the right of use of same will remain in favor of the System provider.

Every OWNER, upon accepting the title of ownership of a PROPERTY, hereby acknowledges that the ADMINISTRATOR reserves the irrevocable right, which may be assigned to any System provider, to install and maintain pre-wiring on the PROPERTY and agrees not to allow any other System provider to use the pre-wiring without the prior written consent from the ADMINISTRATOR, whose consent may be granted by the ADMINISTRATOR at its own discretion.

The ADMINISTRATOR, without being obligated to do so, may maintain or give support to certain activities within the DEVELOPMENT that are designated to limit access to the PROPERTY and ensure that the PROPERTY is safer than it would be otherwise.

Neither the initial PROMOTER nor any of the successors of the PROMOTER or the ADMINISTRATOR may in any way be considered as insurers nor guarantors of the security within the DEVELOPMENT, and neither may the PROMOTER, nor any successor of the PROMOTER nor the ADMINISTRATOR be responsible for any loss or damages because of or due to not providing adequate security or the inefficiency of the security measures taken.

All of the OWNERS and residents of every PROPERTY, and the tenants, guests and visitors of every OWNER, as applicable, acknowledge that the ADMINISTRATOR, its successors or assigns, and THE BOARD, do not declare nor guarantee that any fire prevention system, anti-theft alarm system or any other security system designated by, or installed in accordance with the guidelines established by the ADMINISTRATOR or THE BOARD, cannot be undermined or circumvented, that any fire prevention system, anti-theft alarm system or any other security system will prevent losses due to fire, smoke, theft, assault, or on the contrary, nor that the fire prevention or anti-theft systems or other security systems will provide in all cases the detection or protection for which they were designed or created.

Every OWNER and resident of any PROPERTY, and every tenant, guest and visitor of any OWNER, as applicable, acknowledges and understands that the PROMOTER, the ADMINISTRATOR, and THE BOARD are not insurers and that each one assumes all of the risks of loss and damages to PERSONS, PROPERTIES and to the contents of the PROPERTIES and, likewise acknowledges that neither the PROMOTER, nor any of its successors, the ADMINISTRATOR nor THE BOARD have made any declaration nor guarantee, nor have they caused any occupant, tenant, guest or visitor to trust a declaration or guarantee, express or implicit, including any guarantee, capacity or commercial ability of any purpose in particular, related to fire and/or anti-theft alarm systems or other recommended or installed security system or to any security measure established within the DEVELOPMENT.

12. INSURANCE

12.1. INSURANCE OF COMMON AREAS AND AREA OF COMMON RESPONSABILITY

The ADMINISTRATOR, or their duly authorized agent, will obtain and maintain in effect a variable rate insurance policy that covers all risks, and if reasonably possible, to cover all the insurable improvements in COMMON AREAS and in the AREA OF COMMON RESPONSABILITY. If a comprehensive floating insurance policy against all risks is not reasonably available, then as a minimum they will obtain an insurance policy that provides coverage against fire, hurricanes and flooding with an extended coverage. This insurance must be obtained in an amount that is sufficient to cover One Hundred per cent (100%) of the cost of replacement of any repair or reconstruction in the case of damages or destruction resulting from an insurable risk. The premiums for any insurance of COMMON AREAS

and the AREA OF COMMON RESPONSABILITY will be considered a COMMON EXPENSES and will be included within the MAINTENANCE FEES.

12.2. INSURANCE OF EXCLUSIVE COMMON AREAS

In addition to the all-risk insurance of COMMON AREAS, the ADMINISTRATOR may, at its sole discretion or upon request from EXCLUSIVE DEVELOPMENT ENTITY, obtain and maintain in effect a floating insurance policy that is adequate to cover all risks, so long as the latter is reasonably available, on all insurable improvements in EXCLUSIVE COMMON AREAS within the EXCLUSIVE DEVELOPMENT. If the all-risk insurance is not reasonably available, then it will be substituted for extended fire, hurricane and flood coverage. This coverage must be such as the ADMINISTRATOR deems appropriate, for One Hundred per cent (100%) of the cost of replacement of all the structures to be insured. These costs will be charged as EXCLUSIVE DEVELOPMENT FEES to the OWNERS of the LOTS within the benefiting EXCLUSIVE DEVELOPMENT. All this insurance will be for the total cost of replacement and will provide an insurance certificate to be provided to the ADMINISTRATOR or to the EXCLUSIVE DEVELOPMENT ENTITY.

12.3. INSURANCE AGAINST WORK ACCIDENTS AND CIVIL LIABILITY

In addition to the insurance required in this Section, the ADMINISTRATOR will obtain, as a Common Expense, insurance against work accidents, in the case of and up to the scope required by law, coverage against the liability of directors and officers, if reasonably available, a fidelity bond or bonds on employees and other PERSONS that manage or are responsible for funds, and any other insurance that the ADMINISTRATOR, as per their business criteria, considers advisable to obtain. The ADMINISTRATOR will also obtain a civil liability policy that covers COMMON AREAS, the ADMINISTRATOR and the OWNERS against all damages or injuries caused by the negligence of the ADMINISTRATOR or any OWNER or agent. The civil liability policy will have the limits of liability established by the ADMINISTRATOR from time to time.

12.4. INSURANCE DEDUCTIBLES

The policies may contain reasonable deductibles, and in the case of insurance against force majeure, this amount must be added to the base amount of the policy, when determining whether the insurance covers at least the total costs of replacement. The deductible will be paid by the party that will be liable for the loss or repair in the absence of insurance and, in the case of several liable parties, it will be distributed in proportion to the liability of each one of the parties causing the loss. The exclusive authority to adjust the losses under policies obtained on the DEVELOPMENT is attributed to the ADMINISTRATOR.

12.5. PROPERTY INSURANCE

Once the OWNER has received the PROPERTY, they are obligated to keep insurance policies in effect that cover said PROPERTY with a first-rate insurance company in accordance with the ranking of the Dominican Superintendency of Insurance, which must be reinsured by an international reinsurance company. The policy mentioned above will be issued for the minimum global amounts established by the OWNER, with the understanding that in no case may the insured amount be less than the amounts needed to cover the liability that the OWNER could be liable for and/or the value of replacing said improvements.

The OWNER must supply the ADMINISTRATOR with an accurate copy of the policies that verify the contracting of the insurance policies that protect the PROPERTY under the conditions established in this article. Said policies will be endorsed in favor of the PROMOTER or ADMINISTRATOR to guarantee full payment of the amounts that are owed to them, with the understanding that the OWNER must deliver to the PROMOTER or ADMINISTRATOR the original endorsement made in favor of the PROMOTER or ADMINISTRATOR.

The PROMOTER or ADMINISTRATOR agrees to present to the OWNER the three best proposals submitted by the insurance and reinsurance companies and to be used for the purposes of this Article, with the understanding that using one same insurance and reinsurance company guarantees to the purchasers of the DEVELOPMENT greater speed in processing the response to their claims, competitive prices for premiums, as well as better proposals for payment of the insurance and reinsurance policy.

Should the OWNER acquire a LOT within the DEVELOPMENT and decide to carry out the construction of improvements on same, the OWNER must provide the PROMOTER or ADMINISTRATOR, jointly with the notification of initiation of said work, an accurate duplicate of the "all-risk construction policy" that verifies the contracting of the coverage referred to in this Article. Said policy will be endorsed in favor of the OWNER in guarantee of the total payment of the amounts that are owed to them, with the understanding that the OWNER must deliver to the PROMOTER or ADMINISTRATOR the original endorsement made in their favor.

Additionally, the OWNER will indemnify the PROMOTER and ADMINISTRATOR, their executives, and employees against any damages and claims filed by third parties against the OWNER or their employees resulting from any suit, claim, loss, adverse ruling, penalties and expenses that could be incurred by or fall on the PROMOTER or ADMINISTRATOR as a result of, without limitation, any injury, death or damages caused to third parties and/or their PROPERTIES as a result of improvements to be constructed by the OWNER within the scope of the PROPERTY. To this end, and under the same conditions applicable to the other policies required in this Article, the OWNER must sign a "Civil Liability policy" or a similar product that provides full coverage against all the risks mentioned here, which they must keep in effect until the construction and/or remodeling work mentioned above is completed.

Additionally, the OWNER will indemnify the PROMOTER and ADMINISTRATOR, their executives and employees, against any damages and claims filed by third parties against the OWNER or ADMINISTRATOR, their executives and employees, due to, without limitation, any suit, claim, loss, damages, rulings penalties and expenses that could be incurred by or fall on the PROMOTER or ADMINISTRATOR, because of any act or omission of the OWNER.

In like manner, the Parties agree that the OWNER must provide the PROMOTER or ADMINISTRATOR with evidence of the renewal of the corresponding policies, as applicable, within the Ten (10) days prior to the date of expiration of same. Notwithstanding that which is indicated above, the PROMOTER or ADMINISTRATOR is authorized, without being obligated, to renew at the expense of the OWNER, the insurance policy.

The OWNER authorizes the PROMOTER and ADMINISTRATOR to put in place and/or renew, at the expense of the OWNER, the insurance policy mentioned above in the event that the OWNER does not do so on their own, the PROMOTER or ADMINISTRATOR collecting in all cases interests of One Point Five per cent (1.5%) monthly on the disbursed amount, in addition to the sums and amounts that the PROMOTER or ADMINISTRATOR disburses for maintaining this policy, the reimbursement of which, jointly with the payment of the corresponding interest, will be made by the OWNER within a period of Thirty (30) days, starting on the date that the disbursement is made by the PROMOTER or ADMINISTRATOR and the request in writing to the OWNER for the payment in question.

The OWNER will not allow any condition to be found that could invalidate, entirely or partially, the coverage mentioned in this Article.

In the case of disasters, the OWNER will have the obligation to apply the sums received for the insurance policies mentioned above to the repair of the immovable property that is the object of this contract.

Every OWNER acknowledges and agrees also that in the event of damages or destruction of the PROPERTY, the OWNER will diligently proceed to repair or to rebuild the PROPERTY in a manner consistent with the original construction or with other plans and specifications approved in writing by THE BOARD. The OWNER will not allow any condition to be found that could invalidate, entirely or partially, the coverage mentioned in this Article.

In the case of disaster, the OWNER will have the obligation to apply the amounts received for the insurance policies mentioned above to the repair of the immovable property that is the object of this contract. Alternatively, the OWNER will clean and maintain the LOT in an orderly and attractive condition, consistent with the COMMUNITY STANDARDS. The OWNER will pay any cost that is not covered by the insurance.

13. RIGHT OF WAY AND OTHER RIGHTS

It is the intent of the ADMINISTRATOR that any EXCLUSIVE DEVELOPMENT ENTITY, THE CLUBS and the OWNERS will have the right to enter and exit from the DEVELOPMENT or specific areas of the DEVELOPMENT as per the rights and obligations established in these DOCUMENTS, and in any SUPPLEMENTARY REGULATION. The ADMINISTRATOR may grant, via separate instruments to be registered in the REGISTRY, exclusive and non-exclusive rights of way in, over, through and under the DEVELOPMENT for specific purposes, that may include, without limitation, the following:

- a) Use of COMMON AREAS for all appropriate and ordinary purpose established in these REGULATIONS;
- b) Enter, exit and access from and to, through and around the DEVELOPMENT;
- c) Inspection of any construction, improvement or construction of proposals;
- d) Repair or maintenance of the DEVELOPMENT and any installation or improvement on same;
- e) Installation and maintenance of the public services and drainage of the PROPERTY;
- f) Usurpations due to minor inaccuracies in appraisals, construction or reconstruction or due to sinking or movement;
- g) Stray golf balls;
- h) Maintenance, installation, construction and repair of public services and facilities;
- i) Right to access each LOT in favor of the ADMINISTRATOR or of an EXCLUSIVE DEVELOPMENT ENTITY or of the clubs for maintenance, repair, replacement and preservation of COMMON AREAS or of the PROPERTY of the club. Notwithstanding the absence of a registered DOCUMENT, the rights established in this Section will still exist for the intended purposes of the documents or as provided in any SUPPLEMENTARY REGULATION.

14. NO PARTITIONS

Except in those cases permitted by these REGULATIONS or any modification to same, no legal partition of any kind will be made of COMMON AREAS or of any part of same, nor will any PERSON that acquires an interest in the DEVELOPMENT or in any part of same seek legal partition unless it has been removed from the scope of application of the provisions of these REGULATIONS. This article will not be interpreted in any way as prohibiting the ADMINISTRATOR from acquiring and disposing of tangible movable PROPERTY, nor acquiring immovable PROPERTY that may or may not be subject to these REGULATIONS.

15. HARD ROCK GOLF CLUB AT CANA BAY

15.1. OWNERSHIP OF HARD ROCK GOLF CLUB AT CANA BAY

The PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY is private PROPERTY operated by the HARD ROCK GOLF CLUB AT CANA BAY, which does not constitute a part of COMMON AREAS described in this document. The HARD ROCK GOLF CLUB AT CANA BAY has the exclusive right to determine from time to time, at its absolute discretion and without having to notify or approve any change, how and by whom the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY may be used. For example, and in no way limitative, the HARD ROCK GOLF CLUB AT CANA BAY has the right to approve users and determine the eligibility for usage, to reserve the usage rights for future purchasers of PROPERTIES within the DEVELOPMENT, to terminate any or all of the usage rights, to change, eliminate or cease the operation of any or all of the parts of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, to transfer any or all of its rights over the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY or of the operations of same to anyone and under any terms that it deems appropriate, to limit the availability of the usage privileges, and to require payments of a purchase price, initiation fee, membership deposit, fees and other charges related to usage privileges.

Being the OWNER of a PROPERTY or of any part of the DEVELOPMENT does not grant the right of way, of prescription or of any other kina to use of the PROPERTY or to acquire the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY and nor to grant right of ownership or of membership in same or in the PROPERTY of same.

Each OWNER, upon accepting a certificate of ownership or sales contract registered on a PROPERTY acknowledges:

- j) That the privileges of usage of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY will be subject to the terms and conditions of the membership DOCUMENTS of the HARD ROCK GOLF CLUB AT CANA BAY, as well as the modifications that are introduced from time to time (the "DOCUMENTS of the Membership Plan of the HARD ROCK GOLF CLUB AT CANA BAY").
- k) That the acquisition of a membership in the HARD ROCK GOLF CLUB AT CANA BAY requires the payment of a membership acquisition price called a membership contribution of membership deposit, as well as membership charges and fees. These amounts will be determined by the PROMOTER, the ADMINISTRATOR and/or the HARD ROCK GOLF CLUB AT CANA BAY, as established in the DOCUMENTS of the Membership Plan for the HARD ROCK GOLF CLUB AT CANA BAY.
- l) Notwithstanding the fact that the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY is an open space or a recreational area for the purposes of zoning rules and regulations, each OWNER, upon acquiring the title of a PROPERTY, discharges and releases the PROMOTER, the ADMINISTRATOR, the HARD ROCK GOLF CLUB AT CANA BAY, and its MEMBERS, officials, directors, employees, agents and affiliates, from:
 - 1. Any claim that the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY is, or should be, the PROPERTY of and/or should be operated by the ADMINISTRATOR or by the OWNERS, and/or,
 - 2. Any claim that the OWNERS have the right to use the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, by virtue of being titleholders of a PROPERTY without having acquired a membership in the HARD ROCK GOLF CLUB AT CANA BAY, paid the membership contribution, made the applicable membership deposit, paid the fees and charges established by the HARD ROCK GOLF CLUB AT CANA BAY from time to time and complied with the terms and conditions of the DOCUMENTS of the Membership Plan for the HARD ROCK GOLF CLUB AT CANA BAY.

- d) That each OWNER jointly and mutually must indemnify and keep the PROMOTER, the HARD ROCK GOLF CLUB AT CANA BAY, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates , as well as their successors and assigns, free of liability, and likewise will reimburse the PROMOTER, the HARD ROCK GOLF CLUB AT CANA BAY, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates should a suit be filed, or a claim for losses, costs, expenses, obligations, responsibilities, damages, recoveries, and deficiencies, including, but not limited to, interest, penalties, expenses and fees for lawyers and paralegals (even in the case of appeal), that the PROMOTER, the HARD ROCK GOLF CLUB AT CANA BAY, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates should incur or suffer as a result of a claim resulting from the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY being considered an open space or a recreational area for the purposes of the applicable zoning regulations and rules, the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY must be the PROPERTY and/or must be operated by the ADMINISTRATOR or the OWNERS and/or that the OWNERS may use the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY without acquiring membership in the HARD ROCK GOLF CLUB AT CANA BAY as per the DOCUMENTS of the Membership Plan of the HARD ROCK GOLF CLUB AT CANA BAY and without the payment of the membership deposit or contribution, and fees and charges established by the HARD ROCK GOLF CLUB AT CANA BAY from time to time.
- e) That any entry onto the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY without permission from same may be considered as a PROPERTY violation, and each OWNER must abstain from and ensure that all the residents of the PROPERTY of said OWNER, their guests and visitors abstain from the unauthorized entry onto the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY.
- f) That the proximity of PROPERTIES and COMMON AREAS to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY implies certain foreseeable risks, including risks of damages or injuries from lost golf balls or recovery of same, and that the use and enjoyment of each OWNER of their PROPERTY and of COMMON AREAS my limited as a result, and that neither the PROMOTER, nor the ADMINISTRATOR, nor the HARD ROCK GOLF CLUB AT CANA BAY will have the obligation to take measures to remove or reduce said risks, nor will they be responsible to the OWNERS or residents of the PROPERTIES, their guests or visitors, for damages or injuries resulting from lost golf balls that strike any PROPERTY or COMMON AREAS due to recovery of the former:
- g) That the HARD ROCK GOLF CLUB AT CANA BAY and its agents may add, remove or on the contrary modify the gardens, trees and other features of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, including changing the location, configuration, size and elevation of the sand traps, paths and green areas and construction fences, and that neither the HARD ROCK GOLF CLUB AT CANA BAY, nor the PROMOTER, nor the ADMINISTRATOR, will have any responsibility before the OWNER as a result of said modifications to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY.
- h) That there are no express nor implicit rights over the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY for the purposes of unobstructed views, and that neither the PROMOTER, the ADMINISTRATOR, nor any other PERSON declares nor guarantees that they will preserve unobstructed views of or through the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, from any alteration, and that neither the HARD ROCK GOLF CLUB AT CANA BAY, nor the PROMOTER, nor the ADMINISTRATOR will have any obligation to trim or reduce trees or other landscaping in order to preserve unobstructed views of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY.
- i) That no declaration nor guarantee contrary to this Section has been granted, verbally or in writing, by the PROMOTER, the ADMINISTRATOR or the HARD ROCK GOLF CLUB AT CANA BAY

- nor any PERSON acting on behalf of or in representation of any of the parties; and,
- j) That the HARD ROCK GOLF CLUB AT CANA BAY may contain one or more lakes within the PROPERTY. Notwithstanding the ownership of said lakes, the HARD ROCK GOLF CLUB AT CANA BAY may use all the lakes within the PROPERTY for the purposes of irrigation and maintenance of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, which could cause the water level of said lakes to vary from time to time. Each OWNER of a PROPERTY acknowledges said right of the HARD ROCK GOLF CLUB AT CANA BAY and agrees not to file any suit or other procedure that involves the HARD ROCK GOLF CLUB AT CANA BAY based on the exercise of said right or that on the contrary interferes with same. Should the water levels be insufficient to meet the irrigation needs of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY and all the other areas of the PROPERTY, subject to the applicable government requirements and permits, the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY will have the priority for irrigation, followed by COMMON AREAS, any other AREAS OF COMMON RESPONSABILITY, and any EXCLUSIVE COMMON AREAS within an EXCLUSIVE DEVELOPMENT.

15.2. ACCESS RIGHTS AND PARKING

HARD ROCK GOLF CLUB AT CANA BAY, may request and receive written approval of the ADMINISTRATOR to use the streets within the DEVELOPMENT for parking during tournaments and other events hosted by the HARD ROCK GOLF CLUB AT CANA BAY. Such temporary parking activities will take place during reasonable hours and in a manner to not impede circulation of traffic.

15.3. ASSUMPTION OF RISK AND INDEMNITY

Each OWNER, upon purchasing a PROPERTY, expressly assumes the risks associated with the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY (regardless of whether the OWNER is using same or not) and agrees that neither the PROMOTER, nor the HARD ROCK GOLF CLUB AT CANA BAY, nor the ADMINISTRATOR, nor any of their affiliates or agents, nor any other entity that designs, builds, owns or manages the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY or plans or builds the DEVELOPMENT will be responsible before the OWNER or before any other PERSON who claims any loss or damage, including, but not limited to, indirect, special or consequential loss or damage originating from personal injuries, destruction of PROPERTY, obstructed views, noise pollution, or any other visual or audible annoyance, or unauthorized entry or any other damage claimed or right to correct on the basis of, due to, resulting from or in any way related to the proximity of the PROPERTY of the OWNER to COMMON AREAS with respect to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, including, but not limited to, any claim resulting, partially or totally, from the negligence of the PROMOTER, or of any other entity that designs, builds, owns or administers the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY or plans or builds the PROPERTY of the OWNER. Each OWNER hereby agrees to indemnify and keep the PROMOTER, the ADMINISTRATOR, and any other entity that owns or administers the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY free of liability against any or all claims by guests and visitors of the OWNER.

15.4. RIGHT OF WAY IN GARDENS

Upon registering these REGULATIONS, the PROMOTER or the ADMINISTRATOR hereby reserves for itself, for the HARD ROCK GOLF CLUB AT CANA BAY and the MEMBERS of the HARD ROCK GOLF CLUB AT CANA BAY, a perpetual, inalienable and transferable right of way through and within each and every one of the LOTS adjacent or contiguous to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY for the purposes of operation and maintenance of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, including, but not limited to the usual and common use of irrigation, maintenance and gardening equipment, whose right of way will specifically constitute a part of the PROPERTY of the GOLF CLUB. For example, in a limitative manner, said right of way will allow entry to the LOT to plant grass, apply fertilizers, clip and remove any weeds, garbage, debris and trees.

15.5. RIGHT OF WAY TO PLAY GOLF

Upon registering these REGULATIONS, the PROMOTER or the ADMINISTRATOR hereby reserves for itself, for the HARD ROCK GOLF CLUB AT CANA BAY and the MEMBERS of same, a perpetual, inalienable and transferable right or way over, through and within each and every one of the LOTS adjacent or contiguous to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY for the purposes of carrying out any necessary and appropriate act for the game of golf on the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY, which will include, without being limitative, the recovery of golf balls from any LOT, the flight of golf clubs on and in any LOT, the usual and common noise level created by the game of golf, and the common and usual activities associated with the operation and maintenance of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY. No provision established in this document, however, will be interpreted as permitting golf to be played in any LOT, but rather the intention of this right of way is that the game of golf is limited to the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY.

16. CANA BAY BEACH CLUB

16.1. PROPERTY OF THE CANA BAY BEACH CLUB

The PROPERTY of the BEACH CLUB is private PROPERTY operated by the BEACH CLUB, which does not constitute part of COMMON AREAS described in this document. The BEACH CLUB has the exclusive right to determine from time to time, at their absolute discretion and without the need for notification or approval of any change, how and by whom the PROPERTY of the BEACH CLUB may be used. For example, and not in a limiting manner, the BEACH CLUB has the right to approve users and to determine the eligibility for use, to reserve for itself the rights of use for future purchasers of PROPERTIES within the DEVELOPMENT, to terminate any or all of the rights of use, to change, eliminate or cease the operations of any or all parts of the PROPERTY of the BEACH CLUB, to transfer any or all of their rights over the PROPERTY of the BEACH CLUB or over the operations of same to anyone and under any terms it deems appropriate, to limit the availability of usage privileges, and to require the payments of purchase prices, initiation fee, membership deposit, fees and other charges of usage privileges.

Being an OWNER of a PROPERTY or of any part of the DEVELOPMENT does not grant the right of way, of prescription or of any other kind to use the PROPERTY or to acquire a PROPERTY of the BEACH CLUB and neither to grant the right of ownership or of membership in same or in the PROPERTY of same.

Each OWNER, upon accepting a certificate of ownership or sales contract registered on a PROPERTY, acknowledges:

- a) That the privileges to use the PROPERTY of the BEACH CLUB will be subject to the terms and conditions of the DOCUMENTS of membership of the BEACH CLUB, as well as to the modifications introduced from time to time (the "DOCUMENTS of the MEMBERSHIP PLAN OF THE BEACH CLUB").
- b) That acquisition of a MEMBERSHIP in the BEACH CLUB requires payment of an acquisition price of membership called a membership contribution or membership deposit, as well as fees and charges of membership. These conditions will be determined by the PROMOTER, the ADMINISTRATOR, and/or the BEACH CLUB as established in the DOCUMENTS of the MEMBERSHIP PLAN OF THE BEACH CLUB. Even though the PROPERTY of the BEACH CLUB is an open space or a recreational area for the purposes of zoning regulations and rules, each OWNER, upon acquiring a title of a PROPERTY, discharges and releases the PROMOTER, the ADMINISTRATOR, the BEACH CLUB and its MEMBERS, officials, directors, employees, agents and affiliates forever from:
 1. Any claim that the PROPERTY of the BEACH CLUB is, or should be, the PROPERTY of and/or should be operated by the ADMINISTRATOR or by the OWNER, and/or,
 2. Any claim that the OWNERS have the right to use the PROPERTY of the BEACH CLUB, by being titleholders of a PROPERTY, without having acquired a membership in the BEACH CLUB, paid the membership contribution, made the applicable membership deposit, paid the fees and charges established by the BEACH CLUB from time to time and complied with the terms and conditions of the DOCUMENTS of the Membership Plan for the BEACH CLUB.
- c) That each OWNER jointly and mutually must indemnify and keep the PROMOTER, the BEACH CLUB, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates, as well their successors and assigns, free of liability and likewise will reimburse the PROMOTER, the BEACH CLUB, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates should a suit be filed, or a claim for losses, costs, expenses, obligations, responsibilities, damages, recovery, and deficiencies, including, but not limited to, interest,

penalties, expenses and fees for lawyers and paralegals (even in the case of appeal), that the PROMOTER, the BEACH CLUB, the ADMINISTRATOR and its MEMBERS, employees, agents, directors, shareholders, officials and affiliates should incur or suffer as a result of a claim resulting from the PROPERTY of the BEACH CLUB being considered an open space or a recreational area for the purposes of the applicable zoning regulations and rules, the PROPERTY of the BEACH CLUB must be the PROPERTY and/or must be operated by the ADMINISTRATOR or the OWNERS and/or that the OWNERS may use the PROPERTY of the BEACH CLUB without acquiring membership in the BEACH CLUB as per the DOCUMENTS of the Membership Plan of the BEACH CLUB and without the payment of the membership deposit or contribution, and fees and charges established by the BEACH CLUB from time to time.

- d) That any entry onto the PROPERTY of the BEACH CLUB without permission from same may be considered as a PROPERTY violation, and each OWNER must abstain from and ensure that all the residents of the PROPERTY of said OWNER, their guests and visitors abstain from the unauthorized entry onto the PROPERTY of the BEACH CLUB.
- e) That the nature and athletic, nautical and aquatic activities that may be carried out at the BEACH CLUB implies certain foreseeable risks, including risks of damages or injuries from the exercising of said activities, and the PROMOTER, nor the ADMINISTRATOR, nor the BEACH CLUB will not be obligated to take measures to remove or reduce said risks, nor will they have any responsibility of any kind before OWNERS or residents of PROPERTIES, their guests or visitors, for damages or injuries resulting from the use and enjoyment of the installations of the BEACH CLUB, including the events that could occur on the marine coast and its waters.
- f) That the BEACH CLUB and its designees may add, remove or on the contrary modify the buildings, installations, pools, terraces, gardens, trees and other features of the PROPERTY of the BEACH CLUB, and that neither the BEACH CLUB, nor the PROMOTER, nor the ADMINISTRATOR, will have any responsibility before the OWNER because of said modifications to the PROPERTY of the BEACH CLUB.
- g) That there are no express nor implicit rights of way over the PROPERTY of the BEACH CLUB for the purposes of a scenic view, and that neither the PROMOTER nor any other PERSON declares nor guarantees that they will preserve unobstructed views of or through the PROPERTY of the BEACH CLUB, from any alteration, and that neither the BEACH CLUB, nor the PROMOTER, nor the ADMINISTRATOR will have any obligation to trim or reduce trees or other landscaping in order to preserve unobstructed views within the PROPERTY of the BEACH CLUB; and,
- h) That no declaration nor guarantee to this Section has been granted, verbally or in writing, by the PROMOTER, the ADMINISTRATOR or the BEACH CLUB, their agents, successors, or assigns.

16.2. ACCESS RIGHTS AND PARKING

The BEACH CLUB may request and receive written approval of the ADMINISTRATOR to use the streets within the DEVELOPMENT for parking during events hosted by the BEACH CLUB. Such temporary parking activities will take place during reasonable hours and in a manner to not impede circulation of traffic.

16.3. ASSUMPTION OF RISK AND INDEMNITY

Each OWNER, upon purchasing a PROPERTY, expressly assumes the risks associated with the PROPERTY of the BEACH CLUB (regardless of whether the OWNER is using same or not) and agrees that neither the PROMOTER, nor the BEACH CLUB, nor the ADMINISTRATOR, nor any of their affiliates or agents, nor any other entity that designs, builds, possesses or manages the PROPERTY of the BEACH CLUB will be responsible before the OWNER or before any other PERSON that claims any loss or damage, including, but not limited to, any indirect,

special or consequential loss or damage originating from personal injuries, destruction of PROPERTY, loss of unobstructed views, noise pollution, or any other visual or audible annoyance, or unauthorized entry or any other damage claimed or right to correct on the basis of, due to, resulting from or in any way related to the use and enjoyment of the BEACH CLUB, including, but not limited to, any claim resulting, partially or totally, from the negligence of the PROMOTER, the ADMINISTRATOR, or of any other entity that designs, builds, possesses or administers the PROPERTY of the CANA BAY BEACH CLUB. Each OWNER hereby agrees to indemnify and keep the PROMOTER, the ADMINISTRATOR, and any other entity that possesses or administers the PROPERTY of the BEACH CLUB free of liability against any or all claims by guests and visitors of the OWNER.

17. RIGHTS OF THE ADMINISTRATOR

17.1. PURPOSE

The purpose of this Article is to acknowledge certain rights of the ADMINISTRATOR, and refer to, for ease of reference, other rights of the ADMINISTRATOR established in these REGULATIONS. This Article will not limit in any way any other right conferred on the ADMINISTRATOR by means of these REGULATIONS.

17.2. DURATION OF RIGHTS

The rights of the ADMINISTRATOR established in these REGULATIONS are in perpetuity.

17.3. RECOGNITION OF THE RIGHTS OF THE ADMINISTRATOR TO DEVELOP AND BUILD IMPROVEMENTS ON THE PROPERTY

Each OWNER on their own behalf and in the name of their inheritors, personal representatives, successors, assigns, mortgage creditors, chattel creditors and assigns, acknowledges and accepts that the completion of the DEVELOPMENT may occur over an extended period of time and that due to said development and to the construction related to same, the peaceful enjoyment and use of the DEVELOPMENT may be temporarily affected and that each part of same may be temporarily interrupted due to the work of development and construction that are being carried in said parts of the DEVELOPMENT.

Each OWNER, on behalf of their inheritors, assigns, personal representatives, successors, mortgage creditors and chattel creditors, hereby waive the right to any claim due to the interruption of said peaceful enjoyment and use because of the development and construction of any part of the DEVELOPMENT. Each OWNER, on behalf of their inheritors, assigns, personal representatives, successors, mortgage creditors and chattel creditors, accepts that the DEVELOPMENT, construction and completion of the DEVELOPMENT may interfere with their current and original unobstructed views, diminish the entry of light and air, and that each one of the OWNERS on their own behalf, in the name of their inheritors, assigns, personal representatives, successors, mortgage creditors and chattel creditors grant, discharge the PROMOTER, the ADMINISTRATOR, their successors and assigns, from any claim that could arise with respect to the situations described in this Article.

17.4. RIGHTS OF THE ADMINISTRATOR WITH RESPECT TO THE DEVELOPMENT

The ADMINISTRATOR, their successors and assigns, will oversee the construction work on buildings, dwellings and related improvements related to finalizing the DEVELOPMENT. Completion of said work and the sale, financing, resale, rental and other dispositions of PROPERTIES are essential for the establishment and well-being of the DEVELOPMENT. In order that said work may be financed and completed and the DEVELOPMENT may be established as a Residential Community that is completely occupied as soon as possible, the OWNERS must abstain from carrying out actions that interfere with the activities of the ADMINISTRATOR. The provisions contained in these REGULATIONS or any modification to same, will not be understood nor interpreted in any way that they impede the ADMINISTRATOR, their successors, assigns, contractors or sub-contractors and their representatives from:

- i) Carrying out on any PROPERTY they own, all that which is established as necessary or advisable with respect to the completion of said work, including but not limited to the alteration of their construction and design plans in accordance with how the ADMINISTRATOR considers advisable during the development (all models and sketches that show plans for future DEVELOPMENTS may be modified by the ADMINISTRATOR at any time and from time to time, without the need for notification);
- j) Encumbering any PROPERTY that belongs to same with the purpose of obtaining financing to be used to continue the activities of the ADMINISTRATOR;

- k) Erecting, building and maintaining on the PROPERTY of the ADMINISTRATOR, or the PROPERTY controlled by same, or by their successors, assigns, contractors or sub-contractors, the structures that are reasonably needed to conduct the business of completing said work and establishing the DEVELOPMENT as a co-ownership and dispose of same via sale, rental or by any other means; or,
- l) Carrying out on any PROPERTY belonging to or controlled by the ADMINISTRATOR, their successors or assigns, their business as a DEVELOPMENT, subdivision, classification and construction of improvements on said PROPERTY and to dispose of PROPERTIES via sale, resale, rental or any other means.

The ADMINISTRATOR expressly reserves the right to grant rights of way and encumbrances on and through COMMON AREAS; on and through any PROPERTY of the ADMINISTRATOR, so long as the latter is the owner of any part of the DEVELOPMENT, mainly with the purpose of development and/or resale; with the condition that said rights of way, encumbrances (whether before or after the putting into execution of these REGULATIONS) or the right of way granted do not interfere in any significant way with the use by the OWNERS of COMMON AREAS. In the event that the PROMOTER and/or the ADMINISTRATOR has consented or in the future will consent to granting an encumbrance on the PROPERTY belonging to them and said encumbrance is executed, thus resulting in the termination of these REGULATIONS with respect to a portion of the DEVELOPMENT, same will remain in effect with respect to the remaining portions of the DEVELOPMENT, RESORT or the PROPERTY that is not affected, and none of the OWNERS may claim or allege that the partial termination of these REGULATIONS will affect in any way the validity with respect to the DEVELOPMENT or any other PROPERTY on which these REGULATIONS have not been terminated; so long as said partial termination does not materially impact or interfere adversely with the use or access by said OWNER to their PROPERTY.

17.5. FUTURE RIGHTS OF WAY AND MODIFICATIONS

The ADMINISTRATOR reserves the right to grant, modify or sign rights of way, agreements, licenses, exclusive use, restrictions, reservations, pacts and rights to modify the boundary lines and establish or reestablish boundaries of parts of the DEVELOPMENT, for the purposes of development of same. Each OWNER of a part of the DEVELOPMENT agrees to execute and comply with all the agreements, documents, boundaries, plans and instruments that are needed or desired for the DEVELOPMENT.

17.6. CONSTRUCTION AND MARKETING

Acknowledging the fact that the ADMINISTRATOR will have a substantial and ongoing participation in the development and administration of the DEVELOPMENT, the ADMINISTRATOR hereby reserves for their benefit, for that of their successors and assigns, the right to grant rights of way over, under and through, as well as to use COMMON AREAS and to use all of the other parts of the DEVELOPMENT jointly and as part of their sales, rental, construction, marketing and PROMOTION program for any PROPERTY of the ADMINISTRATOR, or controlled by same, their successors, designees or assigns, including, but not limited to, the right to undertake construction, to sign and settle business, maintain administrative offices, maintain models and sales, resale and rental offices, place signs, hire sales and rental personnel, show PROPERTIES and use parts of the DEVELOPMENT, of the PROPERTIES owned by the PROMOTER or ADMINISTRATOR and other improvements for the purposes established above and to store construction material and to construct and assemble the construction components without any cost to the ADMINISTRATOR and their successors, nominees and assigns for said rights and privileges.

Additionally, the ADMINISTRATOR, their successors and assigns, will have the right to build, maintain and use the sales, resale, rental, administration and constructions offices throughout the DEVELOPMENT. All models, sales area, sales, resale and rental centers, administrative offices, parking areas, constructions offices, signs and any other designated area or other PROPERTY pertinent to the sale, construction and marketing efforts of the DEVELOPMENT will not be a part of COMMON AREAS or of EXCLUSIVE COMMON AREAS and will remain as the PROPERTY of the ADMINISTRATOR, its successor or assigns.

The ADMINISTRATOR will have the right to build, maintain and repair structures, gardens and other improvements located in any part of the PROPERTY of the PROMOTER or ADMINISTRATOR, as the latter considers necessary or appropriate for the development of any part of the DEVELOPMENT. The use by the ADMINISTRATOR of any portion of the DEVELOPMENT in the manner stated in this Section will not constitute a violation of the Documents.

17.7. SCOPE

The rights and privileges of the ADMINISTRATOR, their successors and assigns, established or indicated above in this document, are in no way limiting their existing rights and privileges of the PROMOTER, their successors, designees and assigns, by any other Document. The provisions mentioned above, like the other provisions of these REGULATIONS, grant or reserve rights in favor of the ADMINISTRATOR that cannot be suspended, substituted or modified in any way unless the ADMINISTRATOR so agrees, said rights may be entirely or partially granted in writing by the ADMINISTRATOR, as the ADMINISTRATOR deems necessary. In the manner used in these REGULATIONS, the terms “their successors or assigns” specifically do not include the purchasers of PROPERTIES, unless they are designated specifically as such in a SUPPLEMENTARY REGULATION.

17.8. ADMISSION RIGHTS

The ADMINISTRATOR, at its sole and absolute discretion, reserves the right of admission of any PERSON, guest or visitor of the OWNERS of a PROPERTY, to any of the infrastructures of the DEVELOPMENT, including, but not limited to all its clubs, social areas, restaurants and other installations located within the boundaries of the DEVELOPMENT.

18. GENERAL CONDITIONS

18.1. AMENDMENTS

The ADMINISTRATOR will have the right to amend these REGULATIONS at its sole and absolute discretion at any time if in their judgment said amendment is:

- a) Necessary so that all provisions follow government regulations, rules or statutes, or legal decisions;
- b) Necessary to permit any accredited insurance company to issue PROPERTY insurance coverage on a PROPERTY;
- c) Required for an institutional lender or a government mortgage institution or a buyer of mortgage loans, to allow same to carry out, insure or request mortgage loans on a PROPERTY;
- d) Necessary to allow any institution, government agency or private accredited insurance company to guarantee mortgage loans on a LOT that is subject to these REGULATIONS; or
- e) Necessary to correct any typographical mistake or any error of a similar nature; so long as said amendment does not adversely affect the ownership title, unless the OWNER consents to the change in writing.
- f) Necessary to improve communication between the parties.

The ADMINISTRATOR will have the right to amend these REGULATIONS at its sole and absolute discretion for any purpose, so long as they it is the owner of any part of the PROPERTY, with the condition that the amendment does not have an adverse material effect on the rights of each OWNER of a PROPERTY.

18.2. INDIVIDUALITY OF THE PROVISIONS

The invalidation or cancellation of any article of these REGULATIONS by any ruling, court decision or legal order will not affect in any way the unaffected articles of these REGULATIONS, which will remain in full effect and validity.

18.3. INACTION

Inaction on the part of the PROMOTER, the ADMINISTRATOR or THE BOARD in sanctioning any violation of one or several provisions of these REGULATIONS, may never be interpreted as a waiver of the right to enforce said provision.

18.4. RESOLUTION OF CONTROVERSIES

Any suit, disagreement or claim resulting from these regulations or pertaining to same, to non-compliance with same, to the interpretation or application of same, must be submitted for review to THE BOARD, which will attempt to reach an amicable resolution, after a careful examination of the matter, and will issue a final and binding decision for all PERSONS involved in the claim.

18.5. USE OF THE TERM AND BRAND “CANA BAY” AND OTHER BRANDS OWNED BY THE ADMINITRATOR

The commercial name or term “CANA BAY”, as well as its brand, is the property of the ADMINISTRATOR and therefore no PERSON may use the term “CANA BAY” or derivative of same in any printed or promotional material, without the prior consent in writing from the ADMINISTRATOR. However, the DEVELOPERS and the OWNERS may use the term “CANA BAY” in printed materials when said term is used only to specify that a PROPERTY is located within the DEVELOPMENT.

Likewise, no PERSONS may use the commercial names and brands that are the PROPERTY of the ADMINISTRATOR in any printed or promotional material, without the prior consent in writing from the ADMINISTRATOR. However, the OWNERS may use commercial names that are the property of the ADMINISTRATOR in printed materials when said term is used only to specify that a specific PROPERTY is located within the DEVELOPMENT.

18.6. ASSIGNMENT OF RIGHTS

The ADMINISTRATOR will have the right, at its sole and absolute discretion, to assign all or part of their rights and obligations under these REGULATIONS.

18.7. NOTIFICATION OF ACTION OF MORTGAGE CREDITORS

If an OWNER wishes to mortgage their PROPERTY, said OWNER must request that the mortgage documents stipulate specifically that in the case of ownership transfer, the mortgage lender and/or the acquirer of the PROPERTY, through public auction or other means, will continue to submit to these REGULATIONS.

18.8. INDEPENDENT DEVELOPERS

The DEVELOPMENT is a co-ownership planned under a master plan to be developed by the ADMINISTRATOR. The individual structures built within the DEVELOPMENT may be built by the PROMOTER, the ADMINISTRATOR, or other DEVELOPERS or independent contractors that purchase LOTS without improvements from the PROMOTER and/or the ADMINISTRATOR. If a PERSON or entity that is not the PROMOTER or ADMINISTRATOR builds a structure, the PROMOTER or ADMINISTRATOR will have no responsibility of any kind for the activities of said DEVELOPER or builder, direct or indirectly, including, but not limited to the marketing or construction of the structures or the actions of any official, trustee, partner, agent or main sub-contractor.

18.9. NO RIGHT TO UNOBSTRUCTED VIEWS

Each OWNER also acknowledges that neither the PROMOTER, the ADMINISTRATOR, nor any DEVELOPER, nor any PERSON acting on behalf of the PROMOTER, the ADMINISTRATOR, or any other DEVELOPER, has made or is authorized to make declarations or commitments that unobstructed views of the PROPERTY of the HARD ROCK GOLF CLUB AT CANA BAY will be preserved, protected or will remain without obstruction, and no express or implicit rights of way exist with the intent of preserving the unobstructed views pertaining to any LOT.

18.10. POWER OF ATTORNEY

Each OWNER, via this document, unconditionally and irrevocably designates the ADMINISTRATOR as their power of attorney to execute each one of the DOCUMENTS, and undertake all the actions needed or desired to achieve the purposes and intentions of these REGULATIONS.

In virtue of, the undersigned have signed these REGULATIONS, on the dates and places described below.

READ AND SIGNED, in serial of acceptance and approval, in three (3) originals of the same tenor and effect, one for each of the contracting parties and another to be deposited in Higüey city Registry of Titles, together with the Contract of Corresponding property (s).

GIVEN in the Dominican Republic, _____ on the ____ s (____) day of the month of _____ of the year two thousand _____ (20 _____).

By the SELLER:

By the BUYER:

Name

Name

Degree

Degree

By Administrator

Name

Degree