

WESTWIND II
NASSAU, BAHAMAS

THIS BOOKLET CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING
A WESTWIND II UNIT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A
PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS
HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIAL.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING
THE REPRESENTATIONS OF THE DEVELOPER. PLEASE REFER TO THIS BOOKLET
AND ITS EXHIBITS, FOR CORRECT REPRESENTATIONS.

WESTWIND II
Table of Contents

<u>TOPIC</u>	<u>PAGE</u>
<u>Summary of Westwind II Project</u>	
Scope of the Project-----	i
Recreational Facilities-----	i
<u>Developer's Background</u>	
Developer's Background-----	iii
Legal Proceedings-----	iv
<u>Miscellaneous Information</u>	
Insurance-----	iv
Project Restrictions-----	iv
Project Roads, Parking and Easements-----	vi
Management Contracts-----	vi
<u>Additional Disclosure Information</u>	
Determination of Assessments and Common Expenses-----	vii
Time Share Unit Owners Voting Rights-----	vii
Suit Partition-----	vii
Title Exceptions-----	viii
Declaration of Covenant-----	1
Percentage of Interest-----	20A
Interval-Ownership Deed-----	21
Development Agreement-----	37
Memorandum of Association-----	42
Articles of Association-----	49
Management Agreement-----	91
Westwind II Rules & Regulations-----	100
Westwind II Projected Budget for 1982-----	102
Westwind II Furniture Package-----	103
Trust Agreement-----	104
Purchase Contract-----	107
Title Policy-----	109
Interval Calendar-----	115

SUMMARY OF WESTWIND II PROJECT

Scope of the Project

WESTWIND II consists of five (5) townhouse buildings, housing a total of fifty four (54), two bedroom residential units. The units are in the process of construction with construction to be completed on or about June 1, 1983.

The Westwind II floor plan is attached hereto and encompasses approximately 750 square feet of indoor living space in each villa with a two story floor plan and consisting of two bedrooms and two full baths. Each villa has an adjacent patio or balcony.

Each villa contains modern appliances, wall-to-wall color coordinated carpeting, and indoor and patio furniture as described on the attached "Westwind II Furniture Package".

Westwind II Association Ltd., the owner of the property, and Westwind II, Ltd. the developer, will sell approximately twenty-seven hundred (2,700) weeks in villas on an interval-ownership basis. Interval-ownership or vacation ownership is the ownership of a vacation home for only the interval of time purchased. The project is located on approximately three (3) acres of land located on Cable Beach in Nassau, Bahamas. The Club is located within the municipal boundaries of Nassau, and in a resort-recreational neighborhood. The property is located on New Providence Island, Bahamas, in close proximity to commercial shopping facilities. The Nassau Fire Department is located five miles from the project and police protection is provided by the Royal Bahamas Police Force. The site is located on the northwest shore of the Island adjacent to the Atlantic Ocean. The property is seven and a half feet above sea level with tropical growth surrounding the villas.

Recreational Facilities

At Westwind II, construction will be completed on the swimming pools, clubhouse, and beach front. The clubhouse will be located in the center of the project and includes a snack bar, wet bar, two swimming pools and deck. All recreational facilities will be budgeted and the only financial responsibility for the purchaser is his annual maintenance fee for his/her proportional share of the expenses.

Westwind II, Association Ltd. is a Bahamian corporation organized under the Commonwealth of the Bahamas Companies Act. Each Interval Ownership Owner automatically becomes a member of the Association after the purchase of an Interval Ownership Week. The Association will be governed by the Board of Directors who have been initially selected by the developer, Westwind II Ltd., and consists of Richard Chester Thompson, Joan Margaret Thompson, Charles W. B. Farrington.

The first general meeting of the members of the Association shall be held during 1983, and an annual general meeting shall be held each year thereafter. Additional meetings of the membership shall be held as provided with proper notice to all members of the Association. Westwind II Ltd. will be able to cast votes at such annual meetings as long as it retains unsold Interval Ownership Weeks. The number of votes the developer, Westwind II Ltd. will be able to cast will be dependent upon the number of unsold Interval Ownership Week Units which have been constructed.

The developer, Westwind II Ltd., anticipates that most of the Interval Ownership Week Units in Westwind II will be sold prior to December 31, 1983 and if this does in fact occur, control of the project will be in the hands of the new purchasers or new members of the Association. This turnover of control of the project means that the Interval Ownership purchasers or co-owners will have sufficient votes to elect a majority of the Association Board of Directors. It is anticipated that the new Interval Ownership purchasers or co-owners will elect directors from such purchasers who will assume responsibility for governing the project. Therefore, it is anticipated that at the 1983 meeting of the Association, by vote of the co-owners, control of the project will leave the hands of the present board and pass to a new Board of Directors elected by the new owners. Your attention is directed to the Westwind II Association Ltd., Memorandum of Association, Articles of Association, and Declaration of Covenant, for more specific information regarding the Association.

DEVELOPER'S BACKGROUND

The developer, Westwind II Ltd., was formed originally in 1980 to purchase the property and commence plans for development. The names, addresses, and principal occupation of the three principals are as follows:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Richard Chester Thompson	East Bay Street Nassau, Bahamas	Real Estate Broker
Charles W. B. Farrington	East Bay Street Nassau, Bahamas	Shipping Agent
Joan Margaret Thompson	East Bay Street Nassau, Bahamas	Retail Shop Owner

The three principals are presently the only owners of outstanding shares of Westwind II Limited. On October 3, 1979, Brigantine Bay Association Limited, took title to the Westwind II property. The name of Brigantine Bay Association Limited, was changed by special resolution to Westwind II Association Limited, on April 17, 1980. Westwind II Limited, the Developer entered into an Agreement with Westwind II Association Limited, agreeing to construct Westwind II on the Property on June 17, 1980 and construction commenced on July 1, 1980.

The principals of Westwind II Limited, Chester Thompson, Charles W. B. Farrington, and Joan Margaret Thompson, were developers of a prior Interval Ownership development located in Nassau. Mr. Thompson has particular experience in the real estate field and with real estate developments in the Bahamas. The name of the developer's previous project is Westwind Club located on Cable Beach, Nassau, Bahamas. Westwind Limited, the Developer of Westwind Club took title to the property on which the project is located in 1979.

Legal Proceedings

Westwind II Limited has never been named as a defendant in any civil action, and the developer has never been involved in any litigation, administrative proceedings, or legal action.

In addition, the principal officers and shareholders of the development company have not and are not a party to or involved in any litigation, administrative proceedings, or legal action.

MISCELLANEOUS INFORMATION

Insurance

The Association has insured the general and limited common elements. In addition, insurance coverage has been purchased by the Association to cover the interior furnishings of all individual units and any property of the Association located on the site or in the villas. All property owned by the Association will be adequately insured and the only insurance requirements for individual owners would be to insure his/her own personal possessions if so desired.

If the project should be destroyed or damaged, the Westwind II Memorandum of Association (Bylaws) provide plans for reconstruction or repair and contingencies for owners inconvenienced by any damage. For further information, please refer to Page 14 of the Declaration of Covenant, and Pages 13-14 of the Interval Ownership Deed.

All insurance coverage has been purchased by the Association from Chester Thompson Agency, Charlotte Street, Nassau, Bahamas, through the Prudential Assurance Company, Limited, of London, England, as follows:

- A) General Liability-\$500,000
- B) Fire and Extended Perils-\$2,500,000 will be put in place in increments as phases of the club are released with Certificates of Occupancy.

Project Restrictions

The villas at Westwind II Limited are designed and developed as vacation homes or family units. The majority of purchasers of villas in the Club will use the villa as a vacation home for their family. However, all purchasers in Westwind II Club have the option to join Resorts Condominiums International (RCI).

RCI is an independent service organization which provides exchange services at approved resorts and locations. At the time of purchase, the co-owner will be offered membership in RCI which will give the co-owner flexibility and participation with the exchange program offered by RCI. This will provide the co-owner with flexibility of exchanging his week(s) at Westwind II Limited, for a week(s) at our other RCI approved resort locations. RCI membership is not required and is optional, and the annual fee for membership is \$42.00.

Of course, the co-owner has the privilege of having a guest use the villa during his/her week or leasing his week subject to the rules, Memorandum of Association, and regulations of the Association. The Developer has no intention to lease or rent units at the Club, and the Developer has every reason to believe all unit weeks offered for sale will be sold to Interval Ownership purchasers. Villa Owners are not permitted to modify the interior or exterior of their villas and all gardening, landscaping, furniture and maintenance thereof will be provided by the Association. Owner, guest, invitee, or other occupant of the unit shall not permit any animal or pet in the unit. Owner shall not use the unit for any other purpose than as a private residence for the occupation by the owners, their immediate family, guests, servants, and permitted sublicensees. At no time shall the occupancy of any individual single unit exceed six (6) persons. In the event an owner wishes to assign or sublet his possession rights of the unit, written notification must be given to the Association in advance. The Developer is bound by all the restrictions mentioned herein.

Violations of any of the restrictions may result in an action for damages or an action to enjoin the violator or specifically to enforce the restrictions, all of which are included within the Declaration of Covenant. For further information, please refer to paragraph IX, Prohibited Acts, X, Enforcement of Restrictions, and XI, Further Duties of Owners, in the Declaration of Covenant (pages 14 through 17).

Project Roads, Parking and Easements

The private roadway has been constructed running throughout the project. The roadway runs for approximately 800 feet providing easy access to all villas in the project. The roadway is a blacktopped roadway with an estimated life expectancy of approximately 10 years. The Association has taken into consideration upkeep of the roadway, replacement of the roadway, and annual maintenance in its operational reserve account. Even though the cost of replacement may increase substantially in the future, the reserve account should cover any future expenses, however, the purchasers should be well advised that costs may increase substantially in the future, perhaps resulting in increased annual maintenance responsibilities on behalf of the owner.

Twenty-eight unassigned parking spaces will be included within the project to be used by unit owners and their guests. Neither the road nor the parking spaces will be patrolled by the police. The Association reserves the right to enter the villa at reasonable times for the purpose of repairing and performing maintenance work on the villa. In addition, there are public utility easements for phones, water and sewer systems held by public utilities.

Management Contracts

Westwind II Association Limited, the Association, has contracted with Bahamas Timesharing Management LTD. to act as managing agent and manager for Westwind II. The duties of the managing agent shall be to collect assessments, pay bills, maintain the buildings, grounds and appurtenances including recreational facilities of the project, contract for services such as water, electricity, equipment maintenance responsibilities. The Management Agreement was entered into on January, 1982 and shall be annually renewed by the Association and its members unless the Association terminates the Agreement. The Agreement is a year-to-year Agreement unless terminated with 60 days prior notice. However, the Agreement may be terminated by either party with 60 days prior notice. Bahamas Timesharing Management LTD. shall be paid a fee of Fifteen Thousand Dollars (\$15,000.00) per year payable annually from the maintenance fees collected. The management fee paid by the Association to the agent hereunder relates solely to the management of the units and strict accounting practices must be followed with the required

budgets in reporting to the Board of Directors of the Association. Questions concerning maintenance or repairs shall be directed to Bahamas Timesharing Management LTD., Nassau, Bahamas, (809) 327-7529.

ADDITIONAL DISCLOSURE INFORMATION

Determination of Assessments and Common Expenses

Each owner of each Interval Ownership Unit shall be responsible for the annual common expense charge which is presently \$229.00 per Interval Ownership Week per year. All Interval Owners of Interval Weeks shall share the assessments equally and each unit owned shall have an equal share of the assessment responsibility. In addition, the directors or the management agent shall adopt a budget to determine the respective pro rata amount of the total expenses of the operation of Westwind II for which each member shall be liable as his common expense charge. The amount of the common expense charge may change from time to time.

All time share unit owners are jointly responsible on an equal basis, computed by each ownership unit, for the payment of any taxes, assessments, or other charges levied against the unit by the directors or the managing agent. All tax assessments against the property shall be paid by Westwind II and the individual time share owners' share shall be paid by their annual assessment. No time share estates will be able to be subject to a tax or other lien arising out of claims against individual time share owners because all insurance, utilities and taxes shall be paid through the projected budget by each time share owner in their annual assessment.

Time Share Unit Owners Voting Rights

Each owner of each Interval Ownership Week shall have an equal vote per week purchase in the affairs of the association.

Suit Partition

It is possible that a suit for a partition could be maintained against an individual unit week owner representing his ownership in the club. However, no owner shall have the right to encumber in any matter whatsoever the entire unit or any part thereof except his

interval ownership interest. However, in the event a suit for partition of the club was maintained, the majority of interest of owners of all units shall dictate the response of the association and club.

TITLE EXCEPTIONS

Exceptions listed in the Chicago Title Insurance commitment issued by Chicago Title Company will provide, in part, as follows:

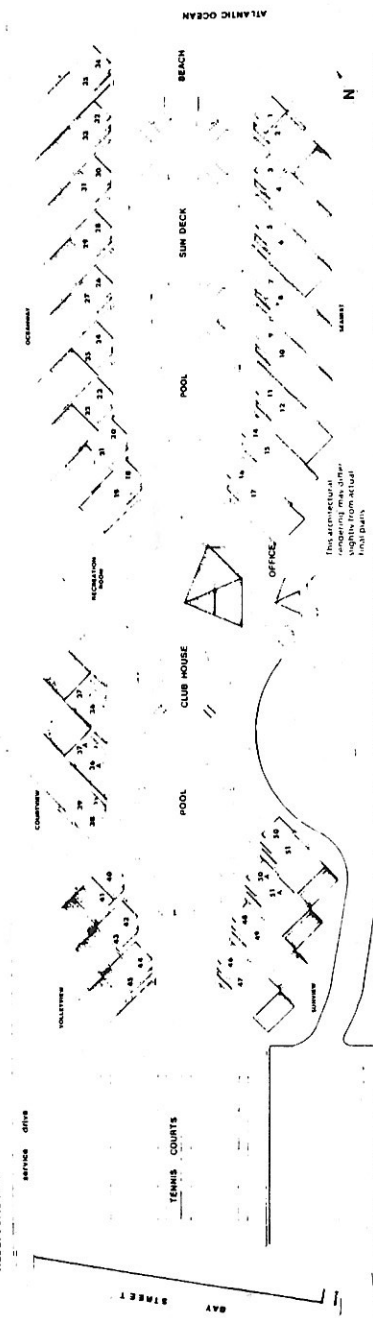
1. Preservation of minerals and other government and/or crown rights.
2. Oil reservation to the government of the Commonwealth of the Bahamas under the provisions of the Petroleum Act of the Bahamas.
3. Exchange control regulations.



From the clear warm waters of the Atlantic, just a 35-minute air flight from Florida, rises New Providence Island of the Bahamas - drenched in sunlight, greenery and blossoms, fringed for miles with soft, sandy beaches and an idyllic tropical paradise. In Nassau, the lively cosmopolitan center steeped in centuries of tradition, its age-old architecture contrasted with modern resort facilities. Nassau offers you life with an international flair, from luscious cuisine and intriguing import shopping, to Continental nightlife and the finest of shopping and dining. Out from Nassau, the island boasts superb boating and fishing, snorkeling and scuba diving. Four

championship golf courses, exciting casinos, Bay Street, famed for its bargain shopping. A few miles west of Nassau, just minutes from Nassau International Airport, are the white sands of Cable Beach and the Westwind Club, the island's most prestigious ocean-side resort. The lifestyle at Westwind II is casually luxurious - each vacation villa is just steps away from all the amenities the club has to offer - an abundance of natural greenery, a huge swimming pool adorned by a sun deck, a private beach, a tennis court, a fully equipped, modern-styled club house, with snack bar and wet bar.

Resort Site Plan

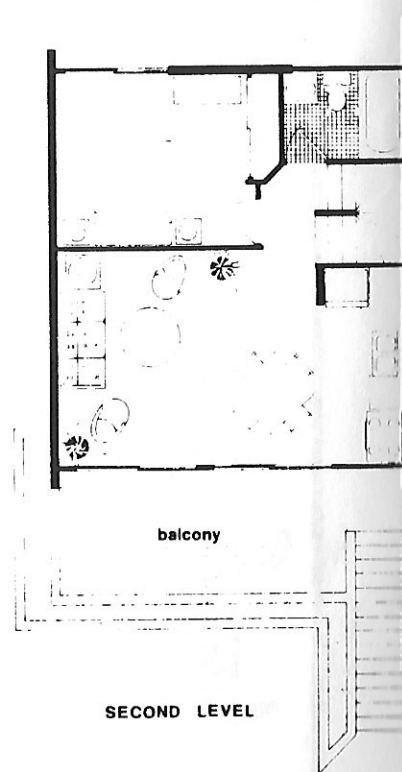
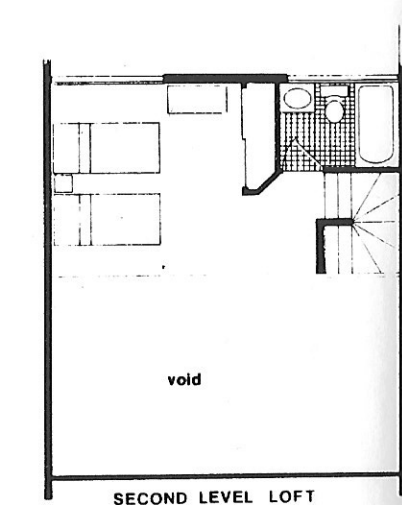
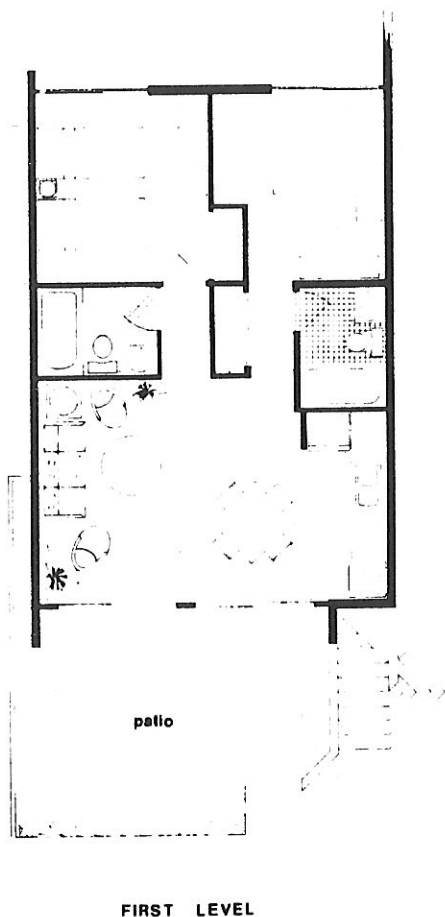


APARTMENTS

All apartments at Westwind II are two bedroom/two bath luxury villas

The first level villa has a foliage screen about the patio providing privacy but not interrupting the views. Whereas this apartment is all on one level, the second level apartment has a cathedral living-room ceiling opening on to a lofted second bedroom and full bath

All Westwind II apartments are fully furnished, design coordinated, and maintained with the vacationer in mind



EMANUEL M. ALEXIOU
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Nassau, Bahamas

COMMONWEALTH OF THE BAHAMAS
New Providence

DECLARATION OF COVENANT

THIS AGREEMENT made the 17th day of June, A.D., 1980 B E T W E E N WESTWIND II LIMITED a Company organized and existing under the Laws of the Commonwealth of The Bahamas and having its Registered Office in the City of Nassau in the Island of New Providence one of the Islands of the said Commonwealth (hereinafter called "the Company") of the one part A N D WESTWIND II ASSOCIATION LIMITED, another Company organized and existing under the Laws of the said Commonwealth and having its Registered Office in the City of Nassau (hereinafter called "the Association") of the other part

WHEREAS:-

(A) The Association is seized in fee simple in possession free from incumbrances of the hereditaments described in the Schedule hereto (hereinafter referred to as "the Westwind II Property");

(B) The Company pursuant to a Development Agreement dated the 17th day of June, A.D., 1980 (hereinafter referred to as "the said Development Agreement") made between the same parties as are parties hereto is empowered to sell Unit Weeks as hereinafter defined and issue Interval Ownership Deeds as hereinafter provided;

(C) The Company is erecting or has erected upon the Westwind II Property pursuant to the said Development Agreement one and two story apartments and other building improvements and amenities (such apartments hereinafter individually referred to as "One of the Units" or "The Unit");

(D) The Company has agreed with the Association that the covenants contained herein shall be binding upon both parties hereto and shall provide covenants which shall control or limit any and all subsequent sales by the Company of Unit Weeks as hereinafter defined;

(E) The Company and the Association have laid out the Westwind II Property as a building scheme with the intention of subjecting each of the units to the restrictions and stipulations hereinafter set forth for the benefit of each of the units and the common elements (hereinafter defined) and it is intended by the Company and the Association on the sale of every unit week of every unit to include in the Interval Ownership Deed a covenant by the purchaser of a unit week thereof to observe and perform the terms and conditions in the same form and to the same effect as the said terms and conditions hereinafter set forth hereunder;

(F) By this Agreement the Company and the Association intend to establish a common plan for the subsequent sale of the units (hereinafter defined) and for the use, enjoyment, repair, maintenance, remodeling, restoration, improvement and occupation of the units (hereinafter defined) and the interest therein so sold and the payment of taxes assessments or other expenses pertaining thereto.

NOW THE INDENTURE WITNESSETH as follows:-

I. DEFINITIONS. In this Indenture the following words and expressions shall have the following meanings:-

(1) "The Company" shall mean Westwind II Limited the developer of the Westwind II Property pursuant to the said Development Agreement.

(2) "Westwind II Property" shall mean the hereditaments described in the Schedule hereto.

(3) "The Association" shall mean the Westwind II Association Limited of which each unit week owner in the Westwind II Property is required to be a member.

(4) "Owner" shall mean and include (1) the person or persons named in each Interval Ownership Deed issued by the Company and the Association to purchasers of unit weeks (hereinafter defined) the heirs executors administrators successors and assigns thereof and (2) the Company with respect to any unsold unit weeks (hereinafter defined).

(5) "A Unit" shall mean each apartment in the course of being erected or already erected upon the Westwind II Property in which the Company will sell interval ownership rights to occupy the same for one or more unit weeks.

(6) "Unit Week" shall mean the period commencing at 4:00 p.m. on one Saturday and ending at 12:00 noon on the following Saturday. Unit Week No. 1 is the seven-day period commencing on the first Saturday of each year. Unit Week No. 2 is the seven period next succeeding Unit Week No. 1. Successive unit weeks up to and including Unit Week No. 51 are ascertained in like manner. Unit Week No. 52 contains the seven-day period succeeding the end of Unit Week No. 51 plus any excess days not otherwise assigned until the commencement of Unit Week No. 1 in the succeeding year. Attached hereto as Exhibit "A" is a Schedule of Time Periods.

(7) "Common Expenses" shall mean and include but shall not be limited to the following: (a) Expenses of administration and management of the Westwind II Property; and (b) Expenses of maintenance, operation, repair, replacement and redecoration of common elements (as hereinafter defined); and (c) Expenses declared common expenses by the Association; and (d) Any valid charge against the Westwind II Property; and (e) Any future expenses charged to or assessments by the Association; and (f) Audit expenses; and (g) Taxes on common elements.

(8) "Common Elements" shall mean portions of the

Westwind II Property not included in the several units with their respective patio gardens.

(9) "Maintenance Fee" shall mean and provide for but shall not be limited to the following: (a) The common expenses (as hereinbefore defined); and (b) Repair and upkeep of the Unit for normal wear and tear which includes but is not limited to painting and decoration and the cleaning of the carpets, drapes and curtains and the maintenance of furniture, fittings and appliances; and (c) Repair and replacement of furniture, fixtures, fittings, appliances, carpets and utensils; and (d) Casualty and/or liability insurance on the Unit and the common elements; and (e) Personal property, real estate and other applicable taxes; and (f) Utilities supplied to and consumed in the Unit; and (g) Any and all other expenses incurred in the normal operation and maintenance of the Unit which are not specifically attributable and liable to be paid by any particular owner of a Unit Week; and (h) Maid service, gardening service and administrative services in respect of the Unit and the common elements.

(10) "The Agent" shall mean any agent appointed by a majority in interest of owners of unit weeks as hereinbefore defined.

(11) "A majority of interest of owners of all units" shall mean the owner or owners owning in the aggregate more than 50% interest in all unit weeks.

(12) "Common Furnishing" shall mean furniture and furnishings for the unit or the personal property from time to time owned, leased or otherwise held for use in common by all owners of unit weeks.

(13) "Covenant" shall mean this Agreement between the parties hereto.

II. BUILDING SCHEME. The Company and the Association hereby declare that the units (hereinbefore defined) built or to be built pursuant to the said Development Agreement

and to be sold hereunder shall be subject to the terms of this Agreement and shall hereinafter be held sold, occupied and improved subject to the restrictions and limitations, covenants and conditions provided hereinafter all of which are declared to be in furtherance of the Westwind II Property building scheme hereinbefore referred to. The said building scheme having been established for the purpose of enhancing the value and enjoyment of the said units and the interest so to be sold all of which limitations, restrictions, covenants and conditions shall run with the units and inure to the benefit of and be binding upon each interest so sold and all parties having or acquiring any right title or interest in any unit or unit week.

III. FUTURE USE. In pursuance and furtherance of this Covenant each purchaser of a unit week (owner) shall have the sole and exclusive interval ownership right and privilege to occupy the unit for the unit week(s) specified in the Interval Ownership Deed given to each purchaser (owner) in each and every year until determined on the Thirtieth day of June, A.D., 2040 by the effluxion of time SUBJECT TO THE TERMS AND CONDITIONS HEREINBEFORE AND HEREINAFTER PROVIDED. No owner shall occupy such unit or exercise and other right or rights of ownership with respect to such unit other than the rights provided to him in the Interval Ownership Deed and subject to this Covenant and the terms and conditions herein provided.

In further pursuance of this Covenant and for no additional consideration the Association shall issue a Certificate of Membership in the Association to each owner representing his membership in the Association and his ownership interest in the Association. Each purchase of one Unit Week will entitle the owner to a Certificate of Membership which will carry one vote at meetings of the Association. The Company shall also be entitled to one vote for every Unit Week not yet sold by the Company.

IV. MANAGEMENT AGENT. Management of the Westwind II

Property, maintenance and repair of the Units; acquisition, maintenance, repair and replacement of common furnishings and administration of the affairs of the owners with respect to the use of the Westwind II Property shall be under the direction and control of the Association and its successors. The Association may enter into a contract with any firm person or company in contracting for the maintenance and repair and replacements of the units and of common furnishings and administration of the affairs of the Westwind II Property and the Association may delegate to any contractor or manager or agent all the powers and duties of the Association except such as are specifically required to be exercised by the Association alone. The Association shall further manage the occupancy of said units and payment of expenses and costs enumerated in the Covenant. The Association shall have legal possession of the Units at all times and exclusive possession and occupation of the Units during the service periods (hereinafter provided) and is expressly required on behalf of the owners to do all of the following to the extent not inconsistent with directions given by a majority in interest of all owners of all units:

(1) To maintain, furnish, repair, remodel, repaint or refurnish any unit or any part thereof; to establish reserves for anticipated costs including the purchase or lease of replacement furnishings; and to acquire and pay for materials, supplies, furniture, furnishings, labor or services which the Association deems necessary or proper for the maintenance and operation of any unit. The Association shall not however make any discretionary capital expenditure which exceeds available reserves by more than Five Thousand Dollars (\$5,000.00) without the prior approval of a majority in interest of owners of all units.

(2) To pay all taxes and assessments and other costs or charges affecting or relating to any unit and to discharge, contest or protest liens or charge affecting any unit.

(3) To adopt and enforce reasonable regulations concerning possession, use and enjoyment of the unit and all of the units and the common elements and to amend such regulations from time to time as may be necessary; copies of such regulations and amendments thereto shall be furnished to the Owners by the Association upon promulgation thereof and may at any time be requested by any Owner from the Association and shall be furnished free of charge.

(4) To obtain and pay the cost of legal and accounting services necessary or proper in the maintenance operation or management of the units and the enforcement of this Covenant or the Memorandum of Association or Articles of Association or Rules and Regulations adopted thereunder.

(5) To obtain and pay the cost of recreational privileges and electrical, telephone, gas and other utility services for the Units.

(6) To obtain and pay for the cost of insurance covering the Units and the furnishings therein against loss or damage by flood, fire or other hazard customarily covered by such insurance policies written with extended coverage; public liability insurance insuring against liability for personal injury or property damage resulting from an occurrence on in or about the Units; and any other insurance deemed necessary by a majority in interest of owners of all units.

(7) To exercise on behalf of the owners the voting rights and other membership rights of any unit week in the Association if requested. Within sufficient time the Association shall promptly notify each owner of the items to be discussed and presented at any regular or special meeting as shown by the notice or agenda and request that each owner indicate in writing to the Association his preference as to the vote on items disclosed by the notice or agenda. Each owner authorizes the President of the

Association to act for him at any such meeting and for this purpose shall deliver to the Association a proxy authorizing the President of the Association to act for such owner at any such meeting whenever requested so to do. The President of the Association shall vote in such manner as directed by the said owner.

(8) To do all other acts or things necessary or appropriate to the ordinary and necessary operation, management and maintenance of the units and to preserve and protect the units in the event of any emergency.

(9) To delegate the authority and responsibilities of the Association hereunder to one or more agents or sub-agents for such periods and upon such terms as the Association deems proper. The appointment of any such agent or sub-agent shall be made by a majority in interest of the owners and such majority in interest of owners shall also have the right to terminate the services of any such agent or sub-agent. The appointment of any such agent or sub-agent shall be evidenced by a written agreement executed by a majority in interest of owners of all units and by such agent or sub-agent.

(10) The agent or sub-agent so appointed shall be entitled to reasonable compensation from each owner its services as agent or sub-agent and to reimbursement for the reasonable and necessary administrative costs of discharging its obligations hereunder.

(11) To maintain a complete set of books and records relative to the operation of the Association in accordance with reasonable and acceptable accounting practices and have the same audited annually and such accounts shall be available for inspection by the owners.

(12) To inspect the units at reasonable hours and upon reasonable notice to the owners.

(13) To collect either in advance of disbursement

or following disbursements if the Association advances sums in payment of any of the foregoing each Owner's share of the aforesaid costs and any other amounts properly expended by the Association; and to estimate any such expenditures in advance and to bill the owners accordingly; and to take proper steps to enforce any owner's obligation or obligations hereunder.

(14) In the event that an owner fails to vacate the unit at the expiration of his permitted period of occupation or at such earlier time as may be required by the Association pursuant to the provisions as set out in the Interval Ownership Deed such owner shall be deemed to be a "holdover". It shall be the responsibility of the Association to take such steps as may be necessary to remove such holdover from the unit and to assist the owner of any subsequent unit week who may be affected by the holdover's failure to vacate to find alternative accommodation during such holdover period. In addition to such remedies as may be available to it the Association may secure at its expense alternative accommodations for any person who may be unable to occupy the unit due to the holdover's failure to vacate and such accommodation shall be as near in value to the Unit as possible. The holdover shall be charged for the cost of such alternative accommodation (if any) and any other costs incurred due to his failure to vacate and such amount in respect of liquidated damages per day as shall from time to time be promulgated in the regulations for each day of his holdover period. The Association shall submit a bill to the holdover for such expenses and damages incurred in accordance with the foregoing provisions and the holdover shall promptly pay the same and failing such payment shall be liable to the forfeiture of the interval ownership rights as are to be set out in the Interval Ownership Deeds.

(15) Any dispute between the Association and the Owner shall be referred to arbitration pursuant to the provisions of The Arbitration Act of the Commonwealth of the Bahamas (as from time to time amended). If the parties can agree upon one there shall be a single arbitrator but failing agreement upon a single arbitrator each party to the dispute shall appoint an arbitrator and such arbitrators before embarking upon the matters referred to them shall appoint an umpire. The parties agree that the finding of such arbitrator or arbitrators or such umpire shall be final and binding upon the parties. Such arbitrator, arbitrators and umpire shall be empowered to determine (inter alia) whether the owner shall suffer forfeiture of the interval ownership rights as are to be set out in the Interval Ownership Deeds.

(16) To utilize the total of maintenance fees in and about the maintenance, repair and replacement of the common elements and of the unit and of all other units and in the administration and the running of the Westwind II Property.

(17) The Association shall have the right notwithstanding any of the terms and conditions hereinbefore and hereinafter provided to take all necessary steps to prevent any encroachment in respect of any and all units or in respect of any squatters acquiring any rights in respect of any units and the Association shall have the right to proceed in any court to enforce removal of any such encroachment and eviction of any squatter as aforementioned.

V. EXPENSES OF INTERVAL OWNERSHIP.

1. It shall be the responsibility of each owner to pay the following expenses of the unit:-

(1) Cost of any and all long distance telephone calls or charges determined by the Association to be allocable to the occupancy of any unit during such owner's exclusive right of occupancy, the cost to repair any damage to

any unit or repair or replace any property contained in the said unit on account of damage or loss occurring during owner's use or period of use and the cost to satisfy any expense to any of the other owners due to an intentional or negligent act or an omission by an owner his family, guests, invitees, tenants or lessees or an act resulting from his breach of any provisions of this Covenant.

(2) A share of the following costs and expenses to the extent not otherwise covered by Association assessments which bears the same relationship to the whole as such owner's interest in the unit bears to the entire ownership: (A) real property taxes, special assessments and similar assessments or charges; (B) insurance premiums for fire and extended coverage insurance and other casualty insurance from time to time payable with respect to the unit; (C) basic telephone charges and cost of all utility services, recreational privileges and other standard services; (D) all cost of ordinary repair, maintenance and replacement of the unit and costs of lease, purchase, repair, replacement and maintenance of the common furnishings; (E) premiums for liability insurance; (F) the Association's administrative expenses and other costs and expenses herein authorized to be paid and not otherwise allocated; and (G) amounts necessary to establish adequate and proper reserves for all of the foregoing items.

2. All such payments shall be made through the Association unless the Association or a majority in interest of owners of all units otherwise direct. The Association shall be under no obligation to, but may in its discretion, advance sums required to pay the obligations of any one or more of the owners or to make the aforesaid payments or incur obligations within the Association's authority notwithstanding the failure of any one or more of the owners to provide funds therefor. The Association shall not be responsible for the acts or conduct of any of

the owners or for the breach of any of the obligations of any of the owners hereunder. The Association shall not be liable to any owner in the absence of bad faith or negligence but shall hold the owners harmless from and against any and all claims expenses, liabilities, demands, causes of action, awards or judgments rendered against the Association or the owners arising out of or in connection with the negligent conduct of the Association its officers employees agents or sub-agents.

3. The Association shall ascertain the maintenance fee and any other fees to be paid by each owner in advance and provide procedures for the payment thereof in equal periodic installments or otherwise and may require additional or supplemental payments of amounts properly payable by the owners in addition to any such estimated payments. Each owner shall pay to the Association within ten days after receipt of a statement therefor the amount of all fees and costs payable by the owners hereunder including estimated fees, costs and amounts required to establish and maintain reserves authorized hereunder.

4. Failure of any owner to pay the the Association the amounts required under this Clause within Thirty days after the same shall have become due shall render the owner delinquent and liable to pay to the Association a delinquent collection fee of \$100. Delinquent collection fees received by the Association shall be credited and applied to reduce expenses for all units which are subject to this Agreement. Further no owner shall be entitled to occupy the unit during his period of use or at any other time or authorize any other person to do so while any amounts required to be paid by such owner under this Clause remain unpaid. The Association shall be empowered to exclude or remove an owner who is delinquent in payment of amounts required and may take occupancy of such owner's

unit during the owner's period of use and may lease or rent such unit week(s) to other owners or to any other person. Rents or other income delivered under such circumstances shall be accounted for by the Association and applied to pay or reimburse the Association for any costs relative in any way to such owner's delinquency and to the rental of the unit week(s) and shall thereafter be applied in reduction of the delinquency. Any funds from such rentals remaining in the hands of the Association after the delinquency is cured may be retained by the Association and applied to reduce the assessments against the owner which next fall due.

VI. INDIVIDUAL MORTGAGE RIGHT. Each owner shall have the right to mortgage or otherwise encumber his interval ownership interest. No owner shall attempt to mortgage or otherwise encumber in any manner whatsoever the entire unit or any part thereof except his interval ownership interest nor shall any owner have the right or authority so to do.

VII. UNIT WEEKS. A unit week (whether sold or from time to time retained by the Company) shall consist of the exclusive right of the owner thereof to occupy use and enjoy the unit for the appropriate week as is herein provided and during the same period to use and enjoy the Westwind II Property. Once a unit week has been established by the execution and recording of an interval ownership deed thereto no owner shall sell, hypothecate or encumber less than all of his interest in any unit week as set forth in such interval ownership deed; and any sale, hypothecations or encumbrance by any owner of less than all of his interest in a unit week as set forth in the interval ownership deed shall be null, void and of no effect. However nothing in this Clause shall prevent the owner of a unit week from transferring his interest to a partnership or other entity containing more than one person. The transfer

of any unit week shall operate to transfer to the subsequent owner the interest of the prior owner in funds in the hands of the Association and in common furnishings without further instrument of transfer.

VIII. DAMAGE OR DESTRUCTION.

1. Except as otherwise provided in this Covenant in Clause V.1 (1) in the event of any damage or destruction to the units or the common furnishings the Association shall forthwith cause such damage to be repaired and shall so apply any available insurance proceeds. If the damage is not covered by insurance or if the available insurance proceeds are insufficient the Association shall assess the owners and the owners shall pay the cost thereof or deficiency in proportion to their ownership interest in the unit unless the damage was caused by the intentional or negligent act or omission of any owner his family, guests, invitees or lessees in which event the cost of repair or deficiency shall be paid by such owner.

2. Any amounts allocable to the unit and payable to the owners as the result of any excess of insurance proceeds over the cost of repair or restoration of the unit or the furnishings or any part thereof shall be distributed to the owners in proportion to their respective ownership interest in the unit or in the discretion of the Association added to any applicable reserve for repair replacement or deferred maintenance with respect to the unit.

IX. PROHIBITED ACTS. Except as otherwise provided in this Covenant by the direction of the Association by express consent of all owners or unless required to prevent damage or injury to persons or property in an emergency no owner shall make improvements, decorations or repairs to the unit or the furnishings therein or contract so to do or subject the unit or the furnishings to any liens for the making of improvements, decorations or repairs. No owner

shall create or permit to exist any nuisance in the unit or commit waste with respect to the unit or permit anything to be done or kept in the unit which would increase the rate of insurance upon the unit or the common furnishings. No owner, guest, invitee or other occupant of the unit shall maintain or permit to be maintained any animal in the unit. X. ENFORCEMENT OF RESTRICTIONS. In the event that any owner should fail to comply with any of the provisions of this Covenant the Association or any other owner or owners may bring action for damages or enjoin the violator or specifically enforce the provisions of this Covenant or enforce any statutory or contractual lien or lien provided herein and the appointment of a receiver for any owner or take possession of the unit week of any owner. In any such legal proceeding the prevailing party shall be entitled to costs and reasonable attorneys' fees. All sums payable hereunder by any owner shall bear interest at eight percent (8%) per annum from the due date.

The aforesaid remedies shall be cumulative and in addition to all other remedies which may be available at law or in equity: provided however that no breach by any owner or failure of any owner to comply with any provision hereof shall not permit any other owner to breach any such provision or excuse any such breach or failure and each owner shall continue to perform and comply with and hold his unit week subject to all of the provisions of this Covenant notwithstanding any such breach or failure.

XI. FURTHER DUTIES OF OWNERS.

1. Owners shall agree not to show any sign, advertisement or notice of any type on the common elements of the unit or any other unit and not to erect any exterior antenna or aerials except with the prior written consent of the Association.

2. Owners shall agree not to use the unit for any purpose other than as a private residence for the occu-

pation of the owners their immediate family, guests, servants and permitted sublicensees and at no time shall the occupancy of a unit exceed six (6) persons.

3. Owners shall agree not to use or permit the unit to be used for any unlawful, improper, immoral or offensive purpose and not to permit any disturbance or annoyance detrimental to the enjoyment of the adjoining units or the comfort and peace of the occupiers or adjoining units and adjoining property.

4. Owners shall agree not to assign or underlet or sublicense or part with possession of the unit or any part thereof without first giving written notification to the Association.

XII. ENFORCEABILITY OF COVENANT. The provisions of this Covenant shall be binding upon the parties hereto and purchasers acquiring subsequent hereto any right, title or interest in the units described herein or any part thereof and in unit weeks and shall be for the benefit of the purchasers thereof their heirs, successors and assigns.

XIII. FURTHER REPRESENTATIONS OF THE COMPANY.

The Company hereby represents to each and every owner upon the issuance of an interval ownership deed:

(1) That the owner paying the maintenance fee and observing and performing the covenants hereinbefore on his part contained and the regulations from time to time promulgated by the Association for the proper use and enjoyment of the unit and the common elements shall peaceably hold and enjoy the unit for the unit week(s) thereby to be created by the interval ownership deed without any interruption by the Company or any person rightfully claiming under or in trust for it.

(2) To retain unsold one unit week in the unit for the purpose of enabling all necessary or desirable repairs renovations and decorations to be done on the unit

and to carry out full repairs renovations and decorations every year.

XIV. TERMINATION OF COVENANT. This Agreement shall cease to be of effect regarding the Westwind II Property and any and all units from the date of recording with the Registrar General's office in the Island of New Providence in the Bahamas a subsequent instrument to that effect signed by more than Seventy-five (75%) percent of all parties who then shall have an interval ownership interest in said Westwind II Property.

XV. AMENDMENT. This Covenant may be amended by a subsequent instrument signed by more than Seventy-five (75%) percent of all parties who then shall have an interval ownership interest in the said Westwind II Property by recording an amending instrument with the Registrar General's office in the Island of New Providence in the Bahamas. However, it is specifically agreed that any such amendment will not and cannot affect the right of any owner to exclusive occupation of his unit for his unit week(s) with all rights appurtenant thereto.

XVI. COVENANTS. All units sold shall be subject to the limitations, restrictions, covenants and conditions set forth herein and in the interval ownership deeds and shall be for the benefit of and be binding upon all parties having or acquiring any right title or interest in a unit week(s).

XVII. MISCELLANEOUS PROVISIONS.

(1) In this Covenant where the context so requires or admits the masculine gender includes the feminine and the neuter and the singular number includes the plural.

(2) This Covenant shall be governed by and construed in accordance with the laws of the Commonwealth of the Bahamas.

(3) All interval ownership deeds issued subse-

quent to this Covenant shall be bound by this Covenant and each owner shall hold his interest to each unit week subject to this Covenant and all such interval ownership deeds shall be substantially in the form of the Interval Ownership Deed annexed hereto as Exhibit "B".

(4) If any provision of this Covenant shall be held invalid it shall not affect the validity of the remainder of this Covenant.

(5) The failure to enforce any provision of this Covenant shall not constitute a waiver of the right to enforce such provision thereafter.

(6) All notices required to be sent hereunder shall be delivered to owners in person or by mail addressed to owners at their mailing address as designated by them. Notice to the Association shall be delivered by mail to the Secretary of the Association or in his absence to any officer of the Association.

(7) The Development Agreement dated the 17th day of June, A.D., 1980 is annexed hereto as Exhibit "C" and incorporated herein.

XVIII. TERMINATION. It is understood that in the year A.D. 2040 the Westwind II building scheme and this Covenant shall terminate by effluxion of time. The Board of Directors of the Association shall not less than Thirty (30) days nor more than Sixty (60) days prior to such date call a meeting of the members of the Association being all owners of unit weeks. At such meeting a vote shall be taken to decide the disposition of the Westwind II Property. A quorum at such meeting shall be members of the Association representing a majority of the total outstanding votes of such members being all owners of unit weeks represented in person or by proxy. At such meeting the members being the owners of unit weeks may be a majority vote resolve to terminate or to continue the Westwind II building scheme; in case they resolve to continue it

the Westwind II building scheme and this Covenant shall continue for a further period of Ten (10) years. The Board of Directors of the Association not less than Thirty (30) days nor more than Sixty (60) days prior to the actual expiration of the said further term of Ten (10) years shall call a meeting of the members of the Association being all the owners of unit weeks. A quorum at such meeting shall be members of the Association representing a majority of the total outstanding votes of such members being all owners of unit weeks represented in person or by proxy. At such meeting the members being the owners of unit weeks may then resolve to terminate or to continue the Westwind II building scheme for an additional Ten (10) year period.

This process may be repeated at the end of each successive Ten (10) year period. Should less than a majority of the members being the owners of unit weeks vote to continue the Westwind II building scheme then the Board of Directors of the Association shall be authorized to sell in the open market the Westwind II Property and distribute the proceeds of such sale to the owners of unit weeks according to the owner's interest in the Association as evidenced by their respective Certificates of Membership.

THE SCHEDULE HEREINBEFORE REFERRED TO

ALL THAT place, parcel or lot of land being bounded on the north by Goodman's Bay, running thereon Two hundred (200) feet, on the south by West Bay Street, the main road on the Island, running thereon Two hundred (200) feet, on the east by the property of the Emerald Beach Hotel, running thereon Six Hundred and seventy-six and sixty-six hundredths (676.66) feet and on the west by property of the Bahamas Government, known as the Governor's Beach Cabana, and running thereon Six hundred and seventy-three and eighty-four hundredths (673.84) feet. The subject property comprises an area of 3.10 acres or 135,050 square feet,

its position, shape, marks, boundries and dimensions being shown on the attached plan and shaded in pink.

IN WITNESS WHEREOF the
Company has caused its
Common Seal to be here-
unto affixed.

RICHARD CHESTER THOMPSON
President

The Common Seal of Westwind II Limited was affixed hereto by Richard Chester Thompson the President of the said Company and the said Richard Chester Thompson affixed his signature hereto in the presence of:-

CHARLES W. B. FARRINGTON
Secretary.

IN WITNESS WHEREOF the
Association has caused
its Common Seal to be
hereunto affixed.

RICHARD CHESTER THOMPSON
President

The Common Seal of Westwind II Association Limited was affixed hereto by Richard Chester Thompson the President of the said Company and the said Richard Chester Thompson affixed his signature hereto in the presence of:-

CHARLES W. B. FARRINGTON
Secretary

COMMONWEALTH OF THE BAHAMAS
New Providence

I Charles W. B. Farrington of the
District of the Island of New Providence one of the Islands
of the Commonwealth of the Bahamas Secretary of Westwind
II Association Limited make Oath and say that I was pre-
sent and saw the Common Seal of Westwind II Association
Limited affixed to the annexed indenture dated the 17th
day of June, A.D., 1980, by Richard Chester Thompson
the President of the said Company and that I saw the
said Richard Chester Thompson sign execute and deliver
the said Indenture as and for the Act and Deed of the said
Company and for the purposes mentioned in the said Indenture;
and that I subscribed my name as the witness to the due
execution thereof; and further that the Seal affixed and
impressed at the foot or end of the said Indenture is the
Common Seal of Westwind II Association Limited and was
affixed and impressed thereto by the said Richard Chester
Thompson by the order and with the authority of the
Board of Directors of the said Company and in conformity
with the Articles of Association of the Company.

SWORN at Nassau, New)
Providence, aforesaid)
this 17th day of June,)
A.D., 1980)

...CHARLES W. B. FARRINGTON.....

Before me,
EMANUEL M. ALEXIOU
NOTARY PUBLIC

Exhibit "A"

OWNER NUMBER	UNIT WEEK TIME PERIOD	UNDIVIDED EQUITY INTEREST IN THE APARTMENT
	SEVEN DAY TIME PERIOD COMMENCING IN EACH YEAR ON THIS NUMERICAL SATURDAY	
1	1	1.99%
2	2	1.99%
3	3	1.99%
4	4	1.99%
5	5	1.99%
6	6	1.99%
7	7	1.99%
8	8	1.99%
9	9	1.99%
10	10	1.99%
11	11	1.99%
12	12	1.99%
13	13	1.99%
14	14	1.99%
15	15	1.99%
16	16	1.99%
17	17	1.99%
18	18	1.99%
19	19	1.99%
20	20	1.99%
21	*****21*****	1.99%
22	22	1.99%
23	23	1.99%
24	24	1.99%
25	25	1.99%
26	26	1.99%
27	27	1.99%
28	28	1.99%
29	29	1.99%
30	30	1.99%
31	31	1.99%
32	32	1.99%
33	33	1.99%
34	34	1.99%
35	35	1.99%
36	*****36*****	1.99%
37	37	1.99%
38	38	1.99%
39	39	1.99%
40	40	1.99%
41	41	1.99%
42	42	1.99%
43	43	1.99%
44	44	1.99%
45	45	1.99%
46	46	1.99%
47	47	1.99%
48	48	1.99%
49	49	1.99%
50	50	1.99%
51	51	1.99%
52	52 & 53	2.49%

All of the above Time Periods shall start at four (4:00) o'clock p.m. on the Saturday mentioned and shall end at Twelve (12:00) o'clock noon on the following Saturday.

****Developer will establish two maintenance weeks, but reserves the right to select the weeks at a later time period.**

COMMONWEALTH OF THE BAHAMAS

New Providence

INTERVAL OWNERSHIP DEED

THIS INDENTURE made the 13th day of June, A.D., 1980 B E T W E E N WESTWIND II, Ltd., a Company organized and existing under the Laws of the Commonwealth of The Bahamas and having its Registered Office in the City of Nassau in the Island of New Providence one of the Islands of the said Commonwealth (hereinafter called "the Company" which expression shall where the context so requires or admits include its assigns) of the first part WESTWIND II ASSOCIATION LIMITED (hereinafter called "the Association") of the second part A N D the person described in Item 1 of the Second Schedule hereto (hereinafter called "the Grantee" which expression shall where the context so requires or admits include his personal representatives successors in title and assigns) of the third part

WHEREAS:-

(A) The Association is seized in fee simply in possession free from incumbrances of the hereditaments described in the First Schedule hereto (hereinafter referred to as "the Westwind II Property");

(B) The Company is erecting or has erected upon the Westwind II Property cottages with patio gardens and other buildings improvements and amenities (such cottages with the patio gardens respectively thereunto belonging being hereinafter individually referred to as "one of the Units" or "the Unit");

(C) The Company has agreed with the Grantee for the sale to the Grantee of all such right and privilege of occupation of the Unit described in Item 2 of the Second Schedule hereto pursuant to the terms and con-

ERANUEL M. ALEXIOU
Attorney at Law
Nassau, Bahamas

ditions hereinafter provided for such number of Unit Weeks as is described in Item 3 of the Second Schedule hereto (hereinafter referred to as "Interval Ownership") in each year commencing on the date of this Agreement and terminating on the Thirteen day of June, A.D., 2040 at the price in the currency of the United States of America which is specified in Item 4 of the Second Schedule hereto;

(D) The Company and the Association have laid out the Westwind II Property as a building scheme with the intention of subjecting each of the Units to the restrictions and stipulations hereinafter set forth for the benefit of each of the Units and the common elements (hereinafter defined) and it is intended by the Company upon the sale of every Unit Week of every Unit to include in the Interval Ownership Deed a covenant by the Grantee thereof to observe and perform the terms and conditions in the same form and to the same effect as the said terms and conditions hereinafter set forth hereunder;
NOW THIS INDENTURE WITNESSETH as follows:-

1. In this Indenture the following words and expressions shall have the following meanings:-

(1) "the Westwind Property" means the hereditaments described in the First Schedule hereto.

(2) "the Unit" means the cottage with its own patio garden in the course of being erected or already erected upon the Westwind II Property in which the Company is selling interval ownership rights to occupy the same for one or more Unit Weeks (as hereinafter defined) and which is the subject of this Agreement and is shown colored Pink on the plan annexed hereto and described as Item 2 in the Second Schedule hereto.

(3) "Unit Week" means the period commencing at 4:00 p.m. on one Saturday and ending at 12:00 noon

on the following Saturday. Unit Week No.1 is the seven-day period commencing on the first Saturday of each year. Unit Week No.2 is the seven-day period next succeeding Unit Week No.1. Successive unit weeks up to and including Unit Week No.51 are ascertained in like manner. Unit Week No.52 contains the seven-day period succeeding the end of Unit Week No.51 plus any excess days not otherwise assigned until the commencement of Unit Week No.1 in the succeeding year.

(4) "common expenses" includes but shall not be limited to the following:

(a) Expenses of administration and management of the Westwind II Property.

(b) Expenses of maintenance operation repair replacement and redecoration of common elements (as hereinafter defined).

(c) Expenses declared common expenses by the Company.

(d) Any valid charge against the Westwind II Property.

(e) Any expenses charged to or assessments by the Company and/or the Association (as hereinafter defined).

(f) Audit expenses.

(g) Taxes on common elements.

(5) "common elements" means the portions of the Westwind II Property not included in the several Units with their respective patio gardens.

(6) "the Association" means Westwind II Association Limited another company organized and existing under the Laws of the Commonwealth of The Bahamas and having its Registered Office in the said City of Nassau and includes its assigns.

(7) "Maintenance fee" is intended to provide for but is not limited to the following:-

(a) The common expenses (as hereinbefore defined).

(b) Repair and upkeep of the Unit for normal wear and tear which includes but is not limited to painting and decoration and the cleaning of the carpets drapes and curtains and the maintenance of furniture fittings and appliances.

(c) Repair and replacement of furniture fixtures fittings appliances carpets and utensils.

(d) Casualty and/or liability insurance on the Unit and the common elements.

(e) Personal property real estate and other applicable taxes.

(f) Utilities supplied to and consumed in the Unit.

(g) Any and all other expenses incurred in the normal operation and maintenance of the Unit which are not specifically attributable and liable to be paid by any particular Grantee of a Unit Week.

(h) Maid Service, gardening service, and administrative services in respect of the Unit and the common elements.

2. In pursuance of the said agreement and in consideration of the said sum specified in Item 4 of the Second Schedule hereto now paid by the Grantee to the Company (the receipt whereof the Company hereby acknowledges) the Company hereby grants to the Grantee ALL that sole and exclusive interval ownership right and privilege to occupy the Unit specified in Item 2 of the Second Schedule hereto for the Unit Week(s) specified in Item 3 of the Second Schedule hereto in each and every year commencing with the date hereof and terminating on the Thirteenth day of June, A.D., 2040, TO HOLD the same to the Grantee absolutely but subject to the terms

and conditions hereinbefore and hereinafter provided.

3. In further pursuance of the said agreement and for the consideration aforesaid the Grantee shall enjoy the following further rights:-

(a) The Company shall transfer for no further consideration a Certificate of Membership in the Association in respect of each Unit Week specified in Item 3 of the Second Schedule hereto.

(b) The Grantee shall be entitled to use one automobile parking space only during his period of occupation of the Unit during the Unit Week(s) specified in Item 3 of the Second Schedule hereto. Each parking space has been assigned to a Unit and bears the same number as the relevant Unit. The parking space appurtenant to the Unit is more fully described and delineated on the said plan annexed hereto and it thereon marked Brown.

(c) The Grantee shall be entitled to use in common with the other purchasers of the Unit Weeks in adjoining Units the common elements including the clubhouse and the gardens, roadways, footpaths and the beach and the swimming pools in accordance with and in compliance with the published Regulations for the proper use and enjoyment thereof from time to time promulgated by the Company or the Association as the case may be.

4. The Grantee shall be liable for and shall pay annually upon demand made by the Company (or the Association as the case may be) a maintenance fee which shall be the Grantee's proportionate share of the common expenses in respect of the common elements and the Grantee's proportionate share of the expenses in connection with the maintenance and repair of the Unit and the maintenance repair and redecoration of the Unit and the cost of the maintenance, repair and replacement of all appliances,

furniture, carpeting, fixtures, fittings, equipment, utensils and other property within the Unit (hereinafter referred to as "the chattels") and such other costs of repair maintenance and upkeep and operation of the Unit as is necessary or desirable to the continued enjoyment of the Unit by all purchasers of Unit Weeks therein. The maintenance fee shall be ascertained by the Company (or the Association as the case may be) in each year by prorating all such common expenses and other expenses and outgoings as aforesaid among all purchasers of Unit Weeks in the Westwind II Property. The Grantee shall pay a maintenance fee which is calculated by multiplying the total of all such expenses by a factor the numerator of which is the number of Unit Weeks in the Unit owned by the Grantee and the denominator of which is the total number of Unit Weeks already purchased in all the Units. Unsold Unit Weeks shall bear only their prorata share of taxes insurance and the common expenses but such shall not apply to any Unit Week retained by the Company for maintenance purposes only.

5. The Grantee hereby covenants with the Company and its assigns as follows:-

(a) Promptly to pay the annual maintenance fee when due and demanded.

(b) Not to make or cause or permit to be made any repairs, modifications, alterations, replacements or redecoration to the common elements or to the structure exterior or interior of the Unit or of the chattels or the decor thereof without the prior written consent of the Company. The Company shall determine the interior color scheme, decor and chattels of the Unit and the common elements as well as the proper time for redecorating and replacement thereof.

(c) To bear and pay in their entirety expenses of repairs replacements or redecoration to the Unit or its chattels or decor occasioned by the use or abuse thereof by the Grantee or any invitee, licensee or sub-licensee of the Grantee (normal wear and tear excluded).

(d) To permit the Company or its agents or employees to enter into the Unit at all reasonable times during the daytime for the purpose of maintenance, inspection, repair or replacement of the Unit and/or the chattels, or the common elements, or to determine in case of emergency circumstances threatening the Unit or the common elements.

(e) Not to show any sign, advertisement or notice of any type on the common elements or the Unit or any other Unit and not to erect any exterior antenna or aerials except with the prior written consent of the Company.

(f) Not to use the Unit for any purpose other than as a private residence for the occupation of the Grantee, his immediate family, guests, servants and permitted sub-licensees and at no time shall the occupancy of a unit exceed six (6) persons.

(g) Not to use or permit the Unit to be used for any unlawful, improper, immoral or offensive purpose nor to permit any disturbance or annoyance detrimental to the enjoyment of the adjoining units or the comfort and peace of the occupiers of adjoining units and adjoining property.

(h) Not to assign or underlet or sub- or part with possession of the Unit or any part thereof without first obtaining the consent of the purchaser running to the Company to perform and observe all covenants on the part of the Grantee herein contained.

(i) Not to permit occupation or use of the Unit by persons other than the Grantee his immediate family and servants except with the prior written notice to the Company.

(j) Not to permit or suffer to be done or keep in the Unit or its appurtenances anything which shall increase the rate of insurance on the Unit or adjoining Units or the common elements as a whole or which will obstruct or interfere with the rights of occupants of other Units.

(k) To observe and perform and comply with all Regulations from time to time published and promulgated by the Company (or by the Association as the case may be) for the proper use and enjoyment of the Unit and the adjoining Units and the common elements and to ensure compliance with such Regulations by the Grantee's family, servants, invitees and licensees.

(l) Quietly to yield up the Unit at the end of the Grantee's permitted period of occupation in the same good repair and condition as the same was found by the Grantee at the commencement of such occupation by the Grantee (fair wear and tear excepted).

6. The Company hereby covenants with the Grantee as follows:-

(a) That the Grantee paying the maintenance fee and observing and performing the covenants hereinbefore on his part contained and the Regulations from time to time promulgated by the Company or the Association for the proper use and enjoyment of the Unit and the common elements shall peaceably hold and enjoy the Unit during the term hereby agreed without any interruption by the Company or any person rightfully claiming under or in trust for it.

(b) To retain unsold one Unit Week in the Unit

for the purpose of enabling all necessary or desirable repairs, renovations and decorations to be done on the Unit and to carry out full repairs, renovations and decorations every year.

(c) That the Company or the Association and the party with the right to legal possession thereof shall take all necessary or desirable action by writ of ejectment or otherwise to remove trespassers and squatters from the Unit at the expense of the Company.

7. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:-

(a) In the event the Grantee fails to observe and perform the covenants on the Grantee's part hereinbefore contained or any of them or otherwise violates or threatens to violate the provisions hereof the Company shall have the right to require that the Grantee his family, servants, invitees and licensees shall forthwith vacate the Unit and in the event they shall not so vacate the Unit the Company shall have the right to proceed for an injunction to seek compliance with the provisions hereof. In lieu thereof or in addition thereto the Company shall have the right to levy a special assessment against the Grantee for such necessary sums expended in removing any unauthorized addition or alteration and in restoring the Unit and/or the chattels and/or the common elements to good condition and repair. Such assessment then made by the Company upon the Grantee shall be promptly paid by the Grantee and failing such payment the Grantee shall be liable to suffer forfeiture of the interval ownership rights hereby granted.

(b) In pursuance of the foregoing sub-clause the Company shall have the right to enter and remain in any Unit at all reasonable times by its servants agents or sub-contractors to do such work as may be deemed

necessary or desirable by the Company to enforce compliance with the foregoing provisions.

(c) The collection of special assessments as hereinbefore mentioned shall include all costs of attorney's fees incurred by the Company.

(d) In the event that the Grantee fails to vacate the Unit at the expiration of his permitted period of occupation or at such earlier time as may be required by the Company pursuant to the provisions of sub-clause (a) of this Clause the Grantee shall be deemed to be a "holdover". It shall be the responsibility of the Company to take such steps as may be necessary to remove such holdover from the Unit and to assist the purchaser of any subsequent Unit Week who may be affected by the holdover's failure to vacate to find alternative accommodation during such holdover period. In addition to such remedies as may be available to it the Company may secure at its expense alternative accommodation for any person who may be unable to occupy the Unit due to the holdover's failure to vacate and such accommodations shall be as near in value to the Unit as possible. The holdover shall be charged for the cost of such alternative accommodation (if any) and any other costs incurred due to his failure to vacate and such amount in respect of liquidated damages per day as shall from time to time be promulgated in the Regulations for each day of his holdover period. The Company shall submit a bill to the holdover for such expenses and damages incurred in accordance with the foregoing provisions and the holdover shall promptly pay the same and failing such payment shall be liable to the forfeiture of the interval ownership rights hereby granted.

(e) Any dispute between the Company (or the Association as the case may be) and the Grantee shall be referred to arbitration pursuant to the provisions of The

Arbitration Act (as from time to time amended). If the parties can agree upon one there shall be a single arbitrator but failing agreement upon a single arbitrator each party to the dispute shall appoint an arbitrator and such arbitrators before embarking upon the matters referred to them shall appoint an umpire. The parties agree that the finding of such arbitrator or arbitrators or such umpire shall be final and binding upon the parties. Such arbitrator, arbitrators and umpire shall be empowered to determine (inter alia) whether the Grantee shall suffer forfeiture of the interval ownership rights hereby granted.

(f) Reasonable Regulations concerning the use of the Unit and all of the Units and the common elements may be made and promulgated and amended from time to time by the Company (or by the Association as the case may be) and copies of such Regulations and amendments thereto shall be furnished by the Company or the Association upon promulgation thereof to the Grantee and may at any time be requested by the Grantee from the Company or the Association and shall be furnished free of charge.

(g) The Company shall in each year ascertain the maintenance fee payable by the Grantee and by all other purchasers of Unit Weeks in the Unit and in all other Units and shall dispatch a notice to the Grantee and to all such other purchasers of Unit Weeks demanding payment of such maintenance fee. Such notice shall be sent to the Grantee at the address given in Item 1 of the Second Schedule hereto or to such other address as the Grantee may in writing from time to time notify the Company. The Company shall keep true and faithful accounts of all its expenses and shall have the same audited annually and such accounts shall be available for inspection by the Grantee.

(h) The Company shall utilize the total of

maintenance fees in and about the maintenance repair and replacement of the common elements and of the Unit and of all other Units and in the administration and the running of the Westwind II Property but in carrying out its responsibilities hereunder the Company may engage the services of a management company and may pay its fees. Likewise the Company may engage the services of service and repair companies, technicians and engineers on a continuing or ad hoc basis.

(i) The Company shall have the right notwithstanding any of the terms and conditions hereinbefore and hereinafter provided to take all necessary steps to prevent any encroachment in respect of the Unit and all other Units or in respect of any squatters acquiring any rights in respect of the Unit and all other Units and the Company shall have the right to proceed in any court to enforce removal of any such encroachment and eviction of any squatter as aforementioned.

8. The Company shall effect and maintain insurance cover upon the Unit and all the other Units and all the common elements. The rights of the Grantee in such insurance shall be governed by the following provisions:-

(1) The Company shall for the benefit of the Westwind II Property obtain casualty and liability insurance as deemed necessary or desirable by the Company and each such policy shall reflect the respective interest of the Company and all Grantees of Unit Weeks in each Unit. Casualty insurance shall be in an amount equal to the maximum insurable replacement value of the Unit and the chattels without deduction for depreciation as determined annually by the Company. The premiums shall be part of the expenses to be covered by the maintenance fee. All losses thereunder shall be payable in accordance with the

provisions hereunder.

(2) All insurance policies upon the Westwind II Property shall be purchased by the Company in the name of the Company for the benefit of the Company and the purchasers of Unit Weeks but without naming them.

(3) All buildings and improvements upon the Westwind II Property shall be insured in an amount equal to the maximum insurable replacement value excluding foundation and excavation costs all as determined annually by the Company and such coverage shall afford protection against:-

(a) Loss or damage by fire, lightning, hurricane, seawave, storm, tempest, flood, riot and malicious damage, aircraft and articles dropping therefrom and other hazards covered by a standard extended coverage endorsement; and

(b) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction location and use; and

(c) Public liability in such amounts and with such coverage as shall be required by the Company including but not limited to hired automobile and owned automobile coverages with cost liability endorsements to cover liabilities of the Grantees as a group; and

(d) Workmen's compensation coverage insurance.

9. In the event of any damage or destruction to the Units or the common furnishings the Association shall forthwith cause:-

(a) such damage to be repaired and shall so apply any available insurance proceeds. If the damage is not covered by insurance or if the available insurance proceeds are insufficient the Association shall assess the owners and the owners shall pay the cost thereof or

deficiency in proportion to their ownership interest in the Unit unless the damage was caused by the intentional or negligent act or omission of any owner his family guests invitees or lessees in which event the cost of repair or deficiency shall be paid by such owner.

(b) Any amounts allocable to the Unit and payable to the owners as the result of any excess of insurance proceeds over the cost of repair or restoration of the Unit or the furnishings or any part thereof shall be distributed to the owners in proportion to their respective ownership interest in the Unit or in the discretion of the Association added to any applicable reserve for repair, replacement or deferred maintenance with respect to the unit.

10. In this Agreement where the context so requires or admits the masculine gender includes the feminine and the neuter and the singular number includes the plural.

11. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of The Bahamas and the Grantee by executing this Indenture agrees to accept the jurisdiction of the Courts of The Commonwealth of The Bahamas and to be bound by the provisions of the arbitration laws for arbitration of the dispute in the Commonwealth of the Bahamas.

THE FIRST SCHEDULE HEREINBEFORE REFERRED TO

(The Westwind II Property)

ALL THAT place, parcel or lot of land being bounded on the north by Goodman's Bay, running thereon Two hundred (200) feet, on the south by West Bay Street, the main road on the Island, running thereon Two hundred (200) feet, on the east by the property of the Emerald Beach Hotel, running thereon Six hundred and seventy-six and sixty-six hundredths (676.66) feet and on the west by property of the Bahamas Government, known as the Governor's Beach Cabana, and running thereon Six hundred and seventy-

three and eighty-four hundredths (673.84) feet. The subject property comprises an area of 3.10 acres or 135,050 square feet.

THE SECOND SCHEDULE HEREINBEFORE REFERRED TO

Item 1:

Grantee's Name:

Address:

Telephone No:

Item 2:

The number of the Unit(s):

Item 3:

Week(s) No.:

Item 4:

The Price in U.S. Dollars:
(words and figures)

IN WITNESS WHEREOF, the Company
has caused its Common Seal to
be hereunto affixed.

The Common Seal of Westwind II Ltd. was affixed hereto by _____ the President of the said Company and the said _____ affixed his signature hereto in the presence of:-

Secretary
IN WITNESS WHEREOF the Association has caused its Common Seal to be hereunto affixed.

President

The Common Seal of Westwind II Association Limited was affixed hereto by _____ the President of the said Company and the said _____ affixed his signature hereto in the presence of:-

Secretary
IN WITNESS WHEREOF the Grantee has hereunto set his hand and seal.

Signed Sealed and Delivered by the said _____ in the presence of:-

Secretary

COMMONWEALTH OF THE BAHAMAS

New Providence

DEVELOPMENT AGREEMENT

This Agreement made the 17th day of June, A.D., 1980 BETWEEN WESTWIND II ASSOCIATION LIMITED, a Company organized and existing under the Laws of the Commonwealth of the Bahamas and having its Registered Office in the City of Nassau in the Island of New Providence (hereinafter referred to as "the Association", which expression shall where the context requires or so admits include its successors in title and assigns) of the one part AND WESTWIND II LIMITED, another Company organised and existing under the Laws of the Commonwealth of the Bahamas and carrying on business in the City of Nassau in the Island of New Providence aforesaid (hereinafter referred to as "the Developer", which expression shall where the context requires or admits include its successors in title and assigns) of the other part, WHEREAS:

(A) The Association is seized in fee simple in possession free from encumbrances of the hereditaments hereinafter described in the Schedule hereto (hereinafter referred to as "the said hereditaments"),

(B) The Association is desirous of having erected upon the said hereditaments one and two story apartments and other building improvements and amenities (hereinafter referred to as "the said improvements"),

(C) The Developer is prepared to erect and construct the said improvements upon the said hereditaments belonging to the Association upon the Developer being able to sell unit weeks as hereinafter defined and to retain such net proceeds of sale for its own account and the Association is prepared to permit the Developer entering into covenants as hereinafter provided,

EMANUEL M. ALEXIOU
Attorney at Law
Nassau, Bahamas

(D) "Unit week" shall mean the period commencing at 4:00 p.m. on one Saturday and ending at 12:00 noon on the following Saturday. Unit week No. 1 is the 7 day period commencing on the first Saturday of each year. Unit week No. 2 is the 7 day period next succeeding unit week No. 1. Successive unit weeks up to and including week No. 51 are ascertained in like manner. Unit week No. 52 contains the 7 day period succeeding the end of unit week No. 51 plus any excess days not otherwise assigned until the commencement of unit week No. 1 on the succeeding year.

NOW THIS INDENTURE WITNESSETH as follows:-

1. In consideration of the premises and the covenants on the part of the Developer hereinafter contained the Association agrees that the Developer may enter upon the said hereditaments and immediately at the Developer's expense proceed to carry out the following works set out hereunder and the Developer covenants with the Association as follows:-

- (i) Forthwith to enter upon the said hereditaments and proceed to pull down and remove the building now standing upon the said hereditaments (the old building) and not to cause or permit or suffer any nuisance or anything which shall cause any unnecessary annoyance or disturbance to the occupiers of adjacent premises in respect of pulling down "the old building" or the erection of the other works hereby agreed to be performed and shall pay and indemnify the Association against all claims for damage done in the course of such pulling down or otherwise in connection with the works hereby authorized and also all claims and demands with respect to any alleged interference with any rights or easements that any person may lawfully have or make in regard to the said hereditaments.

- (ii) Forthwith at the expense of the Developer's to erect on the said hereditaments 54 one and two story apartments together with a clubhouse, tennis courts and swimming pools and other amenities in accordance with the plans, elevations, sections and specifications which have been approved by the Association.

- (iii) In executing all such works as aforesaid to conform to the provisions of any statute or order applicable thereto and to all regulations and planning schemes that there may be in the Western District of the Island of New Providence where the said hereditaments are situated and to pay and keep the Association indemnified against all claims for the fees, charges, fines, penalties and other payments whatsoever which may become payable or be demanded by any authority in relation thereto.

- (iv) Not to sell or dispose of any earth, clay or gravel or sand from the said hereditaments or permit the same to be removed to make any excavation except so far as the same may be necessary for the execution of said works provided that the Developer may use for the purposes of the said works of the beforementioned substances which may be necessary to excavate.

- (v) To repair and keep in good repair and condition all buildings to be erected on the said hereditaments and all additions thereto and all other buildings at any time erected or standing thereon and all sewers and drains and fences.

- (vi) To permit the Association and its surveyors or agents with or without workmen and others at all reasonable

times to enter upon the said hereditaments and the buildings to be erected thereon and every part thereof to examine the state and condition of the same and thereupon the Association may serve the Developer notice in writing specifying any repairs necessary to be done and require the Developer forthwith to execute the same and if the Developer shall not within 14 days after the service of such notice proceed diligently with the execution of such repairs then to permit the Association to enter upon the said hereditaments and execute such repairs and the cost thereof shall be a debt due from the Developer to the Association and be forthwith recoverable by action.

(vii) As soon as the buildings to be erected on the said hereditaments shall have been completed forthwith at the Association's expense to insure same and to keep the same and other buildings or erections which may be upon the said hereditaments insured in some insurance office approved by the Association for the full replacement value thereof and to make all payments necessary for the above purposes within 7 days after the same shall become payable and to produce to the Association or its agent on demand such policies of insurance and the receipt for payment in respect thereof whereupon the Association shall immediately reimburse the Developer in respect thereof.

2. The Association hereby agrees that upon the Developer carrying out the above works the Developer shall be entitled to sell unit weeks as hereinbefore defined and to retain the net proceeds of sale for the Developer's account and that the Association

will join in with the Developer in executing Interval Ownership Deeds substantially in the form of an Interval Ownership Deed annexed hereto as Exhibit "A".

3. The Association and the Developer hereby mutually agree to enter into a further Agreement as to the user of the said hereditaments substantially in the form of an Agreement annexed hereto as Exhibit "B".

IN WITNESS WHEREOF the Association has caused its Common Seal to be hereunto affixed.

RICHARD CHESTER THOMPSON
President.

The Common Seal of Westwind II Association Limited was affixed hereto by Richard Chester Thomson the President of the said Company and the said Richard Chester Thompson affixed his signature hereto in the presence of:-

CHARLES W. B. FARRINGTON
Secretary.

IN WITNESS WHEREOF the Developer has caused its Common Seal to be hereunto affixed.

RICHARD CHESTER THOMPSON
President.

The Common Seal of Westwind II Limited was affixed hereto by Richard Chester Thompson the President of the said Company and the said Richard Chester Thompson affixed his signature hereto in the presence of:-

CHARLES W. B. FARRINGTON
Secretary.

COMMONWEALTH OF THE BAHAMAS

New Providence

Dated: Seventeenth day of June, A.D., 1980

WESTWIND II ASSOCIATION LIMITED

AND

WESTWIND II LIMITED

AGREEMENT

ALEXIOU, KNOWLES & CO.
Chambers
St. Andrew's Court
Frederick Street Steps
Nassau, Bahamas

COMMONWEALTH OF THE BAHAMAS

The Companies Act

COMPANY LIMITED BY SHARES

No. 24,486

MEMORANDUM OF ASSOCIATION

OF

Name Changed To:-
WESTWIND II ASSOCIATION
LIMITED

BRIGANTINE BAY ASSOCIATION LIMITED

Incorporated the 16th day of August, A.D., 1979

Paton, Alexiou & Co.

Chambers

P.O. Box N 1805
Nassau, Bahamas

No. 24,486

BAHAMA ISLANDS,
NEW PROVIDENCE

I, SYLVIA ANITA BONABY,
Registrar General for the Bahama Islands, do hereby certify that a
Memorandum of Association of BRIGANTINE BAY ASSOCIATION LIMITED
_____ has this day been registered in my office
under the provisions of The Companies Act (Ch. 184) _____
Whereby the said Parties have become and are an incorporated Company
under the name and style of BRIGANTINE BAY ASSOCIATION LIMITED
And I further certify that the Liability of the said Company, is
Limited.
Given under my hand at the City of Nassau the 16th day of
AUGUST A.D., 1979.

SYLVIA A. BONABY
Registrar General

REGISTRAR GENERAL'S OFFICE
P.O. Box 532 Nassau Bahamas

Your reference
Our reference 24,486
Date 29th April, 1980

I, SYLVIA ANITA BONABY, Registrar General of The
Commonwealth of The Bahamas, do hereby certify that on the 16th day
of August, 1979, a Memorandum of Association of BRIGANTINE BAY
ASSOCIATION LIMITED, was filed and registered in this Office under
the provisions of The Companies Act whereby the said parties became
an incorporated company under the name and style of BRIGANTINE BAY
ASSOCIATION LIMITED.

AND I FURTHER CERTIFY that on the 17th day of April,
1980, a copy of a Special Resolution passed at an Extraordinary
General Meeting of the Shareholders of the company held on the 14th
day of March, 1980, and duly confirmed at a subsequent Extraordinary
General Meeting of the company held on the 31st day of March, 1980,
was deposited for record in this Office whereby the name of the
company was changed to WESTWIND II ASSOCIATION LIMITED.

GIVEN under my hand and seal of Office
at the City of Nassau in the Island of
New Providence one of the Bahama Islands
this 29th day of April, A.D., 1980.

SYLVIA A. BONABY
REGISTRAR GENERAL

COMMONWEALTH OF THE BAHAMAS
New Providence

I, Jacqueline Maria Forbes of the Island of New Providence Messenger declare and say that I was present and saw

Edward Terry North
Dovis Atlene Berkel
Eslette Geraldine Kerr
Paulette Taylor
Viola Annie Thorpe

all of the Island of New Providence aforesaid sign the attached Memorandum of Association for the purposes therein mentioned; and that I subscribed my name as the witness to the due execution thereof.

Declared at Nassau, Bahamas)
) (Sgd) Jacqueline Maria Forbes
 this 15th day of August A.D., 1979)

Before me,

(Sqd) Emanuel Mike Alexiou

NOTARY PUBLIC

Seal

COMMONWEALTH OF THE BAHAMAS

The Companies Act
NEW
MEMORANDUM OF ASSOCIATION
OF
NESTWIND II ASSOCIATION LIMITED

1. The name of the Company is WESTWIND II ASSOCIATION LIMITED.
2. The Registered Office of the Company will be situated in the Island of New Providence, one of the Bahama Islands.
3. The objects for which the Company (hereinafter referred to as the Association) is established are:
 - (1) To own and maintain the Association property situated at Westwind Cable Beach, in the Western District of the Island of New Providence, maintain, repair, decorate and refurbish the interiors and exteriors of the units already erected and to be erected on the Association property (hereinafter referred to as "the said units") situated on the Association property, Cable Beach, in the Western District of the Island of New Providence, maintain and/or replace the fixtures, furniture, furnishings, equipment and other personal property appurtenant to the said units and to otherwise promote, maintain, administer and provide for the welfare and property interests of the owners of unit weeks in and to the said units situated in the Association property aforesaid.
 - (2) To be responsible for providing and performing any and all acts and services of any type whatsoever, which may be necessary to carry out and effectuate the purpose of the Association and for enforcing the provisions of this Memorandum. Provided further, however, the Directors may delegate certain of these responsibilities to a Managing Agent as provided in the Association's Articles of Association.
 - (3) The Association shall have in addition to the powers and duties set out herein all of the powers and duties set forth in the Declaration of Covenant about to be filed in the Registry of Records in the City of Nassau and covering the Westwind II building scheme, except as limited by this Memorandum, and all of the powers and duties reasonably necessary to implement and effectuate the purposes of the Association, as hereinabove set forth, including but not limited to the following:
 - (4) To make, establish and enforce reasonable rules and regulations governing the use of the said units, common elements as said terms may be defined in the said Declaration of Covenant to be recorded.
 - (5) To make and collect assessments against members of the Association to defray the costs, expenses and losses of the said units and the Association.
 - (6) To use the proceeds of assessments in the exercise of its powers and duties.
 - (7) To undertake the maintenance, repairs, replacement and operation of the said unit and the common elements or property leased by Association for the benefit of its members.

- (8) To purchase insurance upon the said unit and common elements and insurance for the protection of the Association and its members.
- (9) To reconstruct the said units and common elements after casualty and to construct further improvements of the said units and common elements.
- (10) To make reasonable rules and regulations respecting the use of said units and common elements subsequent to the filing of the Declaration of Covenant.
- (11) To approve or disapprove the leasing and transfer of ownership of the said units as may be provided by the Declaration of Covenant and the Articles of Association.
- (12) To enforce by legal means the provisions of The Companies Act, the Declaration of Covenant, the Articles of Association and the Memorandum of Association, and the rules and regulations for the use of the said units and common elements.
- (13) To acquire and/or to sell and to enter into any agreements whereby it acquires and/or sells any interest in real or personal property, whether by fee or otherwise, whether or not contiguous to the land of the said unit, all to be for the use or benefit of the members of the Association.
4. To carry on the business of the Association and to have the powers and duties set forth in the Declaration of Covenant about to be filed in the Registry of Records in the City of Nassau and to operate the Association for the benefit of its members as follows:
- (1) The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Covenant and the Articles of Association.
 - (2) The Association shall make no distribution of income to its members, directors or officers.
 - (3) To hold in trust, for members in accordance with the provisions of the Declaration of Covenant between the Association and Westwind Limited, these Articles of Association and Memorandum of Association, all funds and the titles to all properties acquired by the Association and the proceeds thereof.
5. The Liability of the members is limited.
6. The share capital of the Company is Five thousand Bahamian (B\$5,000) dollars divided into Five thousand (5,000) shares of the par value of One Bahamian (B\$1) dollar each, with power to divide the shares in the capital for the time being, whether original or increased, into several classes, and to attach thereto any preferential, deferred, qualified, or special rights, privileges or conditions whether as to voting, return of capital, dividends, or otherwise.

WE, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respect names.

AS WITNESS our hands this 16th day of August A.D. 1979

- 3 -

Names, Addresses & Descriptions of subscribers	No. of Shares taken by each Subscriber.
(Sgd) <u>Edward Terry North</u> Edward Terry North Nassau, Bahamas Attorney-at-Law	One
(Sgd) <u>Dovis Atlene Berkel</u> Dovis Atlene Berkel Nassau, Bahamas Corporate Secretary	One
(Sgd) <u>Eslette Geraldine Kerr</u> Eslette Geraldine Kerr Nassau, Bahamas Accountant	One
(Sgd) <u>Paulette Taylor</u> Paulette Taylor Nassau, Bahamas Secretary	One
(Sgd) <u>Viola Annie Thorpe</u> Viola Annie Thorpe Nassau, Bahamas Receptionist	One

Total number of shares taken.	<u>FIVE</u>
----------------------------------	-------------

WITNESS to the above signatures (Sgd) Jacqueline Marie Forbes

COMMONWEALTH OF THE BAHAMAS

THE COMPANIES ACT

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

WESTWIND II ASSOCIATION LIMITED

PRELIMINARY

1. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

WORDS	MEANINGS
The Statutes	The Companies Act, as amended from time to time, and every other Act for the time being in force concerning companies and affecting the company, including the Companies Seals Act.
These Presents	These Articles of Association, as, originally framed or as from time to time altered by Special Resolution.
The Court	The Supreme Court of the Commonwealth of The Bahamas.
Office	The Registered Office of the Company.
Seal	The Common Seal of the Company.
Month	Calendar month.
Year	Calendar year.
In Writing	Written or produced by any substitute for writing, or partly one and partly another.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

Member

The subscribers of the Memorandum of Association, and every other person who agrees to become a member of the Company and whose name is entered in the Register of Members and who is an owner of a unit week(s) in and to the units to be situate on the company's property.

Westwind Club property

The property owned by the Company and situate on Cable Beach in the Western District of the Island of New Providence.

The Unit

The cottage or cottages with its/their own patio gardens in the course of being erected or already erected upon the Westwind property in which Westwind Limited is selling interval ownership rights to occupy the same for one or more unit weeks.

Unit Weeks

The period commencing at 4:00 p.m. on one Saturday and ending at 12:00 noon on the following Saturday. Unit week No. 1 is the seven-day period commencing on the first Saturday of each year. Unit Week No. 2 is the seven-day period next succeeding Unit Week No. 1. Successive unit weeks up to and including Unit Week No. 51 are ascertained in like manner. Unit Week No. 52 contains the seven-day period succeeding the end of Week No. 51 plus any excess days otherwise assigned until the commencement of Unit Week No. 1 in the succeeding year.

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary, and where two or more persons are appointed to act as Joint Secretaries, shall include any one of those persons.

Save as aforesaid, any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

CERTIFICATES OF MEMBERSHIP

2. Save as the Company may by special resolution otherwise direct the Certificates of Membership in the Company shall be at the disposal of the Directors, and they may allot such certificates of membership only to such persons who are interval owners of the Westwind units, provided always that the certificates of membership shall be issued only in consideration

of the full amount payable thereon and shall be non-assessable thereafter.

3. (A) Only the subscribers to the Memorandum of Association and the interval owners of Westwind units shall be members of the Company.

(B) Except as required by law, no person shall be recognized by the Company as holding any certificate of membership upon trust, and the Company shall not be bound by or compelled in any way to recognize any equitable, contingent, future or partial interest in any certificate of membership, or any interest in any fractional part of a certificate of membership, or (except only as by these presents or by law otherwise provided) any other rights in respect of any certificate of membership, except an absolute right to the entirety thereof in the registered holder.

CERTIFICATES

4. (A) Every person whose name is entered as a member in the Register of Members shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as terms of issue shall provide) one certificate representing his membership in the company. Every certificate shall be issued under the seal and bear the signatures of one Director and the Secretary. Every certificate shall specify the number of certificates of membership to which it relates and the fact that the certificates of membership are fully paid and non-assessable. Provided that the Company shall not be bound to register more than three persons as the joint holders of any certificates of membership (except in the case of executors or trustees of a deceased member) and in the case of a certificate of membership held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of such persons shall be sufficient delivery to all.

(B) When two or more persons jointly are Unit owners of one of the Westwind units, they shall together constitute one member and the person whose name first appears in the register shall exercise the voting and other powers vested in such member.

5. If a certificate of membership be defaced, lost or destroyed, it may be renewed on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in investigating evidence as the Directors think fit.

TRANSFER OF CERTIFICATES OF MEMBERSHIP

6. All transfer of certificates of membership may be effected by transfer in writing in the usual common form, or in such form as the Directors may accept, and may be under hand only.

7. The instrument of transfer of a certificate of membership shall be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the certificate of membership until the name of the transferee is entered in the Register of Members in respect thereof.

8. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of a certificate of membership to a person of whom they shall not approve, and they may also decline to register any transfer of certificates of membership on which the Company has a lien. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

(B) A certificate of membership shall be transferred and may only be transferred upon or immediately before the execution of any interval ownership deed to a Westwind unit and such certificate of membership shall be transferred and may only be transferred to the person becoming or about to become by reason of such indenture a unit owner of one of the Westwind units provided always that the foregoing shall not prevent at any time a subscriber to the Memorandum of Association of the Company transferring a certificate of membership held by him to a unit owner of one of the Westwind

units.

(C) If the holder of the certificate of membership refuses or neglects to transfer it in accordance with Article 8B, one of the Directors duly nominated by resolution of the Directors for that purpose shall forthwith be deemed to be duly appointed attorney of that holder with full power in his name and on his behalf to execute, complete and deliver a transfer of his certificate of membership to the person to whom it shall be transferred thereunder and the company may receive and give good discharge for the purchase money and enter the name of the transferee in the register as the holder by transfer of the said certificate of membership.

9. The Directors may decline to recognize any instrument of transfer, unless:

(a) The instrument of transfer is deposited at the office or such other place as the Directors may appoint accompanied by the certificate of the certificate of membership to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so).

All instruments of transfer which are registered may be retained by the Company.

10. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

11. Nothing in these presents contained shall preclude the Directors from recognizing a renunciation of the allotment of any certificate of membership by the allottee in favor of some other person.

TRANSMISSION OF CERTIFICATES OF MEMBERSHIP

12. In case of the death of a member the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person recognized by the Company as having any title to his interest in the certificate of membership.

13. Any person becoming entitled to a certificate of membership in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the certificate of membership) may, subject as hereinafter provided, either be registered himself as holder of the certificate of membership upon giving to the Company notice in writing of such his desire or transfer such certificate of membership to some other person. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of certificates of membership shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member.

14. Save as otherwise provided by or in accordance with these presents, a person becoming entitled to a certificate of membership in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the certificate of membership) shall be entitled to the same and other advantages to which he would be entitled if he were the registered holder of the certificates of membership except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the certificate of membership.

GENERAL MEETINGS

15. (a) The first general meeting of the members of the Company shall be held in the year of incorporation and not more than six months after the incorporation of the Company and may be convened by any three of the subscribers of the Company's Memorandum of Association by notice in writing signed by them addressed to the other subscribers and the other members (if any) entitled to attend and vote at such meeting. The first general meeting of the members of the Company shall be deemed to be the annual general meeting for the year in which it was held.
- (b) An annual general meeting (which shall be the ordinary general meeting required by the Companies Act) shall be held once in every year, at such time (within a period of not more than eighteen months after the holding of the last preceding annual general meeting) and place as may be determined by the Directors.
- (c) All other general meetings shall be called extraordinary general meetings.
16. The Directors may whenever they think fit, and shall on requisition in accordance with the provisions of the next succeeding Article, proceed to convene an extraordinary general meeting.
17. Any two or more members of the Company together holding not less than thirty per centum of the issued share capital of the Company may in writing signed by them addressed to the Secretary and sent by registered post to or left at the office requisition a general meeting of the Company and may specify a resolution or resolutions to be proposed at such general meeting as a special resolution or otherwise and may require that a memorandum not exceeding one thousand words in length and approved by the requisitioners should be prepared at the Company's expense and enclosed with each notice of general meeting sent to the members. Upon receipt of such

requisition and within ten days thereafter the Secretary shall convene such general meeting by notice appropriate to the type of resolution proposed and not exceeding twenty-one days addressed to all the members and there shall accompany each notice a copy of the memorandum (if so required) before referred to.

NOTICE OF GENERAL MEETINGS

18. An annual general meeting and any general meetings at which it is proposed to pass a special resolution shall be called by fourteen day's notice in writing at least, and any other general meeting by seven days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to the Auditors if any, and to all members other than such, if any, as are not under the provisions of these presents entitled to receive such notices from the company; Provided that a general meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than ninety per cent in nominal value of the certificates of membership giving that right: Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any general meeting.

19. (a) Every notice calling a general meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

(b) In the case of an annual general meeting, the notice shall also specify the meeting as such.

(c) In the case of any general meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.

20. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:

- (a) reading, considering and adopting the balance sheet, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;
- (b) appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;
- (c) appointing Directors in the place of those retiring and fixing the remuneration of the Directors.

PROCEEDINGS AT GENERAL MEETINGS

21. No business shall be transacted at any general meeting unless a quorum is present. Two members present in person or by proxy or (being corporations) present by a representative or proxy and together holding or representing not less than fifty per centum of the issued share capital of the Company shall be a quorum for all purposes.

22. If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place

as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present (if more than one) shall be a quorum.

23. The Chairman of the Board of Directors, failing whom the President of the Company, failing whom a Vice-President, shall preside as Chairman at a general meeting. If there be no such Chairman of the Board or President or Vice-President or if at any meeting none be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be Chairman of the meeting.

24. The Chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

25. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by either:

- (a) The Chairman of the meeting; or
- (b) Not less than two members present in person or by proxy and entitled to vote; or

- (c) A member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

26. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

27. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

28. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded

on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

29. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

30. When the minutes of a general meeting of the Company (including the annual general meeting) shall have been signed by all the members or their proxies the same shall be deemed to have been duly convened, properly constituted and held notwithstanding that no notice or short notice thereof was given or that there might have been a technical defect or technical defects in the proceedings and any resolution of the said general meeting recorded in the said minutes shall bind the company and the members (and those claiming under or in trust for them and each of them) and all persons dealing with the Company as if it had been properly passed as an ordinary, extraordinary or special resolution (as the case may be) of the Company in general meeting duly convened, properly constituted and held.

VOTES OF MEMBERS

31. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any certificate of membership, on a show of hands every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

32. In the case of joint holders of a certificate of membership the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be

determined by the order in which the names stand in the Register of Members in respect of the joint holding.

33. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee, curator bonis or other person in the nature of a committee or curator bonis appointed by such court, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

34. No member shall, unless the Directors otherwise determine, be entitled to vote at a general meeting either personally or by proxy, or to exercise any privilege as a member unless all sums presently payable by him in respect of certificates of membership in the Company have been paid.

35. No objection shall be raised as to the admissability of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

36. On a poll votes may be given either personally or by proxy, and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

37. A proxy must be a member of the Company.

38. An instrument appointing a proxy shall be in writing in the usual common form or any other form which the Directors may accept and:

- (a) in the case of an individual shall be signed by the appointor or by his attorney; and

- (b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney, director or officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney, director or officer. The signature on such instrument need not be witnessed.

39. An instrument appointing a proxy must be left at the office or such other place, if any, as is specified for that purpose in the notice convening the meeting not less than twenty-four hours before the time appointed for the holding of the meeting or adjourned meeting or for taking of the poll at which it is to be used, and in default may, at the discretion of the Directors be treated as invalid.

40. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

41. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy, or of the authority under which the appointment was made, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

42. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or any class of members of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company.

DIRECTORS

43. Subject as hereinafter provided the Directors shall not be less than two nor more than seven in number. The Company may by ordinary resolution from time to time increase or reduce the maximum or minimum number of Directors. The first Directors shall consist of the following: Richard Chester Thompson, Joan Margaret Thompson, and Charles White Berry Farrington.

44. The Directors may delegate certain of their responsibilities to a Managing Agent as hereinafter provided.

45. The ordinary remuneration of the Directors shall from time to time be determined by an ordinary resolution of the Company, and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he was held office.

46. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of any committee of the Directors or general meetings, or otherwise in or about the business of the Company.

47. Any Director who is appointed to any office or to any executive office including the office of Chairman of the Board or President or Vice-President or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

48. The Directors shall have power and be deemed always to have had power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to or to any person in respect of any Director or ex-Director who may hold or have held

any executive office or any office of profit under the Company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

49. A Director (or alternate Director) may contract or be interested in any contract or arrangement with the Company or any other company in which the Company may be interested and hold any office or place or profit (other than the office of Auditor of the Company) under, and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company, and (unless otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom.

OFFICERS AND EXECUTIVE DIRECTORS

50. The officers of the Company who must be members of the Company shall consist of a President and Secretary (or Joint Secretaries) and may also comprise one or more Vice-Presidents, a Treasurer (or Joint Treasurers) or any combination of the aforesaid offices and such other Officers as the Directors may determine. The Officers shall be appointed by the Directors and shall hold office at the will of the Directors. The Directors shall have power from time to time to appoint an Officer or Officers to fill an office becoming vacant or to appoint to an additional or to a new office.

51. None of the Officers need be a member or a Director.

52. The Company in general Meeting may at any time remove an Officer from office. Unless the Company shall resolve that a vacated office be suspended or abolished the Directors may fill the same at any time.

53. Any person may hold more than one such office.

54. (a) The Officers shall perform such duties as may from time to time be prescribed by the Directors.
- (b) The President shall be the chief executive officer of the Company, responsible for carrying out the policy decisions made by the

Board of Directors. He shall not originate policy and his powers of executing decisions of the Board shall be collateral with and not to the exclusion of the powers of the Board.

- (c) The Secretary shall convene meetings of the members and Directors and shall attend the meetings and keep minutes thereof. He shall keep the Registers and the corporate records.

55. (a) The Directors may from time to time appoint one or more of their body to be holder of any executive office, including the office of Managing or Joint Managing Director, on such terms and for such period as they may determine.
- (b) The appointment of any Director to the office of Managing or Joint Managing Director shall be subject to termination if he cease from any cause to be a Director, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

56. The Directors may entrust to and confer upon a Director holding any executive office and upon any Officer any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

57. The office of a Director shall be vacated in any of the following events, namely:

- (a) If he become prohibited by law from acting as a Director.

- (b) If he resign by writing under his hand left at the Office.
- (c) If he have an adjudication order made against him or compound with his creditors generally.
- (d) If he become of unsound mind.
- (e) If he be absent from meetings of the Directors for six months without leave, and the Directors resolve that his office be vacated.
- (f) If he be requested in writing by all of his co-Directors to resign.
- (g) If he be requested in writing by a majority of the members.

58. (a) At each annual general meeting all the Directors for the time being shall retire from office. Provided that a Director appointed to the office of Managing or Joint Managing Director shall not, while holding that office, be subject to retirement. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting, and shall be eligible for re-election.
- (b) The Members in Annual General Meeting shall elect Directors to serve on the Board of Directors until the next Annual General Meeting of the Company or their earlier removal or retirement.

59. The Company may by ordinary resolution remove any Director before the expiration of his period of office, notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement. The Company may by a like resolution appoint another person in place of a Director so removed from office. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.

60. The Directors shall have power at any time and from time to time to appoint any persons to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents.

ALTERNATE DIRECTORS

61. (a) Any Director may at any time by writing under his hand and deposited at the office appoint any person approved by the Directors to be his alternate Director either for any particular meeting or for such period of time (not exceeding his own period of office) as such writing shall stipulate and may in like manner at any time terminate such appointment.
- (b) The appointment of an alternate Director shall ipso facto determine on the happening of any event which if he were a Director would render him legally disqualified from acting as a Director. His appointment shall also determine ipso facto if his appointer ceases for any reason to be a Director.
- (c) An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and in the event of his having express authority in writing from his appointer he shall be entitled to sign any resolution in accordance with the provisions of Article 70. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purpose of these presents.
- (d) An alternate Director may be repaid by the Company such expenses as might properly be repaid to him

if he were a Director and he shall be entitled to receive from the Company such proportions, if any, of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company.

PROCEEDINGS OF DIRECTORS

62. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second and casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall be necessary to give three days' notice of a meeting of Directors to every Director but such notice may be waived by any Director.

63. A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorize any other Director to vote for him at that meeting, and in that event the Director so authorized shall have a vote for each Director by whom he is so authorized in addition to his own vote. Any such authority must be in writing or by telex, cable, radiogram or telegram, which must be produced at the meeting at which the same is to be used, and be left with the Secretary for filing.

64. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be two persons who are Directors or Alternate Directors of the Company. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

65. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning general meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

66. The Directors shall choose one of their number to be Chairman of the Board who shall preside at their meetings. In the absence of the Chairman of the Board the President (if he shall be a Director) shall preside at meetings of Directors provided always that nothing shall prevent the President from being chosen Chairman of the Board. If at any meeting neither be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

67. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors.

68. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed by the Directors.

69. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not

superseded by any regulations made by the Directors under the last preceding Article.

70. All acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any such Director, or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

BORROWING POWERS

71. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

GENERAL POWERS OF DIRECTORS

72. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these presents, to the provisions of the Statutes, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not

limited or restricted by any special authority or power given to the Directors by any other Article.

73. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorize any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

74. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

75. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

76. The Directors' powers and duties shall also include but shall not be limited to:

- (1) engage and dismiss employees and agents, and define the duties and fix the compensation thereof;
- (2) open bank accounts, sign checks and drafts;
- (3) prepare and adopt an annual budget for the Company;
- (4) determine, levy and collect the common expense

charge pursuant to the budget and to use and expend such funds in accordance with the budget;

- (5) collect individual expenses of the members;
- (6) make special assessments;
- (7) purchase supplies, materials equipment necessary for the maintenance, repair and refurnishing of the Company property and the units;
- (8) appoint committees for such purposes as it may deem necessary;
- (9) enter into contracts, agreements, mortgages and other written instruments or documents and authorize the execution, delivery and if appropriate, the recording thereof by the officers;
- (10) retain, employ and hire a business entity to manage, maintain and supervise the company property and the units;
- (11) maintain, repair, refurnish and decorate the interior and exterior of the units;
- (12) maintain the company property;
- (13) maintain, repair and replace the personal property, furniture, fixtures, furnishings and equipment appurtenant to the units;
- (14) obtain and maintain all necessary insurance for the company property and the units;
- (15) promulgate, distribute and enforce rules and regulations governing the details of the use and occupancy of the company property and the units;
- (16) provide all of the services necessary for the maintenance, operation and supervision of the company property and the units including but not limited to the following services:
 - i. trash and garbage collection

- ii. water service
 - iii. sewage service
 - iv. building and ground maintenance
 - v. domestic services
 - vi. vermin extermination
 - vii. security guard
 - viii. utility
- (17) pay all expenses and debts of the company and the tax assessments against the company property and the units;
- (18) the foregoing rights, powers and duties of the directors shall be in addition to and not in limitation of any other rights power and duties which the Directors may have by law or by these Presents.

77. MANAGEMENT FIRM

The Directors pursuant to Article 47 may enter into an agreement upon such terms and conditions as they may deem advisable with a management firm for the maintenance, supervision, operation and management of the Company property and the units and for the administration of the affairs of the Company. Provided, however, if the said agreement conflicts with these Presents, then same shall be resolved in favour of these Presents. In the event that a managing agent is appointed such managing agent shall be given reasonable notice of all meetings of the Directors and shall have its duly authorised representative attend same.

The Directors may delegate to the Managing Agent in the management agreement, all of the powers and duties necessary to carry out the purposes of the company and for the administration of the Company. Pursuant, thereto, the Managing Agent shall accomplish all acts and exercise such authority which is not reserved to the membership or the Board of Directors or prohibited by law or these Presents. Provided, however, that the Managing Agent shall be at all times subject to the control of the Company and the directors shall not be liable for the managing agent's wrongful exercise of any power, malperformance or nonperformance of any duty which has been delegated to it.

78. RIGHTS AND DUTIES OF THE MEMBERS

(a) Members shall comply strickly with all the provisions of these Presents and any Rules and Regulations and with any and all resolutions or decisions which may be rendered by the company, the Board of Directors and when applicable, the Managing Agent. Any Member who shall fail to so comply, shall be subject to the remedies provided for in these Presents and may be required by the directors to give security or such other guarantees as are satisfactory to the directors for his future compliance with all such provisions, resolutions and decisions.

(b) Members shall use and occupy the units only as a residence. No member shall in any event do any work, alterations

or improvements to the units.

(c) Each member will ensure that the unit in which he has an interest shall be kept in good, clean and sanitary condition during his period of occupancy and that all appliances and equipment located in such unit are property and adequately used during such period.

(d) Each member shall give the Directors written notice within five (5) days of the receipt by such member of notice of, or, of actual knowledge of (i) the attachment of any lien (other than the lien of a permitted mortgage) against any unit in which he has interest of (ii) the filing of any suit, claim, demand or proceeding against such unit and/or that may affect such owner's title to his interest therein.

(e) All members shall pay the common expense charge, individual expense charge or assessment, charged to them in accordance with the provisions of these Presence as hereinafter set forth.

79. FINANCES, CHARGES AND ASSESSMENTS

A. Determination and Payment of Common Expense Charge.

(a) The Directors or the Managing Agent shall upon adoption of the budget of the Company and pursuant thereto, determine the respective pro-rate amount of the total expenses of the Company for which each member shall be liable as his common expense charge.

(b) When the amount of the common expense charge has been determined, the Treasurer of the company or the Managing Agent shall within ten (10) days of such determination, send by registered or certified mail, to each member at his address listed on the records of the company, a statement setting forth that individual's common expense charge.

(c) Each member's common expense charge shall be due and payable within thirty (30) days after receipt of the statement setting forth the members common expense charge. Such charge shall be payable to the Treasurer of the company or the

Managing Agent who shall upon request, provide a receipt.

(d) If the Directors shall fail to fix a new assessment for the ensuing fiscal year, pursuant to this Article, then the Members shall pay the same common expense charge including, however, any special assessments they paid for the then current fiscal year as if such sum were the new assessment and such failure shall not constitute a waiver, modification or release of any member's obligation to pay same. If the directors shall change such assessment at a later date, such new assessment shall be treated as a special assessment as hereinafter provided for.

(e) Other than as provided for in paragraph (d) above, no member shall exempt himself from liability for the common expense charge by the waiver of the right to use the company property or by the abandonment of his membership or otherwise.

(f) In addition to any remedies that are provided for hereinafter, in these Presents, a member who fails to pay his common expense charge may be prohibited by the directors from using the unit in and to which he has an interest, during his period of occupancy or in the alternative, the directors may terminate all services, utility and otherwise to such unit during the members right of occupancy of the unit.

B. Special Assessments.

(a) Membership in General

(i) If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual expenses of the company for such fiscal year for any reason (including by way of illustration and not limitation, any member's non-payment of his assessment), the directors shall, at any time it deems necessary and proper, levy a special assessment against each member in the same proportion as the original common expense charge except that in the event such special assessment is required because of the failure of one or more members promptly to pay his common expense charge, the amount of the

special assessment shall be increased to compensate for the anticipated failure of such defaulting members to pay his or their share of such special assessment. In the event that an assessment is made because of one or more members' failure to pay the common expense charge, and the company shall subsequently receive all or any part of the amounts due with respect to such unpaid charge from the defaulting member(s), the amount of such receipt shall be deducted proportionately from future common expenses of the members who have paid such special assessment.

(ii) Upon determination by the directors of the need for a special assessment pursuant to paragraph (a)(i) of this article and the amount thereof, the Treasurer of the company or the Managing Agent shall within the (10) days of such determination forward by certified or registered mail to each member as provided in paragraph (a)(i) above, at his address listed on the records of the company, a statement setting forth the amount of the special assessment and the reasons therefor.

(iii) The special assessments provided for in paragraph (a) of this section shall be payable within sixty (60) days of the receipt thereof by a member.

(b) Specific Members

(i) In the event that the Directors shall determine that any expenditure which has been paid out of the common expense fund of the company is primarily for the benefit of or the responsibility of a specific member or members or that an expenditure must be made primarily for the benefit of or is the responsibility of a specific member or members, then the directors shall levy a special assessment upon such member or members to obtain the funds necessary for or to recover such expenditure. If more than one member is responsible for or will derive the benefit from the expenditure, the directors shall also determine the respective amounts of such expenditures for which each other member beneficially shall be liable.

(ii) Upon the directors making the determination set forth in paragraph (b)(i) of this Article, the Treasurer of the

Association or the Managing Agent shall notify the effected member by certified or registered mail forwarded to their respective addresses as listed on the records of the company, of the special assessment, the amount thereof, the reasons for the assessment and the terms and conditions for payment.

(iii) Any member who shall object to a special assessment levied pursuant to paragraph (b)(i) of this section or the amount thereof, shall be required to pay the amount of the special assessment when due but thereafter may be written notice forwarded within ninety (90) days from the date of payment of the special assessment to the directors, obtain a review of the Board of Directors' prior determination, conducted in accordance with Article 66. The Board shall notify any other member involved of the objection and the review of the directors determination.

C. Delegation of Authority and Responsibility

The Directors may delegate to the Managing Agent the duty and responsibility of levying and collecting from the members all amounts payable as common expense charges or special assessments and the Managing Agent shall have the right and power to take any and all necessary action as provided in these Presents to collect same.

D. Individual Member Expense Charge

(a) The Directors or the Managing Agent shall keep an accurate record of all items of expense which are chargeable to individual members as individual expense charge.

(b) The Treasurer or the Managing Agent shall present a statement listing all such charges to the Members incurring same or shall forward same by registered mail or certified mail to such member at his address as listed on the records of the company as soon as such charges may feasibly be determined.

(c) All individual member expense charges shall be paid immediately upon receipt of the statement for same unless otherwise provided by the Directors or Managing Agent.

E. Default in Payment of Charges or Assessments

(a) If a member fails to pay any charge or assessment provided for by this Article, the Directors or the Managing Agent shall on behalf of the company institute such action against members obligated to pay the said charge and shall foreclose and obtain judgment on the members' interest in a unit week(s). Any judgment entered against a member shall include interest on the charge or assessment at the maximum rate allowed by law, costs and a reasonable attorney's fee for collection.

(b) If a Member desires to remedy his default he shall be obligated to pay in addition to the amount of the assessment or charge and the interest due thereon, the following:

(i) All expenses of the company including attorney's fees incurred in the collection of the delinquent charge or assessment on account of legal proceedings or otherwise.

(ii) Any amounts paid by the company for taxes or on account of superior liens or otherwise to protect its lien upon the member's interest in his unit week(s).

F. Application of Payments and Co-Mingling of Funds

(a) All payments made pursuant to this Article shall be co-mingled in one account or divided into more than one account as determined by the Directors.

(b) All payments made pursuant to this Article shall be applied to interest, delinquencies, costs, attorney's fees and other charges, expenses and advances as may be provided for herein in such manner and amounts as the Directors shall determine in their discretion.

(c) The Managing Agent shall have the power and authority to make the determinations required by this Article.

G. Annual Financial Statement by Management Firm

During the term of the Management Agreement, the Management Firm shall perform a continual internal audit of the company's financial records for the purpose of verifying the same and shall conduct an internal audit on an annual basis, prepare all necessary financial statements for the operation

conducted by the Management Firm for the company and submit same to the Directors of the company no later than the first of April in the year following the calendar year for which the statements were prepared. The financial records and statements of the company shall be audited by an external and duly registered and licensed Accountant who will submit his findings to the company and enter an opinion as to the record thereof. Said audit shall be submitted to the Company prior to the first day of April in the year following the calendar year for which the audit is accomplished. The Directors of the Company shall distribute and mail the financial statements provided for herein to the members of the company, upon their receipt by the Treasurer of the company.

80. COMPLIANCE

A. Violations

In the event of a violation (other than the non-payment of charges or assessments) by a member of any of the provisions of these Presents the Directors or the Managing Agent shall notify the members by written notice of said violation transmitted by registered or certified mail, and if such violation shall continue for a period of thirty (30) days from the date of the notice, the company, by the Directors and/or the Managing Agent, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Presents and the company may then at its option, exercise the following remedies:

(a) An action at law to recover any and all damages or amounts provided for by these Presents. Such action may be instituted on behalf of the company, any member or both.

(b) An action in equity to enforce performance on the part of the member; or

(c) An action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Upon finding by the Court that the violation complained of is willful and deliberate, the member so violating shall reimburse the company for reasonable attorney's fees incurred by

its bringing such action. Any violations which are deemed by the Directors or the Managing Agent to be a hazard to public health may be corrected immediately as an emergency matter and the cost thereof shall be charged to the member as a special assessment.

B. Negligence or Carelessness of Members

All members shall be liable for the cost of any maintenance or repair to the units, the Company property and the replacement or repair of furnishings, fixtures, or equipment rendered necessary by his act, neglect or carelessness or by any member of his family of his or their guests, employees, agents or lessess, but only to the extent that such expense is not met by the proceeds of any insurance coverage. Such liability shall include any increase in insurance rates occasioned by the carelessness or misuse. Provided, however, that nothing herein contained shall be construed so as to modify any waiver by an insurance company of rights of subrogation.

C. Waiver of Rights

All rights, remedies and privileges granted to the Company, the Managing Agent or member, pursuant to any terms, provisions, covenants or conditions of these Presents, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it precludethe party thus exercising the same from exercising such other and additional rights, remedies or privileges as may exist at law or in equity.

81. TRANSFER OF RIGHTS IN A UNIT WEEK(S)

A. All members shall notify the Manaqing Agent so long as the Management agreement remains in effedt and thereafter the company of any transfer by sale or otherwise of his interest in a unit week(s) within ten (10) days prior to the date of said transfer. Said notice shall include such information and be in such form as the Managing Agent or the Directors shall prescribe and require from time to time. All necessary notices sent to the person shown as the member on the records of the company shall be binding as to any other member when no notification of a transfer

is given in accordance with this Article.

B. Liability Survives Termination of Membership

The termination of membership in the Company by the transfer of an individual's interest in a unit week(s) shall not relieve or release any such former member from any liability or obligations incurred under or in any way connected with the company during the period of such membership, or impair any rights or remedies which the company may have against such former member arising out of or in any way connected with such membership, and the covenants and obligations incident thereto.

82. SEAL

The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the directors authorized by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director or the President and shall be countersigned by another Director or by a Vice-President or by the Secretary.

83. AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors, and any books, records documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents and accounts are elsewhere than at the Office, the local manager or other Officers of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

84. A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive

evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.

85. MINUTES AND BOOKS

The Directors shall cause minutes to be made and kept in the books to be provided for the purpose:-

- (a) of all appointments of Officers made by the Directors
- (b) of the names of the Directors present at each meeting of Directors and of any committee of Directors
- (c) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

86. The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to keeping a Register of Directors and Managers, a Register of Members, and a Register of Mortgages and Charges, and in regard to the production and furnishing of copies of such Registers and of any Register of holders of debentures of the Company.

87. Any Register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company unless required by the Statutes to be kept at the Office may be kept at such place or places as the Directors may from time to time determine and may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

89. ACCOUNTS

- (a) The Directors shall cause to be kept proper books of account with respect of:

- (1) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (2) all sales and purchases of goods by the Company;
 - (3) the assets and liabilities of the Company.
- (b) For the purposes of the foregoing, proper books of account shall not be deemed to be kept with respect to the matters aforesaid if there are not kept such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
- (c) The provisions of this Article may be waived by Ordinary Resolution of the Members in General Meeting.

90. The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Directors.

91. The Directors shall at some date not later than eighteen months after the incorporation of the Company and subsequently once at least in every year lay before the Company in general meeting a profit and loss account, in the case of the first account since the incorporation of the Company, and in any other case since the preceding account, made up to a date not earlier than the date of the meeting by more than nine months. Every profit and loss account shall give a true and fair view of the profit or loss of the Company for the period with which it deals. The provisions of this Article may be waived by Ordinary Resolution of the Members in General Meeting.

92. The Directors shall cause to be made out in every year, and to be laid before the Company in general meeting, a balance sheet as at the date to which the profit and loss account is made up. Every balance sheet shall give a true and fair view of the state of affairs of the Company as at the date thereof. The provisions of this Article may be waived by Ordinary Resolution of the Members in General Meeting.

93. Upon application to the Secretary any member and any holder of debentures of the Company shall be entitled to receive within seven days before the date of the annual general meeting of the Company already convened, a copy of the balance sheet (if any) and profit and loss account (if any) to be laid before the members in such annual general meeting.

94. AUDITORS

The Company may at each annual general meeting appoint an Auditor or Auditors to hold office from the conclusion of that, until the conclusion of the next annual general meeting. At any annual general meeting a retiring Auditor, however appointed, shall be re-appointed without any resolution being passed unless:-

- (a) he is not qualified for re-appointment;
or
- (b) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed;
or
- (c) he has given the Company notice in writing of his unwillingness to be re-appointed.

95. The Auditor, if any, shall make a report to the members on the accounts examined by him, and on every balance sheet and on every profit and loss account laid before the Company in general meeting during his tenure of office, and his report, which shall be read before the Company in general meeting and shall be open to inspection by any member shall contain statements as to the following matters:-

- (a) whether he has obtained all the information and

explanations which to the best of his knowledge and belief were necessary for the purpose of his audit.

- (b) whether, in his opinion, proper books of account have been kept by the Company, so far as appears from his examination of their books, and proper returns adequate for the purpose of his audit have been received from branches not visited by him

- (c) (1) whether the Company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of account and returns
- (2) whether, in his opinion and to the best of his information and according to the explanation given to him, the said accounts give the information required by these Articles in the manner so required and give a true and fair view, in the case of the balance sheet, of the state of the Company's affairs as at the date thereof, and in the case of the profit and loss account, of the profit or loss of the Company for the period dealt with therein.

96. All acts done by any person acting as an Auditor shall as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

97. The Auditor, if any, shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns him as Auditor.

98. NOTICES

Any notice or document may be served by the Company

on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address, or to the address. If any supplied by him to the Company as his address for the service of notices. Where a notice or other document is served by post, service shall be deemed to be effected at the time when the letter containing the same is posted, and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted.

99. In respect of joint holdings all notices shall be given to that one of the joint holders whose name stands first in the Register of Members, and notice so given shall be sufficient notice to all the joint holders.

100. A person entitled to a share in consequence of the death or bankruptcy of a member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder.

101. A member who has not supplied to the Company a registered address or an address for the service of notices shall not be entitled to receive notices from the Company.

102. WINDING UP

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the

Liquidator may, with the authority of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

103. INDEMNITY

Subject to the provisions of the Statutes, every Director, alternate Director, President, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority over any claims of the Company or any member.

104. No Director or officer shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense incurred by the Company as a result of insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be advanced or invested, or for any loss or damage arising out of the bankruptcy, insolvency or tortious or criminal act or omission of any person with whom any

moneys, securities or effects shall be deposited or for any loss occasioned by an error of judgment, omission, default, or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of his office or in relation thereto, except the same shall happen through his own dishonesty.

SIGNATURE OF SUBSCRIBERS

COMMONWEALTH OF THE BAHAMAS

New Providence

I, Jacqueline Maria Forbes, Messenger, of the Island of New Providence, declare and say that I was present and saw:

Edward Terry North

Dovis Atlene Berkel

Eslette Geraldine Kerr

Paulette Taylor

Viola Annie Thorpe

all of the Island of New Providence aforesaid sign the attached Articles of Association for the purposes therein mentioned; and that I subscribed my name as the witness to the due execution thereof.

Declared this 15th day of)
August A.D., 1979)

(Sgd.) Jacqueline Maria Forbes

Before me,

(Sgd.) Emanuel Mike Alexiou

NOTARY PUBLIC

SEAL

COMMONWEALTH OF THE BAHAMAS

New Providence

MANAGEMENT AGREEMENT

THIS AGREEMENT is made the ____ day of ____,
A.D., 19__ BETWEEN WESTWIND II ASSOCIATION LIMITED a company
organised and existing under the Laws of the Commonwealth of the
Bahamas and having its Registered Office in the City of Nassau in
the Island of New Providence one of the Islands of the Commonwealth
of the Bahamas (hereinafter called "the Association") of the one
part AND BAHAMAS TIMESHARING MANAGEMENT LTD. (Hereinafter called
"the Agent") of Nassau, Bahamas, of the other part WHEREAS:-

(A) The Association is seized in fee simple in
possession free from encumbrances of the hereditaments described
in the First Schedule hereto (Hereinafter referred to as "the
Westwind II Property"),

(B) Westwind II Limited is erecting or has erected
upon the Westwind II Property pursuant to a Development Agreement
dated the 17th day of June, A.D., 1980 (hereinafter referred
to as "the said Development Agreement") made between Westwind II
Limited of the one part and the Association of the other part one
and two story apartments and other buildings improvements and
amenities (such apartments being hereinafter individually referred
to as "one of the units" or "the unit") (hereinafter collectively
referred to as "the project"),

(C) The Association is empowered by its Articles of
Association to appoint a Managing Agent and the Association wishes
to appoint the Agent as such Managing Agent and the Agent is prepared
to accept the appointment as such Management Agent of the project
subject to the terms and conditions set out below:

NOW THIS AGREEMENT WITNESSETH THAT:-

1. In consideration of the premises the Association
hereby appoints the Agent to be Managing Agent of the project.

2. The Association agrees to pay the Agent a fee
based upon a schedule of charges equal to \$ _____ per unit per
month; the fee shall be payable to the Agent monthly and shall
equal the sum of the monthly charges per unit for all units which
were as of the last day of the month to which such charges relate
transferred by Westwind II Limited (hereinafter referred to as (the
Developer") to a unit purchaser or which are occupied by a tenant
under some form of occupancy agreement with the Developer. The
fee computed as aforesaid shall be payable by the 10th day of each
month for services rendered during the preceding month. It is
understood by the Association that the management fee paid by the
Association to the Agent hereunder relates solely to the management
of those units which have been sold by the Developer or which are
occupied by a tenant under some form of occupancy agreement with
the Developer it being further understood that the management services
of the Agent will relate to the entire project.

3. The Duties of the Agent shall be to:

- (a) Collect all regular assessments, late charges,
and special assessments due from the unit owners
pursuant to an Interval Ownership Deed granted
by the Developer to each unit purchaser, provided,
however, that the Association shall co-operate
with the Agent in the collection of all such
assessments and shall give the Agent all such
assistance as it may reasonably request in
enabling the collection of such assessments.
- (b) Cause to be disbursed regularly and punctually
from the funds collected under paragraph (a) of
this Article and deposited in the separate account
required under paragraph (n) of this Article:

(1) Salaries and other compensation due and payable
to the employees of the Association or to employees of the Agent for
services performed on behalf of the Association.

(2) Fire and other insurance premiums due under paragraph (h) hereof

(3) Sums otherwise due and payable by the Association as operating expenses authorized to be incurred by the Agent under the terms of this Agreement, including the Agent's fee.

All payments to be made by the Agent under this Agreement shall be made out of such sums as are available in the separate account established for the Association or as may be provided by the Association. The Agent shall not be obliged to make any advances to or for the account of the Association or to pay any sum, except out of the special account or other funds provided as aforementioned, nor shall the Agent be obligated to incur any liability or obligation for the account of the Association without assurance that the funds necessary for the discharge thereof will be provided.

(c) Furnish, upon request, the Board of Directors of the Association with a schedule of all delinquent accounts on or before the 15th day of each month, and if specifically authorized by the Board of Directors of the Association take such action as shall be permitted by the Interval Ownership Deed, the Association's Articles of Association and the Laws of the Commonwealth of the Bahamas to collect such delinquent assessments.

(d) Cause the buildings, grounds and appurtenances of the project to be maintained according to such standards as may from time to time be established by the Board of Directors of the Association, including but not limited to exterior cleaning, painting and decorating, plumbing, carpentry and such other normal maintenance and repair work as may be necessary, subject to those limitations imposed by the Interval Ownership Deed and the Articles of Association of the Association in addition to those contained herein.

(e) For any one item of pair or replacement (but not maintenance, with respect to which the following limitation shall not apply) the expense incurred by the Agent in behalf of the Association shall not exceed the sum of Two Thousand Five Hundred Dollars (\$2,500.00) unless specifically authorised by the Board of Directors of the Association, provided, however, that emergency repairs involving manifest danger to life or property, or immediately necessary for the preservation and safety of the property, or for the safety of the co-owners or required to avoid the suspension of any necessary service to the project may be made by the Agent irrespective of the cost limitation imposed by this paragraph. Notwithstanding this authority as to emergency repairs it is understood and agreed that the Agent will, if at all possible confer immediately with the Board of Directors of the Association regarding every such expenditure. The Agent shall not incur liabilities other than for fire and extended coverage insurance premiums that mature more than one (1) year from the creation thereof, without first obtaining the approval of the Board of Directors of the Association.

(f) Enter into contracts for water, electricity gas, equipment maintenance and repairs, telephone vermin extermination, trash removal, supplies, chemical treatment and other necessary services or such of them as the Board of Directors shall approve. Additionally, the Agent shall place orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the project. All such contracts and orders shall be made in the name of the Association and shall be subject to the limitations set forth in paragraph

(e) of this Article. When taking bids or issuing purchase orders, the Agent shall act at all times in the best interests of the Association, but the Agent shall not be responsible for obtaining the lowest price available for the service or commodity purchased pursuant to this Agreement.

(g) Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the project as may be placed thereon by any municipal authority having jurisdiction thereover subject to the limitations contained in paragraph (e) of this Article. The Agent, however, shall not take any action under this paragraph (g) so long as the Association is contesting, or has affirmed its intention or contest any such order or requirement. The Agent shall promptly notify the Board of Directors in writing of all such orders and notices of requirements.

(h) Cause to be placed and kept in force insurance policies required by the Articles of Association of the Association or the Board of Directors of the Association, which insurance coverage shall be carried and administered in accordance with the Interval Ownership Deed. The Agent shall promptly investigate and make a full written report as to all accidents or claims for damages relating to the management operation and maintenance of the project including any damage or destruction to the project and the estimated cost of repair and shall co-operate and make any and all reports required by any insurance company in connection therewith.

(i) Prepare with the assistance of an accountant or similarly qualified professional if necessary and in conformity with the provisions of the Articles of Association of the Association

an operating budget for the forthcoming fiscal year. Each such budget shall be submitted to the Board of Directors in a final draft at least thirty (30) days prior to the commencement of the annual period for which it has been made. Copies of the budget upon adoption by the Board of Directors shall be furnished to each unit owner as provided in the Articles of Association of the Association. The Agent shall use its best efforts to operate within the budget as adopted. In the event the Agent foresees a budget overrun it shall notify the Board of Directors in writing.

(j) Investigate hire pay supervise and discharge the personnel necessary to be employed in order to properly maintain and operate the project. Such employees shall be employees of the Association or the Agent as determined within the sole discretion of the Agent. Compensation for the services of such employees shall be expenses of administration.

(k) Maintain a complete set of books and records relative to the operation of the project in accordance with reasonable accounting practice. All such records shall be available for examination by the Board of Directors or its representatives during working hours. The Agent shall make the Association's records available for an independent audit and shall co-operate with the auditors who perform such audit. The cost of any such audit of the Association's records shall be borne entirely by the Association.

(l) Report at reasonable intervals to the Board of Directors regarding the maintenance and condition of the project and to attend meetings of the Association or Board of Directors at any time or times requested by the Board of Directors.

(m) Maintain records showing the complaints and service requests made by each co-owner together with the action taken with respect to each such request. The Agent in its discretion or upon the request of the Board of Directors shall report all such requests to the Board of Directors with appropriate recommendations.

(n) Establish and maintain a bank account as agent and trustee for the Association for the deposit of the Association's funds. The Agent shall have authority to draw thereon for any payments to be made by the Agent to discharge any liabilities or obligations incurred by or in behalf of the Association pursuant to this Agreement and for the payment of the management fee. The Agent is authorized in its discretion to establish an agency accounting system for the Association pursuant to which periodic lump sum disbursements would be made from the Association's account to the Agent's account in trust for payment by the Agent of the Association's expenses for the period covered by the lump sum disbursement.

(o) Do all other things which are reasonably required to maintain the project in conformity with such standards as the Board of Directors may from time to time establish and which the Articles of Association of the Association permit the Board of Directors to authorize and to delegate.

(p) Upon the request of any unit owner, serve as broker or agent in the sale of or rental of said unit owner's unit at such commission rate as may be agreed upon.

(q) Send out by mail or otherwise, general flyers communications and financial statements to all members of the Association either by direction

of the Board of Directors or in the discretion of the Agent. The cost of the printing and postage shall be borne by the Association.

4. The Association hereby agrees to indemnify and save harmless the Agent from all losses expenses or damages of any nature whatsoever in connection with the management of the project and from liability for injury to any person or property on about or in connection with the project from any cause whatever unless such costs expenses damages or liabilities be caused by the Agent's own gross negligence or willful misconduct. The Agent shall not be liable to the Association or to any other person for any error in judgment or for doing or omitting to do any matter or thing pursuant to the terms of this Agreement except in cases of willful misconduct or gross negligence.

5. The Agent may assign this Management Contract to any other person or entity so long as such assignee shall undertake in writing to assume and perform the obligations of Agent hereunder.

6. This Agreement shall effect as of

and shall remain in full force and effect until

This Agreement shall be automatically renewed at the expiration of such period unless within sixty (60) days prior to such expiration the Association terminates this Agreement by notification in writing to the Agent or the Agent terminates this Agreement by notification in writing to the Association. Upon such renewal this Agreement shall remain in full force and effect for a period of one year from such renewal date.

7. (a) During the renewal term specified in Article 6 this Agreement shall be terminable by either party at the end of any calendar month upon sixty (60) days prior written notice by either party to the other.

(b) In the event a petition in bankruptcy is filed by or against the Agent, or in the event that it shall make an assignment for the benefit of

creditors either party hereto may terminate this Agreement without notice to the other but prompt advise of such action shall be given to the other party.

8. Upon termination the contracting parties shall account to each other with respect to all matters outstanding as of the date of termination and the Association shall furnish the Agent security satisfactory to the Agent against any outstanding obligations or liabilities which the Agent may have incurred hereunder.

9. This Agreement shall constitute the entire Agreement between the contracting parties and no variance or modification thereof shall be valid and enforceable except by supplemental agreement in writing executed and approved in the same manner as this Agreement.

10. This Agreement shall be construed and interpreted according to the Laws of the Commonwealth of the Bahamas.

IN WITNESS WHEREOF the
Association has caused its
Common Seal to be hereunto
affixed.

The Common Seal of Westwind II Association Limited was affixed hereto by _____ the President of the said Company and the said _____ affixed his signature hereto in the presence of:-

IN WITNESS WHEREOF the
agent has caused his hand
and seal to be hereunto
affixed.

Signed Sealed and Delivered by the said _____ in the presence of:-

WESTWIND II ASSOCIATION

RULES AND REGULATIONS

1. Garbage will be collected at 10:00 each day Monday to Saturday. On Sundays and special holidays it will be collected at 11:00 a.m. Residents are to have their garbage containers outside the patio or at the entrance of their cottage each morning. Such containers shall not be left outside after they have been emptied or the night before the morning's collection.
2. Residents shall not be permitted to keep domestic animals on the club property.
3. Each Grantee shall upon his departure return to the Company the keys which were furnished to him in order to gain access to his unit. No Grantee shall change the locks or install new locks for the Unit.
4. Grantees and their families, guests, tenants, and employees will abide by the following parking and traffic regulations upon the common elements:-
 - (a) Horns are to be used only when necessary for the safe operation of vehicles.
 - (b) Grantees shall not park nor shall they permit their families, guests or tenants to park in such manner as to prevent ready access to the parking spaces of other Grantees. Improperly parked vehicles are subject to removal at the expense of the offender.
 - (c) Grantees shall not park upon the grass or walkways and shall not block traffic on the common elements.
 - (d) No Grantee shall perform any automobile repairs upon the premises without the specific approval of the Company.
5. Grantees and their families, guests and employees shall abide by the following pool rules.
 - (a) All children under the age of twelve (12) years shall be attended by an adult at all times while swimming or at poolside.
 - (b) All bathers shall shower before entering the pool and shall remove all suntan oils or sunbathing solutions.
 - (c) No objects may be thrown into the water except floats and floating toys.
 - (d) No towels are to be brought to the pool area from the Units. Beach towels are available at the bar.
 - (e) There shall be no running at the poolside and no persons shall engage in games or play that annoy, harass or disturb other bathers or could endanger the safety of any person.
 - (f) Deck chairs and lounge chairs may not be reserved and if unoccupied for more than half an hour may be claimed by another.
6. Grantees shall not damage, remove, or destroy the plants, trees, or bushes in the garden or elsewhere on the common elements and shall not cause or permit others to do so.

7. Grantees, their families, guests, visitors, employees and friends shall abide by the following linen and laundry room rules:-
- No fabrics, materials, or objects which could damage or destroy the washer or dryer shall be placed in the said machines.
 - No Grantee shall leave any toxic or dangerous materials or detergents in the laundry room after its use.
 - After using the laundry room all Grantees shall clean up and properly dispose of refuse.
8. When not occupying the Units all lights, water, air conditioning, and other machines must be turned off so as not to unnecessarily waste the utilities. If only absent from the unit for part of the day it is better in extremely hot weather to leave the air conditioning on and set at about 78°.
9. Residents shall not allow the hanging or cleaning of garments, or the like from or on windows or outside the Units, except on the racks provided.
10. No Grantee, occupant, or licensee shall post his name or any other notice outside the Unit.
11. No residents shall build any open fires. There are designated barbecue areas and all outside food preparation must be done in those designated areas.
12. No residents shall park any boats and trailers, bicycles, or scooters upon the common elements without the consent of the Company.
13. Residents shall exercise extreme care about making noise or playing music which may disturb other residents. No residents shall play or allowed to be played any musical instruments, radio, television, phonograph or the like between the house of 11:00 p.m. and the following 8:00 a.m. if it will disturb or annoy any other resident.
14. The post office box number of the Club is N-10481. Mail addressed to residents at this box will be collected by the Company at least once a day and distributed to the Units. Mail addressed to absent residents will be held for their return unless arrangements are made with the Company for onward transmission.
15. Upon the termination of the last day of occupancy all Grantees shall check out and remove personal effects no later than 10:00 a.m. that day.
16. The Company reserves the right to amend, repeal, or add to these rules and regulations from time to time as may be deemed necessary for the safe and efficient maintenance of the Units and for the comfort and convenience of the Grantees thereof.

WESTWIND II
Projected Budget for 1982

	<u>ANNUAL</u>	<u>WEEKLY/per villa</u>
Insurance	\$ 12,000.00	\$ 4.80
Depreciation Reserve 22%	79,750.00	31.00
Taxes	10,000.00	4.00
Utilities	100,000.00	40.00
<u>MANAGEMENT & ADMINISTRATION</u>		
Property Manager	\$15,000.00	
On-site Manager	\$18,000	
Relief Manager	<u>8,000</u>	
	26,000.00	
Office Supplies	2,000.00	
Vehicle Expense	<u>8,000.00</u>	
	51,000.00	20.40
Club Memberships, subscriptions	7,500.00	3.00
<u>OPERATIONS</u>		
Maids	28,000.00	
Laundry	18,000.00	
Pool & Ground Maintenance	20,000.00	
Electrical & Mech. sub-contract repairs	20,000.00	
Supplies	<u>10,000.00</u>	
	96,000.00	38.40
Miscellaneous	<u>6,250.00</u>	<u>2.50</u>
	\$362,500.00	\$145.00

"WESTWIND II"

"Designer" FURNITURE PACKAGE

LIVING ROOM

Queen size sleep sofa - Design coordinated covers
Designers square white lamp table (2)
Designers cocktail table
Design coordinated lounge chairs - white vinyl covers (2)
Design coordinated dining table 30" x 54"
Design coordinated dining chairs - white vinyl covers (4)
Color coordinated area rug
Semi-sheer traverse drapery & full blackout drapery
China lamp with translucent fabric shade (2)
Framed wall mirror & pictures
Levelor filter blind
Combination desk & serving bar

BEDROOM #1

Imperial de luxe queen size bed with matching coverlet
dust skirts and pillows
Rattan headboard
Designers night tables (2) and Matching 36" chest
China lamp with linen shade (2)
Lined traverse drapery
Combination folding stool and luggage rack
Framed mirror and sliding mirror door

BEDROOM #2

Imperial de luxe twin size beds (2) with coverlets,
dust skirts and pillows
Designers 38" square game table
China lamp with fabric shade
Levelor tilt blind
36" Chest
Combination folding stool and luggage rack
Sliding mirror door
Loft bedroom has wall to wall carpeting

BATHROOMS

Shower curtain, to match bedroom decor
Vinyl wall paper

KITCHEN

4 burner 30" Freeware or General Electric range with self
cleaning oven
13.5 cubic foot Kenmore or General Electric refrigerator with
freezer and automatic defrost

PATIO

Tropitone pool chaise (2)
Tropitone 36" x 26" high white table
Tropitone white strap chairs (4)
Tropitone 3 leg 16" tea table
Hibachi on stand

BALCONY

Tropitone pool chaise (2)
Tropitone white strap chairs (2)
Tropitone cocktail table
Hibachi on stand

COMMONWEALTH OF THE BAHAMAS

New Providence

THIS TRUST AGREEMENT made this 15th day of
February A.D., 1982, BETWEEN WESTWIND II LIMITED a Company
incorporated under the laws of the Commonwealth of the Bahamas and
carrying on the business of property developers and WESTWIND II
ASSOCIATION LIMITED another Company incorporated under the laws
of the said Commonwealth and carrying on the business of property
sellers (hereinafter together called "the Sellers") of the one part
AND E.S. FINANCIAL INC., a Michigan corporation, a firm which pro-
vides collection services for others (hereinafter referred to as
"the Trustee") of the other part.

WHEREAS:

(A) The second-named Seller is seized in fee simple
in possession free from encumbrances of property situated in the
Western District of the Island of New Providence, one of the Islands
of the said Commonwealth, called the Westwind II Property.

(B) The first-named Seller has constructed and
developed a building scheme on the Westwind II Property to be sold
as Interval Ownership Units.

(C) The Sellers wish to sell and transfer title in
the Interval Ownership Units to purchasers and deliver to the
purchasers upon completion of the interval ownership documents which
shall consist of Declaration of Covenants, Memorandum of Association,
Articles of Association and the Interval Ownership Deed, and any
other applicable documents required to be supplied to the said
purchasers.

(D) The Sellers will from time to time sell the
aforesaid Interval Ownership Units to purchasers on an installment
basis whereby the purchasers will pay for the Interval Ownership
Units over a period of time.

(E) The Sellers will retain legal and equitable title
to the Interval Ownership Units until final payment in full and
delivery of the Interval Ownership Deed therefore to the purchasers.

(F) The obligations of the Sellers and the purchasers
in connection with such sales on an installment basis will be created
and evidenced in each case by a written Agreement for Purchase.

(G) The Sellers seek to establish a method and procedure
by means of this Trust Agreement to ensure that the interest of the
purchasers who purchase Interval Ownership Units on an installment basis
are fully protected in that Transfer of title in such Interval Ownership
Units will occur only in compliance with the terms of this Trust
Agreement.

NOW THIS DEED WITNESSETH as follows:

1. In consideration of the mutual covenants and
agreements contained it is agreed as follows:

(a) The Sellers shall deposit and the Trustee shall hold
all interval ownership documents in respect of all agreements for pur-
chase on an installment basis in trust, subject to the limitation of
this Agreement, for the benefit of the purchasers, their successors,
heirs and assigns in accordance with the terms hereof.

(b) The Trustee shall deliver to the purchasers the interval ownership documents for the Interval Ownership Unit when the second-named Seller certifies that the Agreement for Purchase has been completed in accordance with the terms provided for therein.

(c) The Trustee shall deliver the interval ownership documents to the Sellers if any purchaser defaults on his obligations contained in the Agreement for Purchase and notice of such default is given to the Trustee in writing by the second-named Seller.

2. The Sellers hereby agree that the Sellers shall protect the rights of purchasers of interval ownership weeks to a FIFTEEN(15) DAY RIGHT OF CANCELLATION.

3. The Sellers agree to a complete refund of any monies paid pursuant to the Purchase Agreement where a cancellation takes place within the fifteen(15) day period.

4. IT IS FURTHER MUTUALLY AGREED AND DECLARED as follows:

(a) This Trust Agreement shall be terminated when the Trustee no longer hold any interval ownership documents, when the Trustee gives 30 days written notice of its resignation to the Sellers, and in any event shall terminate if not previously terminated Ten(10) years after the date of this instrument. If the termination occurs as a result of the 10 year limitation of this Trust, the Trustee shall deliver the remaining documents to the Sellers or a successor trustee designated by the Sellers.

(b) The Trustee shall be liable only for willful acts or omissions done in bad faith.

(c) The Sellers hereby indemnify the Trustee against and hold it harmless from all expense, liabilities, claims and demands arising out of the holding of the interval ownership documents or anything lawfully done thereunder.

IN WITNESS THEREOF, the Sellers have caused their Common Seals to be hereunto affixed.

WESTWIND II LIMITED

By: _____

Its: President

WESTWIND II ASSOCIATION LIMITED

By: _____

Its: President

The Common Seal of Westwind II Limited was affixed hereto by _____, the President of the said Company and the said _____, affixed his signature hereto in the presence of:

Its: Secretary

IN WITNESS THEREOF, E. S. FINANCIAL, INC. has executed this document.

WITNESS: E. S. FINANCIAL, INC.

By: _____
Gerrit VandenBosch
Its: President

STATE OF MICHIGAN)
COUNTY OF KENT) ss.

On this 15th day of February, 1982, before me, a Notary Public in and for said county and state, personally appeared GERRIT VANDENBOSCH, the President of E. S. Financial, Inc., and who stated that he is the President of E. S. Financial, Inc., that he is authorized to sign this document on behalf of E. S. Financial, and that he has done so of his own free act.

Notary Public, Kent County, MI
My commission expires: _____

**WESTWIND II
A BAHAMIAN INTERVAL OWNERSHIP PROJECT
AGREEMENT FOR PURCHASE**

between
WESTWIND II LTD., A Bahamian Developer and
WESTWIND II ASSOCIATION LTD., a Bahamian
Company (hereinafter called sellers) and

Name _____
Street _____ County _____
City _____ State _____ Zip _____ Phone _____
(hereinafter called Purchaser)

WHEREAS Seller, Westwind II Association Ltd., is seized in fee simple and in possession free from encumbrances of the Westwind II Property, and Seller, Westwind II Ltd., has constructed and developed a building scheme in the Commonwealth of the Bahamas, and Sellers wish to transfer title to Interval Ownership Units. The above-designated Sellers agree to sell and the above-described Purchaser agrees to purchase, the Unit Week(s) in the Westwind II Interval Ownership Project pursuant to the building scheme below described in accordance with the Declaration of Covenant, together with proportionate interest in common areas and facilities as described in said Declaration, for the sum set forth below, and according to the terms and conditions hereinafter set forth.

Unit No.	Building Name	Unit Week Number(s)
Unit No.	Building Name	Unit Week Number(s)
Unit No.	Building Name	Unit Week Number(s)

Sellers hereby acknowledge receipt of an initial deposit of \$ _____ comprising part of the down payment set forth above, balance of down payment being due or payable on or before _____. Monthly payments amortize principal and interest. Interest accrues on the unpaid principal balance. Purchaser has the privilege to prepay this Agreement for Purchase in whole or in part any time without penalty.

All payments shall be made to _____

unless otherwise designated by Sellers upon written notice to Purchaser. All payments shall be in United States Dollars.

Sellers retain legal and equitable title to the herein described property until final payment in full and delivery of the Deed therefor and such constitutes a "security interest" in a "credit sale" under Federal Reserve Board Regulation "Z".

Purchaser represents as follows:

- Purchaser has received a copy of this Agreement for Purchase.
- Purchaser acknowledges receipt and approval of all Interval Ownership documents required to be delivered to him; specifically: Declaration of Covenant, Memorandum of Association, Articles of Association, Initial Rules and Regulations, Management Agreement, and copy of proposed Interval Ownership Deed, and any other applicable documents required to be supplied to said Purchaser, and Purchaser further agrees to be bound by the terms and conditions contained in the documents and all exhibits to said documents.
- Purchaser acknowledges he/she has read the disclosure report of the Westwind II.

(d) The purchase of the Unit Week(s) is made for Purchaser's personal use; without reliance on representations concerning rentals, rent return, tax advantages, depreciation or investment potential or other monetary or financial advantages by Sellers, its agents, employees or associates.

This contract constitutes the entire agreement between the parties. Purchaser agrees that no representations, oral or implied, have been made to Purchaser to induce him to enter into this Agreement other than those expressly herein set forth. No waiver of any provision hereof shall constitute a continuing waiver of such provision or of any provision hereof unless reduced to writing and expressly made a modification thereof. Purchaser has read the foregoing instrument and agrees to purchase the interval vacation home described below, and agrees to all the terms, conditions, and provisions, hereinabove set forth.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal as of the day and year above written.

WITNESSES:

Purchaser

Purchaser

DATED this _____ day of _____, 19____. Signature of Salesman _____

Approved and Accepted by WESTWIND II LTD. and
WESTWIND II ASSOCIATION LTD.

Authorized Signature _____

White Home Office Canary - Purchaser Permanent Pink Accounting Gold Attorney Blue Sales Office Green - Purchaser Interim

TERMS AND CONDITIONS

1. DELIVERY OF INTERVAL OWNERSHIP DEED. Upon the latter of (a) payment in full of the purchase price of said Interval Ownership Unit Week(s) purchased, or (b) the due date of the last scheduled payment as shown on the face of this Agreement, Seller shall deliver its Interval Ownership Deed conveying Interval Ownership rights to the property to Purchaser free and clear of all encumbrances except conditions, restrictions and easements of record. Seller hereby grants to Purchaser the privilege to prepay all amounts due under the Agreement at any time without penalty.

2. EASEMENTS AND COVENANTS. Purchaser acknowledges that portions of the Unit purchased may be subject to easements, and subject to covenants, particularly the covenants, easements and conditions of ownership provided in documents attached hereto.

3. SELLERS' RIGHT TO EXCHANGE UNITS. In the event Seller determines, at its sole discretion, that insufficient Unit Weeks have been sold in any particular unit to justify its being constructed or committed to Interval Ownership at any time prior to delivery of an Interval Ownership Deed, Seller reserves the right to exchange Purchaser's Unit Week(s) in that Unit for similar Unit Week(s) in another Unit in another building committed to Interval Ownership. In any such exchange, an adjustment shall be made for any differential in purchase price between the two sets of Unit Weeks, based on the then existing price structure, however, Purchaser shall not be subject to any additional charges. Provided, however:

- No Purchaser may be exchanged from a building unless all Purchasers of Unit Weeks in that building are exchanged from that building.
- Purchaser shall have the right to cancel his/her purchase of said Unit Week(s) by giving written notice of his/her desire within ten (10) days of receiving notice of the exchange. Seller shall thereafter refund all monies paid hereunder, and shall be relieved of all further obligations arising out of this Agreement.
- No such exchange shall be effective until Seller delivers written notice of same, by Certified Mail, to Purchaser at the address shown in Seller's file.

4. CONSTRUCTION. Seller agrees to construct the improvements on the aforesaid property in accordance with the building scheme and construction agreements, subject to the availability of labor and materials in accordance with its plans and specifications pursuant to said agreements.

5. MANAGEMENT AGREEMENT. The Association has or will enter into a Management Agreement, a copy of which is attached to the Declaration of Covenant, and the terms and provisions of said Agreement shall be deemed to be repeated and realigned as though they were specifically set forth in this Agreement.

6. ASSOCIATION MEMBERSHIP. Purchaser, by virtue of his/her purchase of the afore described Unit Week(s), shall be a member of the Association organized for the purpose of operating the Westwind II property. Purchaser agrees to be liable for and pay his/her proportionate share of the maintenance fee assessed, including common expenses and the management fee, and Purchaser further agrees to be bound by the Declaration of Covenant, Memorandum of Association, Articles of Association, Rules and Regulations and Management Agreement.

7. CLOSING COSTS. PURCHASER AGREES TO PAY CLOSING COSTS OF ONE HUNDRED AND TEN DOLLARS (\$110) FOR THE INITIAL UNIT WEEK PURCHASED AND FIFTY-FIVE DOLLARS (\$55) FOR EACH UNIT WEEK PURCHASED THEREAFTER, AS COSTS TO CLOSE THIS TRANSACTION TO COVER PREPARATION AND HANDLING OF ALL DOCUMENTS AND INSTRUMENTS.

8. FAILURE TO CLOSE. Failure by Purchaser to close, make payments, or applications within the time provided above, or to comply with the provisions of this Agreement within the time provided herein, shall be considered a breach of this Agreement, and all sums paid hereunder, including monies paid for extras, shall be retained by Seller as liquidated and agreed damages, and the parties hereto shall be relieved from all obligations hereunder. In the event of termination of this Agreement because of Seller's default, Purchaser's remedies shall be limited solely to return of its deposits and any other payments made pursuant to this Agreement.

9. PURCHASER'S RIGHT TO CANCEL. Purchaser has the right and option to cancel and terminate this Agreement by delivering written notice of Purchaser's intention to cancel within fifteen (15) days of the date of execution of this Agreement by Purchaser, or if Purchaser has not received all of the items required to be delivered to him/her by this Agreement. Upon any such cancellation by Purchaser, Seller shall return to Purchaser all such sums as Purchaser has paid to Seller and the parties hereto shall thereafter be released from any and all obligations under this Agreement, and thereupon neither party hereto shall have any further liability to the other.

10. REFUND PRIVILEGE. In addition to the above right to cancel, Seller grants to Purchaser a refund privilege which is consistent with the above right to cancel, and is in addition thereto. This provision for refund is as follows: Purchaser may at any time within sixty (60) days hereinafter, if this Agreement for Purchase is not in default, complete an Association guided tour at the property and if not completely satisfied with his/her purchase, request in writing on a form provided by the Association, a refund of all monies paid under this Agreement for Purchase. This form must be executed immediately upon completion of said tour. This money-back inspection guarantee shall not apply to any Agreement for Purchase executed at or after Purchaser has visited the property and is personal to Purchaser and cannot be exercised by any agent on behalf of Purchaser.

This Agreement shall be governed by the laws of the Commonwealth of the Bahamas and Purchaser, by signing the same, agrees to submit to the jurisdiction of the Courts of the Bahamas.

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

AMERICAN LAND TITLE ASSOCIATION
OWNER'S POLICY FORM A-1970
(Amended 10-17-70)

57 001 01 00362

CHICAGO TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HEREOF, CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. Any defect in or lien or encumbrance on such title; or
3. Lack of a right of access to and from the land.

In Witness Whereof, CHICAGO TITLE INSURANCE COMPANY has caused this policy to be signed and sealed as of the date of policy shown in Schedule A, the policy to become valid when countersigned by an authorized signatory.

CHICAGO TITLE INSURANCE COMPANY

By

William W. Long
President

ATTEST

Chester C. McCullough

Secretary

Issued by:
WILLIAM HOLOWESKO
Aeonian (Bahamas) Title Insurance
Limited
Bernard Sunley Building
P. O. Box 4911
Nassau, Bahamas
2-1856 or 2-1055



IMPORTANT

This policy necessarily relates solely to the title as of the date of the policy. In order that a purchaser of the real estate described herein may be insured against defects, liens or encumbrances, this policy should be reissued in the name of such purchaser.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy:

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A.

SCHEDULE A

Number 57 001 01 00362 Date of Policy 9th September 1981 Amount of Policy \$2,000,000.00

1. Name of Insured:

WESTWIND II ASSOCIATION LIMITED

2. The estate or interest in the land described or referred to in this schedule covered by this policy is:

Fee Simple.

3. Title to the estate or interest covered by this policy at the date hereof is vested in the Insured.

4. The land herein described is encumbered by the following mortgage or trust deed, and assignments:

NIL

and the mortgages or trust deeds, if any, shown in Schedule B hereof.

5. The land referred to in this policy is described as follows:

ALL THAT piece or parcel of land situate in the Western District of the Island of New Providence one of the Islands in the Commonwealth of The Bahamas being a portion of a tract of land originally granted to Andrew Deveaux and known as "Race Course" or "Hobby Horse Hall" which said piece or parcel of land is bounded on the NORTH by the Sea and running thereon Two hundred (200) feet more or less on the EAST by land now or formerly the property of New Providence Hotel Company Limited on the SOUTH by West Bay Street and running thereon Two hundred (200) feet and on the WEST by land the property of the Government of the Commonwealth of The Bahamas which said piece parcel or lot of land has such position boundaries shape marks and dimensions as are shown on the diagram or plan attached to an Indenture of Conveyance dated the 7th of April 1943 and made between Our Sovereign Lord the King of the one part and the Honourable Sir Bede Edmund Hugh Clifford of the other part and is delineated on that part of the said diagram or plan which is coloured PINK.

This policy valid only if Schedule B is attached

SCHEDULE B

Policy Number 57 001 01 00362
Owners

This policy does not insure against loss or damage by reason of the following exceptions:

- (A) Rights or claims of parties in possession not shown by the public records.
- (B) Encroachments, overlaps, boundary line disputes, and any matters which would be disclosed by an accurate survey and inspection of the premises.
- (C) Easements or claims of easements not shown by the public records.
- (D) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- (E) Taxes or special assessments which are not shown as existing liens by the public records.
- (F) Rights of Dower, homestead or other marital rights of the spouse, if any, of any individual insured.
- (G) The mortgage or trust deed, if any, shown as Item 4 of Schedule A.
- H. Reservation of minerals and other Government and/or Crown rights.
- I. Government town planning, zoning and building laws, ordinances and regulations.
- J. Littoral and/or riparian rights.
- K. Title to that portion of the property lying below the mean high water mark.
- L. Uses, restrictions, easements, conditions and/or rights as are particularly mentioned in the Conveyances in the chain of title to the Insured.
- M. Payment of taxes, if any, which are due and payable plus penalties and interest which may accrue.
- N. Oil reservation to the Government of the Commonwealth of The Bahamas under the provisions of the Petroleum Act of The Bahamas.
- O. The Immovable Property (Acquisition by Foreign Persons) Act, 1981.

Countersigned Acopian (Bahamas) Title Insurance Agency, Limited

Authorized Signatory

Schedule B of this Policy consists of pages

CONDITIONS AND STIPULATIONS

1. Definition of Terms

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company may have had against the named insured, those who succeed to the interest of such insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(d) "land": the land described, specifically or by reference in Schedule A, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": those records which by law impart constructive notice of matters relating to said land.

2. Continuation of Insurance after Conveyance of Title

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured so long as such insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

3. Defense and Prosecution of Actions—Notice of Claim to be given by an Insured Claimant

(a) The Company, at its own cost and without undue delay, shall provide for the defense of an insured in all litigation consisting of actions or proceedings commenced against such insured to the extent that such litigation is founded upon an alleged defect, lien, encumbrance, or other matter insured against by this policy.

(b) The insured shall notify the Company promptly in writing (i) in case any action or proceeding is begun as set forth in (a) above, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice the rights of any such insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Company shall have the right at its own cost to institute and without undue delay prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as insured, and the Company may take any appropriate action under the terms of this policy, whether or not it shall be liable thereunder, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserves the right in its sole discretion to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for such purpose. Whenever requested by the Company, such insured shall give the Company all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and the Company shall reimburse such insured for any expense so incurred.

4. Notice of Loss—Limitation of Action

In addition to the notices required under paragraph 3(h) of these Conditions and Stipulations, a statement in writing of any loss or damage for which it is claimed the Company is liable under this policy shall be furnished to the Company within 90 days after such loss or damage shall have been determined and no right of action shall accrue to an insured claimant until 30 days after such statement shall have been furnished. Failure to furnish such statement of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

5. Options to Pay or Otherwise Settle Claims

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against or to terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment, by the insured claimant and authorized by the Company.

6. Determination and Payment of Loss

(a) The liability of the Company under this policy shall in no case exceed the least of

(i) the actual loss of the insured claimant; or

(ii) the amount of insurance stated in Schedule A.

(b) The Company will pay, in addition to any loss insured against by this policy, all costs imposed upon an insured in litigation carried on by the Company for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Company.

(c) When liability has been definitely fixed in accordance with the conditions of this policy, the loss or damage shall be payable within 30 days thereafter.

7. Limitation of Liability

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise removes such defect, lien or encumbrance or establishes the title, as insured, within a reasonable time after receipt of such notice; (b) in the event of litigation until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily assumed by an insured in settling any claim or suit without prior written consent of the Company.

8. Reduction of Liability

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

9. Liability Noncumulative

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring either (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy, or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed

CONDITIONS AND STIPULATIONS (Continued)

a payment under this policy. The Company shall have the option to apply to the payment of any such mortgage any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

10. Apportionment

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of said parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each such parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement herein or by an endorsement attached hereto.

11. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and if requested by the Company, such insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation and shall permit the Company to use the name of such insured claimant in any transaction or litigation.

involving such rights or remedies. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

12. Liability Limited to This Policy

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

13. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed in its principal office at 111 West Washington Street, Chicago, Illinois 60602, or at any branch office of the Company.

CHICAGO
TITLE INSURANCE
COMPANY

111 WEST WASHINGTON STREET
CHICAGO, ILLINOIS 60602

WILLIAM HOLOWESKO
Aetna (Behrens) Title Insurance
Limited
Bernard Sanley Building
P. O. Box 4911
Norton, Behrens

CHICAGO TITLE
INSURANCE COMPANY

POLICY
OF
TITLE
INSURANCE

American Land Title Association
Owner's Policy Form A-1970
(Amended 10-17-70)

CONDITIONS AND STIPULATIONS (Continued on Reverse Side)