

**BY-LAWS OF STRATA PLAN NO. 51**  
**Original By-Laws plus Amendments registered on title as of February 16, 2016**

**The Pinnacle on Grace Bay**

**1.0 GENERAL**

1.1 In these by-laws:-

“*Common Property*” means the property contained within the Strata Plan but not contained within any Strata Lot.

“*the Company*” means The Pinnacle on Grace Bay Ltd., a company incorporated pursuant to the laws of the Turks and Caicos Islands.

“*the Corporation*” means the body corporate known as “The Proprietors, Strata Plan No. 51”, a statutory corporation established pursuant to section 4 of the Law.

“*the Development*” means the development known as *The Pinnacle on Grace Bay* and any modifications changes and additions thereto located on parcel 60906/183, Leeward Going Through, Providenciales.

“*Executive Committee*” means the executive committee of the Corporation constituted under these by-laws.

“*Garage Strata Lot*” means a Strata Lot which is intended for use as a garage and “*Garage Strata Lots*” means any two or more of them, same being Strata Lots numbers 33 to 62, inclusive, as shown on the Strata Plan.

“*the Law*” means the Strata Titles Ordinance, 1971 of the Turks and Caicos Islands as heretofore amended from time to time, and any modification thereof for the time being in force.

“*Proprietor*” means the owner or owners of one or more of the Strata Lots comprised in the Strata Plan and “*Proprietors*” means any two or more of them.

“*Residential Strata Lot*” means a Strata Lot which is intended for use as a residence and “*Residential Strata Lots*” means any two or more of them, same being Strata Lots numbers 1 to 32, inclusive, as shown on the Strata Plan.

“*Strata Lot*” means a strata lot contained in or forming part of the Strata Plan, whether a Garage Strata Lot or a Residential Strata Lot, and “*Strata Lots*” means any two or more of them.

“*the Strata Plan*” means Strata Plan No. 51.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing and reproducing words in a visible form. Unless the context otherwise requires, words or expression contained in these by-laws shall bear the same meaning as in the Law, or any statutory modification thereof in force at the date at which these by-laws become binding on the Corporation.

## **2.0 COMMENCEMENT OF OPERATIONS**

2.1 Notwithstanding any other provision in these by-laws, the following provisions shall have effect and shall prevail until four-fifths (4/5ths) of the Strata Lots contained within the Strata Plan have been transferred by the Company:

- i.* Extraordinary General Meetings of the Corporation shall be called by the Company;
- ii.* The Executive Committee shall consist of the Company or its nominees;  
and

iii. No resolution passed at any General Meeting of the Corporation shall be valid or effective unless it is approved in writing by the Company.

### **3.0 GENERAL MEETINGS**

3.1 A General Meeting of the Proprietors shall be held within six (6) months following the registration of the Strata Plan (*“the First General Meeting”*).

3.2 Subsequent General Meetings (hereafter referred to as *“Annual General Meetings”* or individually as an *“Annual General Meeting”*) shall be held once in each calendar year, provided that not more than fifteen (15) months shall elapse between the date of the First General Meeting and the date of the first Annual General Meeting and the date of one Annual General Meeting and that of the next.

3.3 All General Meetings other than the First General Meeting and Annual General Meetings shall be called Extraordinary General Meetings.

3.4 The Executive Committee may whenever it thinks fit and shall upon a requisition in writing made by Proprietors entitled to fifty percent (50%) of the total unit entitlement of the Strata Lots convene an Extraordinary General Meeting.

3.5 Fourteen (14) days' written notice of every General Meeting specifying the place, the date and the hour of meeting and, in the case of special business, the general nature of such business shall be given to all Proprietors and registered chargees who have notified their interests to the Corporation. Accidental omission to give notice to any Proprietor or to any registered chargee or non-receipt of such notice by any Proprietor or chargee shall not invalidate any proceedings at any such meeting or meetings.

3.6 All business shall be deemed special that is transacted at an Annual General Meeting with the exception of the consideration of accounts, the consideration of reports of the Executive Committee and auditors, the election of Executive Committee members and the appointment and remuneration of auditors. All

business that is transacted at an Extraordinary General Meeting shall be deemed special.

- 3.7 Except as otherwise provided in these by-laws, no business shall be transacted at any General Meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business. One-half (1/2) of the persons entitled to vote present in person or by proxy shall constitute a quorum.
- 3.8 If within one-half (1/2) hour from the time appointed for a General Meeting a quorum is not present, the meeting shall stand adjourned to the following day at the same place and time and if at the adjourned meeting a quorum is not present within one-half (1/2) hour from the time appointed for the meeting the persons present entitled to vote shall be a quorum, regardless of the actual number present.
- 3.9 At the commencement of a General Meeting, a chairman of the meeting shall be elected.

#### **4.0 THE EXECUTIVE COMMITTEE**

- 4.1 There shall be an Executive Committee of the Corporation which shall, subject to the provisions contained in clause 2.0 hereof and any restriction imposed by, or direction given at, a General Meeting, exercise the powers and perform the duties of the Corporation.
- 4.2 Subject to the provisions of clause 2.0 hereof, the Executive Committee shall consist of not less than three (3) nor more than five (5) Proprietors who shall be elected at the First General Meeting and at each subsequent Annual General Meeting. For the purposes of eligibility to be elected to the Executive Committee, where a company shall be the Proprietor of a Strata Lot, any one (but only one) director, officer or shareholder of such company shall be deemed to be a Proprietor.
- 4.3 Subject to the provisions of clause 2.0 hereof, the Corporation may by resolution at an Extraordinary General Meeting remove any member of the Executive

- Committee before the expiration of his term of office and appoint another Proprietor in his place to hold office until the next Annual General Meeting.
- 4.4 Any casual vacancy on the Executive Committee may be filled by the remaining members thereof provided that a quorum exists.
  - 4.5 The quorum for meetings of the Executive Committee shall be such number as the Executive Committee may fix from time to time, being not less than one-half (1/2) of the number of members thereof.
  - 4.6 At the first meeting of the Executive Committee following each Annual General Meeting, the Executive Committee shall elect a member to act as the Chairman of the Executive Committee for the following year. If for any reason during the year, the Chairman is unable to continue to serve as Chairman, or if a majority of the Executive Committee decides to replace the Chairman, then the Executive Committee may elect a new member of the Executive Committee to serve as Chairman until a new Chairman shall be elected at the first meeting of the Executive Committee following the next Annual General Meeting.
  - 4.7 At meetings of the Executive Committee all matters shall be determined by simple majority vote and the chairman shall, in addition to an original vote, have a casting vote in any case in which the voting is equal.
  - 4.8 Subject to the provisions of these by-laws, the Executive Committee shall have power to regulate its own procedure.
  - 4.9 The Executive Committee may:
    - i.* Employ for and on behalf of the Corporation such agents and servants as it thinks fit in connection with the control, management and administration of the Common Property and the exercise and performance of the powers and duties of the Corporation;

- ii.* Subject to any restriction imposed by, or direction given at, a General Meeting, delegate to one or more of its members such of its powers and duties as it thinks fit, and may at any time revoke such delegation; and
- iii.* Subject to any restriction imposed by, or direction given at, a General Meeting, cause the Corporation to enter into such agreement or agreements upon such terms as it may consider beneficial to the Corporation.

4.10 The Executive Committee shall:

- i.* Keep minutes of its meetings;
- ii.* Cause proper books of accounts to be kept in respect of all monies received and spent by it;
- iii.* Prepare proper accounts relating to all monies of the Corporation and the income and expenditure thereof for each Annual General Meeting;
- iv.* On the application of a Proprietor or any person authorised in writing by a Proprietor, make the books of account available to such applicant for inspection at all reasonable times.

4.11 The validity of the proceedings of the Executive Committee shall not be affected by any vacancy among the members thereof or by any defect in the appointment of a member thereof provided that there is a quorum.

## **5.0 VOTING**

5.1 At any General Meeting a resolution of the vote of the meeting shall be decided on a show of hands unless a poll is demanded by any Proprietor present in person or by proxy. Unless a poll is so demanded, a declaration by the chairman of the

meeting that a resolution has on a show of hands been carried shall be conclusive. A demand for a poll may be withdrawn.

- 5.2 A poll, if demanded, shall be taken in such manner as the chairman of the meeting thinks fit and the result of the poll shall be deemed to be the resolution of the meeting at which such poll was demanded.
- 5.3 In the case of equality in the votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to his original vote.
- 5.4 On a show of hands each Proprietor shall have one vote. On a poll the votes of Proprietors shall correspond with the unit entitlement of their respective Strata Lots.
- 5.5 On a show of hands or on a poll, the votes may be given either personally or by proxy.
- 5.6 Appointment of a proxy shall be in writing under the hand of the appointer or his attorney in fact, and may be either general or for a particular meeting. A proxy holder need not be a Proprietor. A Proprietor that is a company shall vote by proxy.
- 5.7 Except in cases where by or under the Law a unanimous resolution is required, no Proprietor shall be entitled to a vote at any General Meeting unless all contributions payable in respect of his Strata Lot have been duly paid.
- 5.8 Co-Proprietors of Strata Lots may vote by single proxy jointly appointed by them. In the absence of such proxy, only the first named in the records of the Land Registry shall be entitled to vote on a show of hands, except when the unanimous resolution of Proprietors is required under the Law. On any poll such co-Proprietor shall be entitled to take such part of the vote applicable to a Strata Lot as is proportionate to his interest in the Strata Lot. The joint proxy (if any) to a poll shall

have a vote proportionate to the interest in the Strata Lot of such of the Co-Proprietors as do not vote personally or by individual proxy.

5.9 Where Proprietors are entitled to successive interests in a Strata Lot the Proprietor entitled to the first interest shall alone be entitled to vote, whether on a show of hands or poll and whether or not unanimity is required.

5.10 Where a Proprietor holds his Strata Lot as a trustee he shall exercise the voting rights in respect of the Strata Lot to the exclusion of persons beneficially interested in the trust, and such persons shall not be entitled to a vote.

## **6.0 USE OF COMMON SEAL**

6.1 The Corporation shall at the First General Meeting held after registration of the Strata Plan, and may from time to time at subsequent General Meetings, determine how the common seal of the Corporation shall be used.

## **7.0 PROPRIETORS' OBLIGATIONS**

7.1 Each Proprietor shall:-

1. Permit the Corporation and its agents at all reasonable times on notice (except in case of emergency when no notice shall be required) to enter his Strata Lot for the purpose of inspecting it and maintaining, repairing and renewing pipes, wires, cables and ducts for the time being existing in the Strata Lot and capable of being used in connection with the enjoyment of any other Strata Lot or Common Property, or for the purpose of maintaining, repairing or renewing Common Property, or for the purpose of ensuring that these by-laws are being observed; or for the purpose of fulfilling any obligations arising under the Law or these by-laws;
2. Pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Strata Lot;



3. Pay to the Corporation with respect to the Proprietor's Strata Lot within fourteen (14) days of demand:
- (i) all contributions and charges levied or demanded by the Corporation pursuant to the Law or pursuant to these by-laws; and
  - (ii) a proportionate share, based on unit entitlement, of any and all costs and expenses incurred by the Corporation in connection with the performance of its duties under the Law and under these by-laws including all contributions necessary to establish and maintain a fund for administrative expenses as determined by the Corporation for the control, management and administration of the Common Property, for the payment of insurance premiums, and for discharge of any other obligations of the Corporation as well as all other costs and expenses incurred by the Corporation in relation to performance of its duties under these by-laws and under the Law, including collection of sums due and a reserve fund as contemplated by Clause 8.4 hereof.

PROVIDED ALWAYS THAT in the event of such payments not being made within fourteen (14) days of demand the Proprietor shall pay interest thereon at the rate of fifteen percent (15%) per annum, which interest shall accrue from day to day from the due date of the payment until payment thereof; in the event of any such payment (together with interest accrued thereon) not being made within thirty (30) days of such demand or in the event of the Proprietor becoming bankrupt or making composition with his creditors or, being a company, entering into liquidation then in any of these events he shall and does hereby irrevocably authorise and permit the Corporation to enter into possession of his Strata Lot and, further, does hereby irrevocably appoint the Corporation to be the receiver of the rents and profits of his Strata Lot in each case until such time as the said payment

(together with interest accrued thereon) has been made by him to the Corporation;

4. Repair and maintain his Strata Lot (including, but not limited to, its interior walls, floors, ceilings, balconies, doors, windows and electrical and plumbing fittings) and keep it in a state of good repair, reasonable wear and tear and damage by fire, storm, flood or act of God excepted;
5. Be responsible for the repair of any damage to any outside surfaces of his Strata Lot howsoever caused unless the same be insured by the Corporation;
6. Use and enjoy his Strata Lot and the Common Property in such a manner as not to interfere unreasonably with the use and enjoyment of the Development or any part thereof by other Proprietors or their tenants, invitees or licensees;
7. Not use his Strata Lot or permit it to be used in such manner or for such purposes as may cause a nuisance or hazard to the Proprietor of any other Strata Lot or that Proprietor's tenants, licensees or invitees;
8. Within twenty-one (21) days of the date of every transfer, lease, grant of probate or administration, mortgage, charge, discharge, order of court or other relevant document relating to his Strata Lot, give notice thereof in writing to the Corporation, and in case of a document send a copy thereof to the Corporation with such registration fee as may be stipulated by the Executive Committee from time to time;
9. Not use or permit his Residential Strata Lot to be used other than as a private residence of the Proprietor or for accommodation of the Proprietor's guests and visitors. Notwithstanding the foregoing, the Proprietor may rent out his Residential Strata Lot from time to time provided that in no event shall any individual rental be for a period of less than one (1) month. Not use or

permit his Garage Strata Lot to be used for any purpose other than the parking of automobiles and/or motorcycles of the Proprietor or his family, servants, licensees, guests or tenants, or for the storage of the personal belongings of the Proprietor;

- 10.* Not permit or suffer to be done in or upon his Strata Lot anything whereby any insurance for the time being effected on the Common Property, any building in the Strata Plan or any Strata Lot or any part thereof may be rendered void or voidable or whereby the rate of premium may be increased;
- 11.* Not at any time cut, maim or remove the main walls or timbers in his Strata Lot unless for the purpose of remedying and making good any defects therein which shall be remedied and made good accordingly and provided that the Corporation has given prior written approval and provided the work conforms with plans and specifications approved by the Corporation;
- 12.* Not make any alterations in his Strata Lot without the approval in writing of the Corporation of the plans and specifications thereof, and make such alterations only in accordance with such plans and specifications when approved;
- 13.* Do all such repairs and works as under any law are directed or are necessary to be done on or in respect of his Strata Lot (whether by landlord, tenant or occupier) and keep the Corporation indemnified against all claims, demands and liabilities in respect thereof;
- 14.* Not to do or permit or suffer to be done any act, matter or thing on or in respect of his Strata Lot which contravenes the provisions of any legislation from time to time in force in the Turks and Caicos Islands in relation to development and planning or any approval or regulation made thereunder or otherwise, and keep the Corporation indemnified against all claims, demands and liabilities in respect thereof;

15. Permit the Corporation or its agents or workmen to have access to and enter upon his Strata Lot as often as may be reasonably necessary for them to do so in the fulfillment of their obligations relating to the Common Property or to any other Strata Lot or otherwise pursuant to these by-laws;
16. Not use or permit to be used the Strata Lot or any part thereof for any illegal or immoral purpose, nor for the carrying on of any trade or business other than periodic renting or leasing of the Strata Lot in accordance with these by-laws unless such trade or business activity has been approved in advance by the Executive Committee in writing, which approval may be revoked for cause;
17. Not to bring or permit to be brought upon the Common Property any boats or other watercraft unless same are immediately stored within the Proprietor's Garage Strata Lot;
18. Pay the costs of repairing any damage to any other Strata Lot or to the Common Property or any other property in the Development caused by the negligence of the Proprietor, his servants, agents, licensees, invitees or tenants provided that such damage is not covered by the insurance on the Strata Lot or any other Strata Lot or the Common Property, and such damage shall be presumed to have been caused by such negligence unless the Proprietor shall prove to the contrary;
19. Comply with and observe any regulations which the Corporation may make from time to time pursuant to By-Law 8.5 (v);
20. Keep all sinks and waste pipes in his Residential Strata Lot clear and open and be responsible for all damage occasioned through the bursting or stopping up of pipes caused through improper use or by the negligence of the Proprietor or his servants, agents, licensees, invitees or tenants for the

time being. All defects of which the Proprietor shall become aware and which may in any way affect any other Strata Lot and/or the Common Property shall forthwith be notified by the Proprietor to the Corporation;

21. At all times keep both surfaces of all the windows of his Strata Lot properly cleaned;
22. Not without the previous consent of the Corporation cause or permit anything to be placed on the outside walls or roof of his or any other Strata Lot and not permit any sign, awning, canopy, shutter or antenna to be affixed to or placed upon the exterior walls, roof, windows, or any part of the Strata Lot or the Common Property, nor alter any electrical wiring, water supply, sewage system, or other structure or installation;
23. Take all reasonable and proper precautions to prevent and/or limit damage to his Strata Lot and the Common Property caused by fire and/or the rusting, overflowing or leaking of any water pipes, tanks, cisterns or other apparatus in his Strata Lot;
24. Tightly wrap, tie and place in containers all his garbage in such area or areas as may from time to time be designated for that purpose by the Corporation;
25. Not without the previous consent in writing of the Corporation alter any electric wiring or water supply system which does or may affect any other Strata Lot or the Common Property;
26. Pay for all electricity, water and other services consumed or used in his Strata Lot to the companies or authorities supplying such services in accordance with the meters situated in or applicable to the Strata Lot and in the event of the same or any of them being chargeable to the Corporation to repay the proportion attributed to the Strata Lot upon demand by the Corporation;

27. Not keep or suffer or permit anyone to keep any animal other than a domestic pet or more than two domestic pets in or on his Residential Strata Lot. No animals, including pets, shall be allowed in or on a Garage Strata Lot;
28. Not erect or use or suffer or permit anyone to erect or use a clothes line or to hang clothes outside his Strata Lot or otherwise to hang clothes in a manner visible from the exterior of his Strata Lot;
29. To keep or cause to be kept the door to his Garage Strata Lot closed at all times except for reasonable periods of time when gaining access thereto;
30. Be obliged upon being so required by the Corporation to effect a policy of insurance in respect of damage to his Strata Lot in a sum equal to the amount secured by any charge or charges registered against his Strata Lot from time to time in accordance with the provisions of section 17 of the Strata Title Regulations;
31. Keep and maintain all portions of the Common Property immediately adjacent to his Strata Lot in a neat, clean and well groomed condition and in a generally well-cared-for state, free and clear of obstruction, sand, dirt and refuse;
32. Not cause or permit on the Common Property or his Strata Lot or on the grounds and driveways or any part thereof of the Development any vehicle belonging to him or his family, servants, licensees, tenants or guests or under his or their control to travel at an excessive speed or at a speed in excess of any speed limit set by regulations made from time to time by the Corporation; travel over or remain on any walkways, grass verges, lawns, or gardens; be parked except in areas from time to time allocated to the

Proprietor and his guests; or be repaired except by necessity and then only briefly;

33. Not without the previous written consent of the Corporation place, paint, affix or install any sign, billboard or advertising matter on the Common Property.

7.2 In the event of the exercise by the Corporation of any remedy afforded it under these by-laws or under the Law, the Corporation shall not nor shall any receiver appointed hereunder be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any accidents occurring in the operations carried on or for any negligence, default or omission for which a mortgagee or chargee in possession might be held liable.

## **8.0 THE CORPORATION**

8.1 The Corporation shall:-

- i.* Control, manage and administer the Common Property for the benefit of all Proprietors;
- ii.* Where applicable, establish and maintain suitable landscaping on the Common Property;
- iii.* Maintain and repair (including renewal where reasonably necessary) pipes, wires, cables and ducts for the time being existing in the Strata Plan and capable of being used in connection with the enjoyment of more than one Strata Lot or the Common Property;
- iv.* Pay all existing and future rates, taxes, assessments and outgoings now or hereafter imposed on or payable in respect of the Common Property;

- v. i) Insure the Strata Plan (which for the avoidance of doubt shall for this purpose include each and every Strata Lot for the time being contained therein, together with the Common Property and all erections, buildings and installations now or hereafter standing or installed thereon or therein) and keep same insured against loss or damage by riot, civil commotion, fire, explosion, storm, flooding, impact or damage caused by aircraft or dropping therefrom and such other risks as it shall from time to time think fit with such insurance company of repute as it may decide to an amount or amounts equal to the full replacement value thereof including, without limitation, clearing and demolition costs and surveyors', architects' and lawyers' fees;
- ii) Take out and keep on foot such policy of insurance with such insurance company of repute as it may decide covering liability for injury to persons in or about the Strata Plan (as in sub-paragraph (i) of this sub-clause hereinbefore defined) and against such other risks and in such a sum as it shall from time to time consider reasonable, but in no event less than Two Hundred and Fifty Thousand United States Dollars (US\$250,000.00);

all of which policies of insurance shall be taken out in the names of the Corporation and of those persons whose names appear as Proprietors on the records maintained by the Corporation at the time of taking out such policies and at the time of renewals thereof, with the interests of chargees of whom the Corporation has notice to be noted thereon. PROVIDED ALWAYS that upon receipt of written notification from the transferee or chargee of any Strata Lot during the currency of any such policies of insurance of that party's interest, it will forthwith apply to have the interest of such transferee or chargee noted upon such policies, and shall make all payments necessary for these purposes within fourteen (14) days after the same shall become due and payable and shall produce to the Proprietors or their chargees upon



demand the policies of such insurance and evidence of payment of the current premium therefor;

- vi.* Subject to the provisions of the Law, as often as any of the Strata Plan is destroyed or damaged by an insured risk, it shall rebuild and reinstate the same in accordance with the regulations and the planning or development scheme of any competent authority for the time being affecting the same and it is hereby agreed that any monies received in respect of the insurance provided for shall be applied so far as the same shall extend in so rebuilding or reinstating the Strata Plan;
- vii.* Subject to the contribution and payment by the Proprietors as herein provided, keep the Common Property and all fixtures and fittings therein and thereon and additions thereto in a state of good and serviceable repair and condition including the renewal and replacement of all worn or damaged parts and in particular (but without prejudice to the generality of the foregoing) shall:

  - i.* Maintain the parking areas, all communal water, sewage and electricity systems and plant, and ancillary equipment, sports and recreational facilities, pools, landscaping, entrance drives, canopies and walkways, and communal lighting systems of the Common Property and any boundary walls and fences belonging thereto in good order and condition and free from all obstructions;
  - ii.* Maintain the external appearance of buildings in the Strata Plan so as to retain a complementary and pleasing character by paint, stain or other repair work that is or may become reasonably necessary;
  - iii.* Paint such of the exterior of the buildings in the Strata Plan as would usually be so painted, and all additions thereto with good and

suitable paint in a proper and workmanlike manner at least once in every five (5) years;

iv. Before repairing any joist or beam which is attached to any ceiling or floor of any one of the Strata Lots and before carrying out repairs or works to the Common Property for the carrying out of which it requires access to any one or more of the Strata Lots, give reasonable notice (and except in cases of extreme urgency at least forty-eight (48) hours' notice) in writing to the Proprietor of the Strata Lot to which access is required and shall, on giving such notice, be entitled to repair the said joist or beam or carry out the said repairs or works and in doing so have any required access to the Strata Lot or Strata Lots, but shall act carefully and reasonably doing as little damage as possible to the said Strata Lot or Strata Lots and making good all damage done;

viii. Arrange for the collection and disposal of rubbish;

ix. Secure for each and every one of the Strata Lots and the Common Property to the best of its ability a constant supply of potable water to all the faucets, outlets and taps provided for the drawing of water in each and every Strata Lot, subject always to the right of the supplier of such water to suspend supply to any Proprietor in the event of non-payment of its water charges;

x. Discharge the common expenses of the Strata Plan including but not limited to:

i. all levies or charges on account of electricity, water, gas or fuel services supplied to the Corporation;

ii. the cost of and charges for any management fees;

- iii.* all costs and charges on account of landscaping and maintenance of the Common Property and structural elements common to any two or more Strata Lots.

8.2 The Corporation will not be responsible for any damage or loss whatsoever caused by or to any property of any kind or nature on the Common Property nor for loss or damage to personal or other property forming the contents of any Strata Lot.

8.3 Nothing herein contained shall prejudice the Corporation's right to recover from any Proprietor or any other person the amount or value of any loss or damage suffered by or caused to the Corporation or the Common Property by the negligence or wrongful act or default of that Proprietor or such other person.

8.4 The Corporation shall establish a reserve fund for the benefit of the Strata Plan and the Development to cover reasonably-expected future capital expenditures and shall levy contributions to be made by the Proprietors in that regard in accordance with their respective unit entitlements.

8.5 The Corporation may:-

- i.* Purchase, hire or otherwise acquire real and personal property and equipment for use by Proprietors in the enjoyment of the Common Property;
- ii.* Borrow monies required by it for the performance of its duties or the exercise of its powers;
- iii.* Secure the repayment of monies borrowed by it and the payment of interest thereon in such a manner as it deems appropriate;
- iv.* Invest as it deems appropriate any monies of the Corporation not immediately required;

- v. Make, amend and enforce regulations governing the use and enjoyment of the strata lots and the common property. Such regulations may enhance, preserve or maintain the residential character of the development or may promote the aesthetics and harmony of the development and may be restrictive of acts, which might be detrimental or deleterious to the amenities of the development or the common property;
- vi. Do all things reasonably necessary or appropriate to ensure compliance with these by-laws and to ensure the effective management and administration of the Strata Plan and Common Property;
- vii. Through the Executive Committee, enter into such agreements, deeds, contracts and covenants as the Executive Committee shall deem appropriate for the proper conduct of the Corporation's powers, duties and obligations under these by-laws and under the Law.

8.6 Notwithstanding any other provisions hereof, neither the Corporation nor any of its officers shall in any way be held responsible for any damage caused by any neglect or failure to maintain the Common Property or any part thereof unless or until notice in writing or any such neglect, failure, want of repair or defect as aforesaid has been given to the Corporation by or on behalf of a Proprietor or Proprietors of any Strata Lot or Strata Lots and the Corporation has failed to make good or remedy such neglect, failure, want of repair or defect as aforesaid within a reasonable time of receipt of such notice.

#### **10.0 USE OF GUEST SUITES**

10.1 The four (4) guest suites situated on the upper floor of Building 5 as shown on the Strata Plan shall be available for rent from the Corporation by Proprietors from time to time for use by a Proprietor's guests or servants, but only during such periods as such Proprietor is in occupation of his Residential Strata Lot. The Executive Committee shall, from time to time, establish rental rates for such guest suites as

well as rules and regulations for the reservation and use of same. Rental revenue shall be the property of the Corporation.

#### **11.0 RESTRICTIONS ON TRANSFERS OF CERTAIN STRATA LOTS**

11.1 In no event shall the Proprietor of Residential Strata Lots numbers 29 and 32 transfer, sell, charge, lease or otherwise deal with either of such Residential Strata Lots individually, it being the intention that Residential Strata Lots numbers 29 and 32 shall always be owned by the same Proprietor. The foregoing restriction is imposed in recognition of the fact that Residential Strata Lot number 29 is not a self-contained unit suitable for residential use independent of Residential Strata Lot number 32.

11.2 In no event shall the Proprietor of Residential Strata Lots numbers 30 and 31 transfer, sell, charge, lease or otherwise deal with either of such Residential Strata Lots individually, it being the intention that Residential Strata Lots numbers 30 and 31 shall always be owned by the same Proprietor. The foregoing restriction is imposed in recognition of the fact that Residential Strata Lot number 30 is not a self-contained unit suitable for residential use independent of Residential Strata Lot number 31.

11.3 For purposes of security within the Development, in no event shall the Proprietor of a Garage Strata Lot transfer, sell, charge, lease or otherwise deal with his Garage Strata Lot independently of his Residential Strata Lot unless such transfer, sale, charge, lease or other dealing is with the owner of another Residential Strata Lot, it being the intention that Garage Strata Lots may only be owned by the Proprietor or Proprietors of Residential Strata Lots.

#### **12.0 NOTICES**

12.1 Any notice required, permitted or otherwise to be given to or served upon a Proprietor or a chargee of a Strata Lot by the Corporation or the Executive Committee may be given or served by delivery to such person, by sending same by

- facsimile or by sending same by post to the last address and/or facsimile number for such Proprietor or chargee maintained in the records of the Corporation;
- 12.2 Notwithstanding the foregoing, where a Proprietor is in occupation of his Residential Strata Lot, any such notice may be delivered to his Residential Strata Lot and such notice shall be deemed to have been received by the Proprietor at the time of such delivery;
- 12.3 Any notice given or served by delivery to a Proprietor or chargee at the address maintained in the records of the Corporation shall, in the case of delivery to an address within the Turks and Caicos Islands, be deemed to have been received on the day following actual delivery and, in the case of delivery outside of the Turks and Caicos Islands shall be deemed to have been received four (4) days after delivery of a package properly addressed and containing such notice to an international courier service operating within the Turks and Caicos Islands.
- 12.4 Any notice given or served by facsimile to a Proprietor or chargee to the facsimile number maintained in the records of the Corporation shall be deemed to have been received on the next day following apparent successful transmission thereof.
- 12.5 Any notice given or served by post to a Proprietor or chargee at the address maintained in the records of the Corporation shall be deemed to have been received on the twenty-first (21<sup>st</sup>) day following that on which the letter containing same is put into the post. Where such address shall be outside of the Turks and Caicos Islands, such letter shall be fully prepaid and shall be sent airmail.
- 12.6 In the event that the Corporation or the Executive Committee is for any reason whatsoever unable to effect service of any notice on a Proprietor in accordance with the foregoing provisions, the Corporation or the Executive Committee may serve the notice by leaving same at the Residential Strata Lot of the Proprietor to be served, in which case notice shall be deemed to have been received by such Proprietor twenty-one (21) days after such leaving, whether or not the Residential

Strata Lot is occupied by the Proprietor or any other person at the time of such leaving.

- 12.7 Every Proprietor shall provide an address and facsimile number to the Corporation for the purposes of the service of notice and shall promptly notify the Corporation from time to time of any changes in respect thereof.

### **13.0 AMENDMENT OF BY-LAWS**

- 13.1 These by-laws shall not be amended or varied except as permitted by the Law.
- 13.2 These by-laws and any regulations made in accordance herewith shall be binding upon all Proprietors, including all family, servants, licensees, tenants, sub-tenants, invitees and guests of the Proprietors from time to time entering upon or visiting any Strata Lot or the Common Property.

### **14.0 INTERPRETATION**

- 14.1 In these by-laws where the context so admits words importing the masculine gender shall be deemed to include the feminine and neuter genders and words importing the singular number shall be deemed to include the plural.
- 14.2 In the event that one or more of the provisions contained in these by-laws shall be held for any reason to be illegal, invalid or unenforceable, such holding shall not affect any other provisions hereof and these by-laws shall be construed as if the said provisions so held to be illegal, invalid or unenforceable had not been contained herein.

### **15.0 INDEMNITY**

- 15.1 The members of the Executive Committee, the auditors, Secretary and other officers for the time being of the Corporation and any trustee for the time being acting in relation to any of the affairs of the Corporation, their and each of their heirs, executors, administrators and personal representatives shall be indemnified out of the assets of the Corporation from and against all actions, proceedings, costs,

charges, losses, damages and expenses which they or any of them shall or may incur or sustain by any act done or omitted in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own wilful neglect or default respectively, and no such member of the Executive Committee, auditor, officer or trustee shall be answerable for the acts, receipts, neglect or defaults of any other member of the Executive Committee, auditor, officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any bankers or of other persons with whom any monies or effects belonging to the Corporation may be lodged or deposited for safe custody or for any insufficiency of any security upon which any monies of the Corporation may be invested or which may happen in or about the execution of his office or trust unless the same shall happen through the wilful neglect or default of such member of the Executive Committee, auditor, officer or trustee.

**16.0 THE PINNACLE ON GRACE BAY LTD.**

16.1 Notwithstanding any provision hereinbefore contained to the contrary, it is acknowledged that the Development and the Strata Plan are not complete as of the date of enactment of these by-laws; and it is acknowledged that the Company reserves unto itself and shall have the right to complete the Development and the Strata Plan and that no objection shall be raised or action taken pursuant to these by-laws or otherwise by the Corporation or by any Proprietor in respect of any temporary nuisance caused in the furtherance of the said Development, whether by passage of vehicles, construction, excavation or otherwise.

**17.0 ADDITIONAL BY-LAW ADDED JANUARY 2016**

17.1 A Proprietor shall not use or permit a Residential Strata Lot to be used by more than one paying person or paying group unless that paying person or paying group (i) intends to occupy the Residential Strata Lot for an uninterrupted period of not less than one month and (ii) pays in advance for an uninterrupted period of not less than one month.



- 17.2 To avoid doubt any scheme or arrangement for the use by more than one paying guest or paying group each staying for less than a month including, but no limited to, sharing, co-letting or leasing, sub-letting, fractionalising or otherwise is a breach of by-law 7.1 and it's subsections and or 17.1
- 17.3 A Proprietor shall not list, advertise or promote a Residential Strata Lot for use in a way that would result in use of the Residential Strata Lot in breach of by-law 17.1 and it's subsections and 17.2 or any other by-law or provision of the Law.
- 17.4 A Proprietor shall not cause or permit a Residential Strata Lot to be used for the purpose of occupation by anyone that is under the age of 18 years or to anyone whom causes, permits or allows the Residential Strata Lot to be used by a person or persons under the age of 18 years without a person over that age being in residence.
- 17.5 A Proprietor shall not cause or permit a Residential Strata Lot to be used for the purpose of occupation by any person for more than one month unless each person over the age of 18 years staying at the lot and therefore necessarily using the Common Property has previously signed a Tenant Indemnity Agreement in the form issued from time to time by the Executive Committee.
- 17.6 For the purpose of clarifying and enforcing by-law 7.1(9) a Proprietor shall not cause or permit unaccompanied non paying guests and visitors to stay overnight for one or more nights in a Residential Strata Lot save for the Proprietor's immediate family comprising their mother, father, brothers, sisters, sons, daughters and their respective partners, children and grandchildren, without each person over the age of 18 years staying in the Residential Strata Lot previously signing an Unaccompanied Guest Indemnity Agreement in the form issued from time to time by the Executive Committee. An unaccompanied guest or visitor is one who stays overnight in a Residential Strata Lot without the Proprietor also staying overnight at the same time.

17.7 For the purpose of enforcing the by-laws, including without limitation this by-law 17 and the provisions of the agreements referred to in by-laws 17.5 and 17.6 a Proprietor shall not use a Residential Strata Lot for the accommodation of any person, save for immediate family members as defined by by-law 17.6 unless the Proprietor and any person that is to occupy the Residential Strata Lot is in compliance with the Corporation's requirements which may include, but are not limited to:- requiring identification from users of the common property, imposing and administering security deposits, charging administration fees relating to unaccompanied guest(s) and tenants for more than one month, issuing and enforcing breach notices by imposing daily penalties of \$100 per day (to cover the administration costs of dealing with breaches and issuing notices) or such other sum as from time to time be determined by the Corporation, and recovering legal expenses from Proprietors on an indemnity basis.