

SANDY BAY OWNERS ASSOCIATION, INC.

RULES AND REGULATIONS

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SANDY BAY OWNERS ASSOCIATION, INC.

RULES AND REGULATIONS

The following Rules and Regulations of the Sandy Bay Owners Association, Inc. (the "**Rules**") have been established for the benefit of all Owners and Occupants of the Preserve at Botany Bay (the "**Property**"). These Rules supplement the Master Declaration of Covenants, Conditions and Restrictions for the Preserve at Botany Bay (the "**Declaration**"); however, they do not change the obligations of an Owner under the Declaration. In the event there is a conflict between the Declaration and these Rules, the Declaration shall control. All defined terms used in these Rules shall have the meaning set forth in these Rules or as defined in the Declaration, as the same may be amended from time to time.

I. GENERAL USE RESTRICTIONS

A. Restrictions Incorporated by Reference. The restrictions set forth in Article 5 of the Declaration are hereby incorporated by reference as though fully set forth herein.

B. Roads and Public Parking. No parking shall be permitted within the Common Elements, except in any designated parking areas. Designated parking spaces and Public Parking Areas, if any, on the Common Elements shall be used only for short term parking of motor vehicles. The Association may require that appropriate identification be displayed by any person who parks on the Common Elements and may refuse to permit any person who fails to display such identification or who otherwise violates these Rules to park on the Common Elements. The Association may require guests to register with gatehouse personnel or such other representative that may be located at the main entrance as designated by the Board from time to time. The Board shall have full power and authority to regulate the use of the Roads and Public Parking Areas by imposing and enforcing speed limits and other restrictions, together with fines and/or other penalties for violations of such restrictions.

C. Golf Carts, Motorcycles, ATV's and Bicycles

1. Private golf carts, ATV's, and bicycles are permitted on the Property subject to these Rules established by the Board as they may be amended from time to time. The right to use a private golf cart, bicycle or ATV on the Property is a non-transferable and non-assignable owner right. These vehicles may be used only by Residence Lot Owners and their guests.

2. Motorcycles are required to follow the same rules as cars while on the property. Cars and Motorcycles must have a permit from the manager to be allowed to operate in the Preserve. Motorcycles are not to be used off-road or for recreational purposes on the Property.

3. All-Terrain Vehicles (ATVs) including Can-Am ATV's may be used on the property in a similar fashion as golf carts. These vehicles must remain on the roads and are not to be used off-road or for recreational purposes on the Property.

4. Private golf carts, motorcycles and ATV's may be either electric or gas powered.

5. Golf carts, motorcycles and ATV's shall be stored in an enclosed Structure

or in other areas specifically designated by the Board as golf cart parking areas. No golf cart, motorcycle or ATV shall be placed, parked or stored on the lawn or driveway of any Residence Lot.

6. Owners using a private golf cart, motorcycle or ATV will be held fully responsible for any and all damages caused by the misuse of the vehicle by the Owner and any Occupants, and the Owner shall reimburse the Board for any and all damages the Board may sustain by reason of misuse, including without limitation, damage to other vehicles and any of the Common Elements.

7. In the event a golf cart, motorcycle or ATV operator is involved in an accident resulting in an injury or property damage, the operator must immediately notify the Manager.

8. Owners using a golf cart, motorcycle or ATV are required to ensure that their private vehicles are restricted to licensed drivers who will operate in a safe, prudent manner and in accordance with all governmental regulations.

9. Violations of these Rules may result in the revocation of private golf cart, motorcycle and/or ATV privileges.

10. Botany Bay Partners, LLP and Sandy Bay Owners Association, Inc. are not responsible for damages or any injuries that are sustained by owners and guests operating any vehicle on the Property.

D. Beaches.

1. The Beaches and other shoreline areas are subject to the USVI Open Shorelines Act (the "**Act**"), which provides the public with the right to use and enjoy the USVI shorelines. The Association shall have the authority to exercise any power necessary to comply with the Act.

2. Owners and Occupants using the Beaches shall abide by all Rules established by the Board from time to time.

3. Radios, televisions and the like may be listened to at the Beaches if played at a sound level which is not offensive to other Owners, Occupants or the public.

4. Private parties may be held on the Beaches provided that such parties do not disturb other Owners, Occupants or the public.

5. Owners shall be responsible for removing all refuse and keeping the Beaches clean and sanitary.

6. Owner dogs only. Guests are not allowed to bring dogs into the Preserve.

7. Owner dogs must be on a leash when on common property / beaches

E. Rentals. An Owner may rent his Residence and Guest House to others, and may invite guests to share occupancy of his Residence and Guest House, provided that such rentals

and/or occupancies comply with all applicable laws, rules and regulations and all covenants, conditions and restrictions of record, including but not limited to the Declaration. Owners are responsible for the conduct of their Occupants of their Residence and Guest House, and for all financial obligations incurred by their Occupants of their Residence and Guest House at the Property. The Manager will not give access to any Residence or Guest House without written permission from the Owner otherwise entitled to use the Residence or Guest House.

F. Complaints; Violations. Complaints regarding the operation and maintenance of the Property and violations of these Rules should be made or reported, in writing, to the Board.

G. Property Personnel. The Association has employed personnel who are responsible for maintenance of the Common Elements. Please do not ask these personnel to perform personal services. If special assistance is needed, please contact the Manager. Compliments and concerns regarding personnel should be made through the Manager.

H. Quiet Enjoyment. Owners, guests and visitors are entitled to enjoy the Property in peace without unreasonable interference. Vehicles, pets, music and other possible sources of loud noises are to be kept at a noise level and duration that does not interfere with the quiet enjoyment of the Property for others. Violators may be fined.

II. ASSESSMENTS AND ASSOCIATION RECORDS

A. Assessments. Assessments shall be due 30 days after the invoice date. Failure to pay an installment within thirty (30) days after it becomes due and payable shall result in the imposition of a late charge in the amount of twenty-five dollars (\$25.00) and the unpaid installment plus the late charge shall bear a default interest charge at the rate of ten percent (10%) (but not to exceed the maximum amount permitted by law from and after the payment date until the unpaid installment, late charge and all accrued interest are paid. See *SBOA Delinquency Policy Resolution* for details.

B. Association Records. All records maintained by the Association are available for examination and copying by an Owner or by his or her duly authorized attorneys, at the expense of the Owner requesting such examination or copies, during normal business hours. Any Owner who seeks to inspect and copy any of the Association's books or records, whether pursuant to the provisions of the Bylaws or any applicable provision of law, shall make such request in writing to the Manager at least five (5) business days prior to the date on which such inspection is sought. Personal inspection of the Association's books and records can be arranged by appointment with the Manager during the Manager's regular business hours.

C. Owners' List. In order to inspect or copy the list of Owners (the "**Owners' List**"), the Owners agree that the Owners' List shall be used only for a proper purpose. The term "proper purpose" means a purpose reasonably related to the Owner's interest as a member of the Association, for example, proxy solicitations, to enlist the support of other members in connection with matters to be voted upon, or other matters which the Board has deemed to be related to the

Owner's interest as a member of the Association. "Proper Purpose" does not include, and the Owners' List shall not be used to interfere with other members' rights of privacy; to gratify a member's curiosity; to harass or annoy the Association, its Manager, staff or members; to share the Owners' List with a competitor of the Association; or for a speculative or commercial purpose.

III. TRANSEERS

All transferees of Residence Lots, other than transferees who acquire their Residence Lots from Declarant, shall provide the Transfer Information (as hereinafter defined) to the Board. The Transfer Information shall be provided to the Board within ten (10) days after the transferee obtains title to the Residence Lot. The Transfer Information shall consist of (a) a true and correct copy of the recorded instrument conveying or transferring the Residence Lot or such other evidence of the conveyance or transfer as is reasonably acceptable to the Board, (b) the transferee's name, home and business telephone numbers and home and business addresses, and (c) the specific Residence Lot transferred.

IV. DEATH, DIVORCE AND BANKRUPTCY

A. Death. Upon the death of an Owner who held a Residence Lot as a tenant in common with one or more other Owners, the surviving Owner(s) shall within thirty (30) days of the death of an Owner provide written notice to the Association of the death, and the name and address of the personal representative of the estate of the deceased Owner. If the deceased Owner held the Residence Lot as a joint tenant, the surviving joint tenant shall within thirty (30) days of the death of the Owner provide notice of the death to the Association and a copy of the death certificate. The Association may record the death certificate and an affidavit stating that the deceased was a joint tenant in the Residence Lot.

B. Dissolution. In the event of a dissolution of marriage or of a legal separation of co-Owner's Residence Lot, the Owners shall within thirty (30) days of the date the dissolution of marriage or legal separation is final, provide written notice to the Association that a dissolution of marriage or legal separation has occurred. The written notice shall also contain an explanation of the provisions in the final separation agreement dealing with disposition of the Residence Lot.

C. Bankruptcy. Any Owner who voluntarily or involuntarily files for bankruptcy shall provide written notice to the Association of the bankruptcy in accordance with the rules of the Bankruptcy Court.

V. MISCELLANEOUS

A. Additional Rules: Amendments. Except as otherwise provided in the Declaration, the Board reserves the right to promulgate from time to time such additional rules and regulations, or to amend these Rules, as may be deemed necessary or desirable, in the Board's sole discretion, without the consent of the Association or its members.

B. Attorneys' Fees. The Association shall be entitled to recover its Costs of Enforcement incurred in the event it prevails in any legal action or proceeding brought against

an Owner or Occupant to enforce these Rules.

C. Superseding Rules. These Rules supersede all prior Rules of the Property in full and shall remain in force until superseded by revised Rules promulgated by the Association.

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Sandy Bay Owners Association, Inc., a USVI corporation (the “Association”), hereby certifies and states that the attached Rules and Regulations were adopted by the Board of Directors (the “Board”) of the Association at a duly constituted meeting on _____, 20____ by a majority vote of the Directors in attendance.

SANDY BAY OWNERS ASSOCIATION, INC.

By: _____

Barbara Shingleton, Secretary