

BYE-LAWS OF

"THE PROPRIETORS, UNIT PLAN NO.

1. Identity The name of the body corporate shall be "THE PROPRIETORS, UNIT PLAN NO. 67."

1.1 Principal Office The Principal office of "the Proprietors Unit Plan No 67" (hereinafter sometimes referred to as "the Association") shall be at the Condominium. Such principal office may, at any time or from time to time, be changed by the Board of Management of the Association to some other location in Barbados.

1.2 The Association shall come into being and commence activities upon lodgement of the Declaration for recording under Section 4(2) of the Condominium Act Chapter 224A (The Act).

1.3 Purpose The Association is a body corporate under the name "The Proprietors Unit Plan No. 67" organized and existing under the Act for the purpose of administering the Property subject to the Act known as MARGATE GARDENS CONDOMINIUMS situate at Hastings in the parish of Christ Church Barbados.

1.4 The Bye-Laws set out in the Schedule to the Act shall not have effect in relation to the property described in the Declaration.

2. Directors MARGATE DEVELOPMENT INCORPORATED a company incorporated and registered under the provisions of the Companies Act Chapter 308 of the Laws of Barbados, having its Registered Office situate at Hastings in the parish of Christ Church and the Island of Barbados (sometimes hereinafter referred to as "Developer"), shall have the right to designate its representatives as the initial members of the Board of Management of the Association, and as long as under these Bye-Laws the Developer is entitled to any representation on the Board, the Developer's representatives need not be members of the Association. The Board of Management shall consist of three Directors so long as the Developer is entitled to representation on the Board. When Unit Owners other than the Developer acquire title to seventy-five (75%) per cent or more of the Units that will be operated ultimately by the Association, the President of the Association shall

within 21 days of such acquisition call a special meeting of the membership for the purpose of electing a new Board of Management who shall serve until the next annual meeting of the membership, or until their successors are elected.

2.1 Directors At the first election of the Board of Management after the Developer is no longer entitled to representation pursuant to Section 2 hereof, and at each annual meeting of the membership, the Board of Management to be elected shall consist of not less than five Directors.

2.2 Each Director shall have the powers, rights and obligations of a Director under these Bye-Laws and conferred on a member of the Board of Management by the Act.

2.3 Each director shall be elected to serve for a term of one year, or until his successor shall be elected and shall qualify, provided, however, that a director may be elected for successive terms.

2.4 General Provisions Upon the Developer no longer having representation on the Board in accordance with Section 2 hereof, the members, at any annual membership meeting, shall have the right to enlarge or reduce the Board of Management, but at no time shall the Board have more than fifteen (15) nor less than five (5) members. All directors other than Developer representatives must be members of the Association.

2.5 The election of directors shall be held at the annual members' meeting.

2.6 The election of directors shall be by ballot (unless dispensed by unanimous consent) and by a plurality of votes cast. Each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

2.7 Vacancy and Replacement If the office of any director or directors, other than the Developer's representatives, becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, at a special meeting of directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred.

2.8 Removal Directors, other than the Developer's representatives, may be removed for cause by an affirmative vote of a majority of the qualified votes of members. No director shall continue to serve on the Board if during his term of office his membership in the Association shall be terminated for any reason whatsoever.

3. Powers and Duties of the Board of Management All of the powers and duties of the Association under the Act and the Declaration to which these Bye-Laws are attached unless prohibited by statute shall be exercised exclusively by the Board of Management its agents, contractors or employees, subject only to approval by Unit Owners when such is specifically required. Such powers and duties of the Board of Management shall include but shall not be limited to the following:-

- (a) to operate the Condominium for the benefit of all Unit Owners and be responsible for the enforcement of these Bye-Laws;
- (b) to keep the Common Property in a state of good and serviceable repair;
- (c) to maintain suitable lawns and gardens on the Common Areas and also maintain the swimming pool;
- (d) to insure and keep insured the Unit Buildings (in respect of which the Association is deemed to have an insurable interest) to the replacement value thereof against fire, and extended perils including all catastrophe perils unless the Unit Owners by unanimous resolution otherwise decide;
- (e) to insure against such other risks as the Unit Owners may by special resolution determine for which purpose the Association is deemed to have an insurable interest;
- (f) to comply with notices or orders issued by any competent public authority requiring repairs to or work to be done in respect of the Condominium or the buildings or any of them;
- (g) to carry out the directions of the Unit Owners expressed by resolution or otherwise as may be prescribed by the Declaration or these Bye-Laws;

- (h) to establish funds for administrative expenses sufficient in the opinion of the Association for the operation of the Condominium for the payment of any premiums of insurance, for the establishment of reserves for capital improvements or renewals of Common Property and the discharge of any other obligations of the Association;
- (i) to determine from time to time amounts of money to be raised for the purposes aforesaid;
- (j) to raise the amounts of money so determined by levying Assessments on the Unit Owners in proportion to the unit entitlement of their respective Units and to establish the time within which payment of same are due;
- (k) to recover from any Unit Owner any sum of money expended by the Association for repairs or work done by it or at its discretion in complying with any notice or order issued by a competent public authority in respect of any part of the Condominium comprising the Unit of any Unit Owner;
- (l) to employ such staff as may be deemed necessary to carry out the duties of the Association;
- (m) to receive the proceeds of any insurance taken out by the Association against the loss or damage of the Units or any of them in trust for the Unit Owners in proportion to their respective interest and subject to Section 31 of the Act to apply the same for the repair or reconstruction of the Units or any of them;
- (n) to purchase the necessary equipment and tools required in the maintenance, care and preservation of the Condominium and the Units;
- (o) to enter into and upon the Units when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation;

- (p) to collect delinquent Assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the Unit Owners for violation of these Bye-Laws and the terms and conditions of the Declaration,
- (q) to carry out the obligations of the Association under any restrictions and/or covenants running with any Unit made subject to the Declaration; and
- (r) to exercise any other powers conferred on the Association by the Declaration or these Bye-Laws.

4. The organizational meeting of a newly elected Board of Management shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

4.1 Regular meetings of the Board of Management may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director personally or by mail or telephone and shall be transmitted at least three days prior to the day named for such meeting.

4.2 Special meetings of the directors may be called by the Chairman and must be called by the Secretary at the written request of one-third of the directors. Notice of the meeting shall be given personally or by mail or telephone, which notice shall state the time, place and purpose of the meeting and shall be transmitted not less than three days prior to the meeting.

4.3 Waiver of notice Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the giving of notice.

4.4 A quorum at directors' meeting shall consist of three directors.

4.5 Adjourned meetings If at any meeting of the Board of Management there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

4.6 Joinder in meeting by approval of minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of that director for the purpose of determining a quorum.

4.7 The presiding officer of directors' meetings shall be the chairman of the Board if such an officer has been elected. In the absence of the presiding officer the directors present shall designate one of their number to preside.

4.8 The order of business at directors' meetings shall be:

Call of roll

- (a) Proof of due notice of meeting
- (b) Reading and disposal of any unapproved minutes
- (c) Reports of officers and committees
- (d) Election of officers
- (e) Unfinished business
- (f) New business
- (g) Adjournment

4.9 Directors fees, if any, shall be determined by the members of the Association.

5. Officers. The officers of the Association shall be a Chairman, a Treasurer, a Secretary, all of whom shall be elected annually by the Board of Management and who may be peremptorily removed at any meeting by concurrence of a majority of all the directors. The Board of Management from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.1 The Chairman shall be the chief Executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of Chairman of an association, including but not limited to the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.

5.2 The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the serving of all notices to the members and directors and other notices required by law. He shall have the custody of the seal of the Association and shall affix it to instruments only by authority of the Board in accordance with clause 7. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the President.

5.3 The Treasurer shall have custody of all the property of the Association, including funds, securities and evidences of indebtedness. He shall keep detailed and accurate records in chronological order of the receipts and expenditures arising from the operation of the Condominium. He shall make all such records and any vouchers authorising any payments available for inspection by any Unit Owner at all reasonable times.

5.4 The Treasurer shall keep the books of account for the Association in accordance with good accounting practices, which together with substantiating papers, shall be made available to the Board of Management for examination at reasonable times. He shall submit a treasurer's report to the Board of Management at reasonable intervals and shall perform all other duties incident to the office of treasurer.

5.5 The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the Board of Management from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the Condominium.

6. Roster of members The Association shall maintain a roster of the names and mailing addresses of Unit Owners, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association from time to time to substantiate the holding of a membership and from changes of mailing addresses furnished from time to time. Each member shall furnish to the Association a certified copy of his recorded conveyance substantiating his membership in the Association.

6.1 Annual meeting The annual members meeting shall be held each year at such place in Barbados as a majority of the Board of Management shall determine. The purpose of the meeting shall be to elect directors and to transact any other business authorised to be transacted by members' provided that if the date for the first annual meeting of members subsequent to relinquishment of control by the Developer of the Condominium is less than six months after the first election of directors by the membership of the Association, the annual meeting shall not be held, and the directors first elected by the membership of the Association shall serve until the date for the next following annual meeting.

6.2 Special members' meetings shall be held at such places as provided for annual meetings whenever called by the Chairman or by a majority of the Board of Management, and must be called by those officers upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

6.3 Notice of Meeting

- (a) Every Unit Owner, any mortgagee of a unit or other person having an interest in any unit shall register with the body corporate an address for the service of notices upon him and unless the person concerned resides permanently in the building such address shall be one which is not within the building.
- (b) Any notice given under this Act by a body corporate or the board of management shall be sent by post in a pre-paid registered wrapper addressed to the person for whom it is intended at the address registered by him with the body corporate under subsection (1).
- (c) When any such notice is sent from Barbados to an address in another country it shall be sent by pre-paid registered airmail.
- (d) Any notice sent by post in the manner prescribed by this section shall be deemed to be served on the person to whom it is addressed on the 7th day after the day on which the wrapper containing the same is posted.

(e) Notice of a meeting may be waived before or after the meeting.

6.4 Quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration or these By-Laws.

6.5 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy. A proxy must be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. One person may hold no more than five proxies.

6.6 Entitlement to Vote. Except in cases where by or under the Act a unanimous resolution is required, no Unit Owner shall be entitled to vote at any General Meeting unless all contributions payable in respect of his Unit have been duly paid.

6.7 Co-Owners. Each Unit of the Condominium to which rights of membership in the Association are attached, shall be entitled to one (1) vote on any Association matter requiring a vote of the members. The vote to which any Unit is entitled shall not be divisible and shall be cast by the member entitled to cast the vote in accordance with the terms and provision of this clause. In no event shall more than one (1) vote be cast with respect to any one Unit.

(a) In the event that the Unit is owned by more than one person or entity, those persons or entities shall sign a voting certificate designating one of them for the purpose of casting the vote that is appurtenant to their Unit. Providing that in the event that any such voting certificate is not filed with the Association, the vote to which such unit is entitled shall not be considered in determining whether a quorum is present, or for any other purpose, and the total number of authorized votes in the Association shall be reduced accordingly until such certificate is filed with the Association.

(b) Notwithstanding anything to the contrary contained in the preceding clause in the event that the Unit is owned by a husband and a wife the following provisions shall be applicable:

(i) the husband and the wife may, but shall not be required to, designate one of them as the voting member;

(ii) in the event that the husband and wife do not designate either of them as the person entitled to cast the vote, and if both of them are present at the meeting and are unable to concur in their decision upon any subject requiring a vote of members, they shall lose the right to vote on that particular subject at that particular meeting; and

(iii) in the event that the husband and wife do not designate one of them as the person entitled to cast the vote appurtenant to their Unit at any meeting, and only one of them is present at such meeting, the member present may cast the vote, without establishing the concurrence of the absent member.

(c) In the event that the Unit is owned by an entity, such entity shall designate a partner, officer, fiduciary or employee of the entity, or another Unit Owner to cast the vote that is appurtenant to the Unit. The voting certificate for such Unit shall be signed by any partner or officer of the entity.

6.8 Companies. A company which is a Unit Owner shall by a resolution of its directors authorise any of its officers or any other person to act as its representative at any meetings of the Association or of the Board and the person so authorised shall be entitled to exercise the same powers on behalf of the company which he represents as if he were the individual Unit Owner.

6.9 Adjourned meetings. If any meeting of members cannot be organised because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.

6.10 The order of business at annual members' meeting and as far as practical at other members' meetings shall be:-

- (a) Call to order by Chairman
- (b) Election of Chairman of the meeting
- (c) Calling of the roll and certifying of proxies
- (d) Proof of notice of meeting or waiver of notice
- (e) Reading and disposal of any unapproved minutes
- (f) Reports of officers
- (g) Reports of committees
- (h) Election of inspectors of election
- (i) Determination of number of directors
- (j) Election of directors
- (k) Unfinished business
- (l) New business
- (m) Adjournment

6.11 Proviso Provided, however, that until a majority of the directors of the Association are elected by the members other than the Developer of the Condominium, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Management.

7 Common Seal

(a) The Association shall have a common seal which, subject to paragraph (b), shall at no time be used except by authority of the Board previously given and in the presence of the members of the Board or at least two members thereof who shall sign every instrument to which the seal is affixed.

(b) Where there is only one member of the Association his signature or that of his nominee shall be sufficient for the purposes of this bye-law.

8. Fiscal Management The provision for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions:-

8.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be Common Expenses:

(a) Current expense, which shall include all receipts and expenditure to be made within the year for which the Budget is made, including a reasonable allowance for contingencies and working funds except expenditure chargeable to capital surplus or to additional improvements or to the operations. The balance in this fund at the end of the year shall be applied to reduce the Assessments for current expenses for the succeeding year.

(b) Capital surplus for

(i) Deferred maintenance which shall include funds for maintenance of items that occur less frequently than annually;

(ii) Replacements which shall include funds for repairs or replacement required because of damage, depreciation or obsolescence, and

(iii) Betterments which shall include the funds to be used for capital expenditure for additional improvements or additional personal property that will be part of the Common Property.

8.2 Budget. The Board of Management shall adopt a budget for each calendar year that shall include the estimated funds required to defray the Common Expenses and to provide and maintain funds for the foregoing accounts according to good accounting practices as follows:

8.3 Copies of a proposed budget and proposed Assessments shall be delivered or mailed to each member not less than 30 days prior to the meeting of the Board of Management at which the proposed budget will be considered for adoption, together with a notice of that meeting. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

8.4 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made by the Board of Management for the calendar year annually in

advance on or before December 15 preceding the year for which the Assessments are made. In the event an assessment shall be insufficient in the judgment of the Board of Management to provide funds for the anticipated current expense and for all of the unpaid operating expenses previously incurred, the Board of Management shall amend the budget and shall make amended Assessments for the balance of the year in sufficient amount to meet these expenses for the year, provided, however, that any account of the amended budget that exceeds the limit upon increase for that year shall be subject to the approval of the membership of the Association as previously required in these Bye-Laws.

8.5 Assessments and installments thereof not paid within fourteen (14) days of the date fixed for payment shall bear interest from such date until paid at the rate of ten per cent (10%) per annum. All payments upon accounts shall be first applied to interest and then to the Assessment payment due.

8.6 Assessments for charges. Charges by the Association against members for other than Common Expenses shall be payable in advance. Those charges may so far as the Act allows be collected by Assessment in the same manner as Common Expenses, and when circumstances permit, those charges shall be added to the Assessments for Common Expenses. Charges for other than Common Expenses may only be assessed after approval of a member, and may include but shall not be limited to charges for the use of the Condominium when authorized by the Declaration, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

8.7 Assessments for emergencies. Assessments for emergencies which cannot be paid from the annual assessments for Common Expenses shall be made only after notice of the need therefor to the Unit Owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the Unit Owners concerned, the contribution shall become effective, and shall be due after 30 days notice thereof in such manner as the Board of Management of the Association may require in the notice of Assessment.

8.8 The depository of the Association shall be such bank or banks as may be designated from time to time by the directors and in which the money of the Association shall be deposited. Withdrawal of moneys from those accounts shall be only by cheques signed by such persons as are authorised by the directors.

8.9 An audit of the accounts of the Association shall be made annually by an auditor not being a Unit Owner who is approved by the Registrar and a copy of the audited accounts and the audit report shall be furnished to each member not later than April 1 of the year following the year for which the audit is made

8.10 All Assessments shall be payable to the Association and, upon request the Secretary-Treasurer (or the Association's designee) shall give a receipt for each payment made.

8.11 The Board of Management may enter into a management contract with third parties to whom the power to levy and collect Assessments and do other acts and things referred to herein or in the Declaration may be delegated.

9. Rules and Regulations. The Board of Management with the approval of two-thirds of the members may make Rules and Regulations from time to time

10. Amendment. These Bye-Laws shall only be amended in the manner provided for by the Condominium Declaration.