

-----EXHIBIT A to the -----
-----Deed of Declaration of Rights,-----
-----Restrictions, Conditions and Obligations-----
-----and Constitution of Protective Covenants-----
-----and Restrictions for The Marbella Club-----

-----BY-LAWS OF-----
-----THE MARBELLA CLUB HOMEOWNERS ASSOCIATION, INC.-----

-----ARTICLE I-----
-----GENERAL PROVISIONS-----

---Section 1. The Marbella Club. The Marbella Club developed by Candelero Point Partners, Inc., a corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Developer"), shall be governed by:-----

----- (a) Deed Number Eighty Five (85) of Declaration of Rights, Restrictions, Conditions and Obligations and Constitution of Protective Covenants and Restrictions executed before Notary Javier A. Feliciano Guzmán on the twenty fifth (25th) day of May, two thousand one (2001) (the "Deed of Covenants and Restrictions");-----

----- (b) These By-Laws and any amendments hereto;--

----- (c) The Certificate of Incorporation of The Marbella Club Homeowners Association, Inc., (hereinafter "The Marbella Club Association");-----

----- (d) the documents governing each of the Condominium Regimes (as such term is defined in the Deed of Covenants and Restrictions) which form or shall form part of The Marbella Club, to the extent applicable; and-----

----- (e) the provisions of Act Number One Hundred Four (104) of June twenty five (25), nineteen hundred fifty eight (1958), as amended, (hereinafter referred to as the "Condominium Act"), to the extent applicable.-----



---Section 2. Incorporation. These By-Laws are an integral part of the Deed of Covenants and Restrictions and are in addition hereby incorporated by reference into said Deed of Covenants and Restrictions. All terms used in these By-Laws which are not otherwise defined herein shall have the same meaning herein as set forth in the Deed of Covenants and Restrictions.---

---Section 3. Description. The Marbella Club, and all of its components are described in detail in the Deed of Covenants and Restrictions.-----

---Section 4. Applicability of By-Laws.-----

----- (a) These By-Laws will govern all aspects of The Marbella Club Association and the use, ownership, and occupancy of all parts of The Marbella Club, including but not limited to the Property, Condominium Parcels and/or Condominium Regimes, including all General and Limited Common Elements thereof, the Residential Units and Common Properties and Facilities. All present or future Unit Owners, tenants and occupants of a Residential Unit, their employees and invitees, or any other person using any part of The Marbella Club, in any manner shall be subject to these By-Laws. The acquisition, rental or occupancy of any of the Residential Units shall constitute an agreement and acknowledgment by such acquirer, lessee or occupant that these By-Laws are accepted, ratified and will be complied with.-----

---Section 5. Unit Owner Defined. The person or entity who is the owner of a Residential Unit (as defined in the Deed of Covenants and Restrictions),



whether recorded or not in the Registry shall be deemed to be the owner thereof for purposes of these By-Laws.-----

-----ARTICLE II-----

-----THE MARBELLA CLUB ASSOCIATION-----

---Section 1. The Marbella Club Association. The Marbella Club Association shall be the governing body of The Marbella Club.-----

---Unit Owners, tenants and occupants of Residential Units and/or their employees and invitees shall comply with the regulations and resolutions of The Marbella Club Association made pursuant to the provisions contained herein.-----

---Section 2. Composition. The Marbella Club Association shall have as its members the Developer and every person, group of persons, corporation, partnership, trust, association or other legal entity, or any combination thereof, which is a Unit Owner as defined in Section 5 of Article I hereof.-----

---Section 3. Definition of Members. As used in these By-Laws, the term Members shall mean collectively the Type A Members and the Type B Members of The Marbella Club Association, as defined in Section Five (B) of Article II of the Deed of Covenants and Restrictions.-----

---Section 4. Voting. Each Member shall be entitled to vote, as provided for and pursuant to the provisions of Section Five (B) of Article II of the Deed of Covenants and Restrictions.-----

---Section 5. Proxies. At all meetings of The Marbella Club Association, the vote of any Member may be cast in person or by proxy appointed by an



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instrument in writing subscribed by the Member and delivered to the Secretary of The Marbella Club Association before the appointed time of each meeting. Each proxy shall be revocable at any time by written notice to the Secretary of The Marbella Club Association by the Member who executed the proxy, and shall automatically expire twelve (12) months following its issuance, unless it expressly states otherwise. No person shall exercise the right to vote by proxy in representation of more than one (1) Member.-----

---Section 6. Annual Meetings. Annual meetings of the Members of The Marbella Club Association shall be held at least once a year, on the last Saturday in the month of February of each year; provided however, that if the date of the annual meeting falls on a legal holiday, the annual meeting shall be held on the following day that is not a legal holiday. At the annual meeting, the Unit Owners shall elect by ballot the members of the Board of Directors of The Marbella Club Association (the "Master Board") in accordance with the provisions of these By-Laws.-----

---Section 7. Special Meetings. The first special meeting of The Marbella Club Association may be called by the Developer at its sole and absolute discretion, for the purpose of electing the Master Board and transferring the management of The Marbella Club Association to the Unit Owners. Thereafter, special meetings of The Marbella Club Association may be called by the President of the Master Board. The President shall call a special



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meeting of The Marbella Club Association if directed by a resolution of the Master Board, or upon a petition duly presented to the Secretary signed by one-fifth (1/5) of the total number of Unit Owners.-----

---Section 8. Place of Meetings. Meetings of The Marbella Club Association shall be held at the place designated in writing by the Master Board from time to time.-----

---Section 9. Notice of Meetings. The Secretary of The Marbella Club Association shall mail or deliver a written notice of each annual or special meeting, stating the purpose thereof, and the date, time and place of the meeting, to each Unit Owner at the address registered in the Book of Unit Owners of The Marbella Club Association. If no address is registered in the Book of Unit Owners, the address of the Residential Unit shall be deemed to be the correct address for purposes of mailing any notices.-----

---The notice of the annual meeting shall be mailed or delivered at least ten (10) calendar days, but not more than thirty (30) calendar days, in advance of the meeting.-----

---A copy of the Notice sent to the Unit Owners shall be posted in the bulletin board of The Marbella Club Association, if one exists, on the day that the notices are mailed and/or delivered as provided herein.-----

---The notice of a special meeting shall be mailed or delivered ten (10) calendar days in advance of the meeting. No business shall be transacted at a



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special meeting except as stated in the notice, unless the majority of the Members present at the special meeting, whether in person or by proxy, consents thereto.-----

---Any notice required hereunder may be waived, if a waiver is signed by any individual Unit Owner entitled to notice.-----

---Section 10. Quorum. Except as otherwise provided by these By-Laws, the presence in person or by proxy of (i) the Developer, until it terminates its membership in The Marbella Club Association and (ii) one third plus one of the Unit Owners entitled to vote shall constitute a quorum at all meetings of The Marbella Club Association.--

---Resolutions adopted by the majority of the Members at a meeting at which a quorum is present shall be binding on all the Members, except where approval by a greater number of Members is required by law, the Deed of Covenants and Restrictions, these By-Laws, the Certificate of Incorporation and/or By-Laws of The Marbella Club Association, and, to the extent applicable the documents governing each Condominium Regime and the Condominium the Act.-----

---Section 11. Adjourned Meetings. If any meeting of The Marbella Club Association cannot be held because a quorum is not present, the Unit Members who are present, either in person or by proxy, may adjourn the meeting to a date not less than two (2) days from the date the original meeting was scheduled. A new notice of the adjourned meeting shall be given by the Secretary of The Marbella



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Club Association in the manner provided for herein. Provided that the Developer is present in the adjourned meeting, the Unit Owners present at such adjourned meeting shall constitute a quorum. Provided that the Developer is present in the adjourned meeting, any business may be transacted that might have been transacted at the original meeting, at such adjourned meeting. Provided that the Developer remains present, the Members present at a meeting where quorum has been constituted as previously indicated, may continue to transact business until adjournment, notwithstanding the withdrawal of enough Unit Owners to leave less than a quorum.-----

---Section 12. Consent in Lieu of Meeting. Any action required to be taken at any annual or special meeting of the Members of The Marbella Club Association may be taken without meeting, without prior notice and without a vote, if a consent in writing, setting forth the action to be taken and waiving the right to a meeting shall be signed by all of the Members with a right to vote.-----

---Section 13. Agreements and Actions Requiring Unanimity. When all the Members present at a duly constituted meeting adopt a decision that requires unanimity, the non-attending Unit Owners, who must have been given notice in accordance with the terms of these By-Laws, shall be notified in writing by certified mail, return receipt requested, at the address registered in the Book of Unit Owners, or otherwise at its Residential Unit, of the resolution or action adopted at the meeting of



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The Marbella Club Association. The notice shall contain a copy or a summary of the resolution or action adopted and shall inform the non-attending Unit Owners of their right to vote against the resolution or action adopted. The notice shall further state that, (i) if within a period of fifteen (15) calendar days counted from the date of mailing of said notice, the non-attending Unit Owners do not notify The Marbella Club Association of their disagreement with the resolution or action in writing by certified mail, return receipt requested, the non-attending Unit Owners shall be bound by the decision, and (ii) that no action shall be taken to implement such resolution or action until after the aforementioned fifteen (15) calendar day period elapses.-----

---Section 14. Amendments to the By-Laws.-----

----- (a) As long as the Developer is a member of The Marbella Club Association, these By-Laws may only be amended by the Developer, who shall be and is hereby authorized to amend, alter or repeal any part of these By-Laws, as in its sole and absolute discretion it deems necessary and convenience.-----

----- (b) Once the Developer terminates its membership to The Marbella Club Association, these By-Laws may be altered, amended or repealed upon the affirmative vote of no less than three-fourths (3/4) of the Unit Owners. In the event that the required number of votes to amend these By-Laws is not obtained at a duly convened meeting, the non-attending Unit Owners, who must have been given notice in accordance with these By-Laws, shall be



notified in writing by certified mail, return receipt requested at the address registered in the Book of Unit Owners, of the proposed amendment of the By-Laws. The notice shall contain a copy of the proposed amendment and shall inform the non-attending Unit Owners of their right to vote against or in favor on the proposed amendment. The notice shall further state that, if within a period of fifteen (15) calendar days from the date of mailing of said notice, the non-attending Unit Owners do not deliver their vote to The Marbella Club Association by certified mail, return receipt requested, they shall be deemed to have voted in favor of the proposed amendment to these By-Laws. -

---Any proposed amendment to these By-Laws shall not be effective until the required number of affirmative votes is obtained, reflected in a public deed, and filed for recording in the Registry.-----

---Section 15. Order of Business. The order of business at the annual meeting of the Members of The Marbella Club Association or at any special meeting, insofar as practicable, shall be as follows:-----

- (a) Calling the roll and certifying proxies;
- (b) Proof of Notice of Meeting or Waiver of Notice;-----
- (c) Reading the minutes of the preceding meeting and disposal of any unapproved minutes; ---
- (d) Report(s) of Officers;-----
- (e) Report(s) of Committees;-----
- (f) Election of Directors;-----



- (g) Old Business;-----
- (h) New Business; and-----
- (i) Adjournment.-----

---Section 16. Powers and Duties of Unit Owners.---

---Subject to the provisions of Section Ten of Article II of the Deed of Covenants and Restrictions, the Unit Owners shall have, but shall not be limited to, the following powers and duties:-----

----- (a) To elect (i) the members of the Master Board, and (ii) the President, Secretary and Treasurer of The Marbella Club Association, and to authorize and fix the compensation if any, to which the members of the Master Board are entitled, for their services as members of the Master Board.-----

----- (b) To designate the Manager of The Marbella Club (as hereinafter defined), to whom the Master Board may delegate such powers and duties as specified in these By-Laws.-----

----- (c) To remove any member of the Master Board, with or without just cause, by (i) vote of a majority of the Unit Owners entitled to vote, plus (ii) vote of a majority of the Unit Owners of The Condominium Regime represented by the removed member of the Board of Directors.-----

----- (d) To remove the Manager of The Marbella Club, with or without just cause, by vote of a Majority of the Unit Owners entitled to vote.-----

----- (e) To approve each year: (i) a budget of expenses and income for the coming fiscal year; (ii) the balance sheet for the previous fiscal year; and (iii) the assessments to be imposed on



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each Unit Owner to meet the common expenses of The Marbella Club Association and the manner of collecting the same.-----

----- (f) To approve major or extraordinary repairs, maintenance work, and improvements and impose special assessments for the payment thereof, in strict compliance with the provisions of the Deed of Covenants and Restrictions and these By-laws;-----

----- (g) To amend these By-Laws as provided herein, provided that, any Unit Owner who has mortgaged his or her Residential Unit shall obtain the consent of the mortgagee to vote for said amendment (if such consent is required under the mortgage documents).-----

----- (h) To take all necessary actions for the common good of The Marbella Club, Common Properties and Facilities, the Condominium Parcels and/or Condominium Regimes, Residential Units and Unit Owners.-----

-----ARTICLE III-----

-----MASTER BOARD OF DIRECTORS-----

---Section 1. Master Board of Directors. The business and affairs of The Marbella Club Association shall be managed by the Master Board.--

---Section 2. Number and Qualification. The Master Board shall be composed of one (1) member representing each building located on each Condominium Regime which forms part of The Marbella Club. The members herein referenced shall be elected by the governing board of each respective Condominium Regime forming part of The Marbella Club, at their respective annual meetings. Members



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of the Master Board must be Unit Owners, and shall not be delinquent in the payment of his or her Annual Assessments or Special Assessments. Members of the Master Board shall not be entitled to receive any compensation for their services as members of the Master Board unless authorized and fixed by the Members at a duly constituted and convened meeting of The Marbella Club Association, as provided in Section 16(a) of Article II of these By-Laws.-----

---Section 3. Powers and Duties. The Master Board shall have the powers and duties necessary for the administration of the affairs of The Marbella Club Association and may perform all such acts relative to such administration not prohibited by law, the Deed of Covenants and Restrictions, the Certificate of Incorporation, and/or these By-Laws of The Marbella Club Association, the documents governing each Condominium Regime, any resolution duly adopted by The Marbella Club Association and, to the extent applicable, the Condominium Act. In addition, the Board shall have the following powers and duties:-----

----- (a) To attend to all matters that relate to the good government, administration, operation, supervision, safety and functioning of The Marbella Club as a first class residential community, including the (i) Common Properties and Facilities, (ii) General and Limited Common Elements of the Condominium Regimes, and (iii) general services of The Marbella Club Association.-----



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-----(b) To prepare the annual budget of expenses and income of The Marbella Club Association for each fiscal year (the "Master Budget"). The proposed Master Budget shall contain, at a minimum, an estimate of the total amount of income The Marbella Club Association expects to receive, as well as an estimate of expenses for administration, maintenance, utilities, and other general expenses, reserves and capital expenditures to be imposed on each Unit Owner to meet The Marbella Club Association's expenses, and the assessments to be imposed on each Unit Owner for the next fiscal year, as provided in the Deed of Covenants and Restrictions. The Master Budget shall be adopted at an open meeting of the Master Board and submitted to the Members for approval at the annual meeting or at a special meeting of The Marbella Club Association called for that purpose. Immediately after the approval of the Master Budget by the Master Board, a copy shall be sent to each Unit Owner thirty (30) calendar days after its approval. The failure or delay of the Master Board to prepare or adopt the Master Budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of any assessments, as provided in the Deed of Covenants and Restrictions. In the absence of Master Budget for a particular year, each Unit Owner shall continue to pay assessments at the then existing rate established for the previous fiscal period until the new assessment is established.-----



----- (c) To submit to the Members for their approval, sixty (60) calendar days after the end of The Marbella Club Association's fiscal year, a statement of accounts for the previous fiscal year indicating the total amount of assessments received from the Members, all other income received, an itemized statement of all expenses, the remuneration paid to The Marbella Club Manager, if any, the amount of all accounts receivables, the cash balance for the prior fiscal year and the amount available as reserve funds.-----

----- (d) To maintain books with detailed accounts, in chronological order, of the income and expenses of The Marbella Club Association and its administration, including without limitation, the expenses for maintenance and repair of the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes. These books and the vouchers, receipts and other documentation corresponding to each of the entries shall be available for examination by any Unit Owner on such date and times as may be approved by the Master Board from time to time.-----

----- (e) To collect the assessments from the Unit Owners and make all other necessary collections and payments, issuing the corresponding receipts and checks therefore. -----

----- (f) To open a bank account in the name of The Marbella Club Association, designate two (2) required signatories therefor, one of which may be the Manager, deposit all monies received within two (2) days after receipt, and issue checks against



said account (which checks shall not be payable to the bearer or cash) and make all necessary payments and meet all obligations of The Marbella Club Association. All payments shall be supported by the corresponding invoice, receipt, order, bill, statement, bill of lading or other appropriate documentation.-----

----- (g) To obtain insurance for the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes.-----

----- (h) To control the use of (i) all the Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes.-----

----- (i) To establish reasonable reserve funds for emergencies and unforeseen contingencies and for the repair and replacement of the (ii) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes, as provided for in the Deed of Covenants and Restrictions of The Marbella Club.-----

----- (j) To take any action necessary for the care, upkeep, maintenance, ordinary repair and replacement of any part of the (i) Common Properties and Facilities and the (ii) General and Limited Common Elements of the Condominium Regimes.

In the event that extraordinary repairs are required, the Master Board shall adopt a plan for carrying out such repairs and/or improvements and shall immediately submit its plan to the Unit Owners for approval.-----





----- (k) To keep a Book of Unit Owners (the "Book of Unit Owners") which shall contain the names and other personal data of each Unit Owner, including but not limited to, all transfers of, and liens on the Residential Units; the official address to which all notices, information and correspondence of any kind from The Marbella Club Association or the Master Board is to be mailed and, if no such address is furnished by the Unit Owner, then the official address shall be deemed to be that of the Residential Unit owned by the Unit Owner.-----

----- (l) To increase or reduce the assessments for common expenses, subject to approval by the Members.-----

----- (m) To fill vacancies on the Master Board, subject to revocation by the corresponding governing board of the Condominium Regimes.-----

----- (n) To comply with and enforce all applicable laws, the provisions of the Deed of Covenants and Restrictions, these By-Laws, the regulations and resolutions of The Marbella Club Association, the Articles of Incorporation of The Marbella Club Association, the documents governing each Condominium Regime and, to the extent applicable, the provision of the Condominium Act.-

----- (o) Generally, to exercise the powers of The Marbella Club Association and to do every other act, which may be appropriate to promote and attain the purposes set forth in the Deed of Covenants and Restrictions, these By-Laws, the Certificate of Incorporation of The Marbella Club Association, the documents governing each Condominium Regime and, to

the extent applicable, the provisions of the Condominium Act.-----

----- (p) To settle all complaints or claims relating to the day to day management of The Marbella Club by the Master Board or The Marbella Club Manager, as the case may be.-----

----- (q) To adopt or amend regulations and/or resolutions on matters of general interest to the community of Unit Owners, including, but not limited to the (i) Swimming Pool and Swimming Pool Area Regulations, attached hereto as Exhibit I to the By-Laws of The Marbella Club, and (ii) the Parking Area Regulations, attached hereto as Exhibit II to the By-Laws of The Marbella Club.-----

----- (r) To, in coordination with the governing boards of the Condominium Regimes order the suspension of services received by or through the General Common Elements of any Condominium Regime, including services for water, gas, electricity, telephone and/or any other similar services, to those Unit Owners delinquent in the payment of three (3) or more consecutive monthly installments of the Annual Assessment (the "Delinquent Unit Owners") who freely use and enjoy the elements for which maintenance they are not contributing. The Master Board may, but shall not be required to, send a notice to a Delinquent Unit Owner after the payment of the second consecutive monthly installment in arrears becomes due, notifying The Marbella Club Association's intention to order the suspension of any or all services referred to herein, immediately after the third consecutive



monthly installment in arrears becomes due.-----

----- (s) To appoint a rental management entity, in accordance with the provisions of Article IV of the Deed of Covenants and Restrictions of The Marbella Club.-----

----- (t) To appoint a Delegate and an Alternate to represent The Marbella Club Association before the PHA, in accordance with Article III, Section D of the PHA Covenants.-----

---Section 4. Employment of The Marbella Club

Manager. In the event that the Members elect to employ or retain an individual, corporation, partnership, trust or other entity to manage the day to day affairs of The Marbella Club, the Master Board shall enter into a written agreement with such individual, corporation, partnership, trust or other entity to act as The Marbella Club Manager, specifying the duties and services to be performed, which shall include, but not be limited to, those duties listed in Section Three (3) of this Article and to enforce and administer compliance with the terms and conditions of the Deed of Covenants and Restriction of The Marbella Club. The compensation to be paid to The Marbella Club Manager for the performance of such duties and services shall be fixed by Master Board.-----

---Section 5. Election and Term of Office. The term of office of the members of the Master Board shall be one (1) year. The members of the Master Board shall be elected at the annual meeting of the governing board of each Condominium Regime, and may be re-elected for succeeding one-year terms,-----



without limitation as to the number of successive terms a member may serve on the Master Board. Each director shall hold office until his successor has been elected as herein provided and the newly constituted Master Board holds its first or next meeting, or until he or she is removed from office in the manner provided in Section Six (6) of Article III of these By-Laws.-----

---Section 6. Removal of Members of the Master Board. Any one or more of the Members of the Master Board shall be removed, with or without cause, by either (a) the vote of a majority of the Members of the Master Board a special meeting called for such purpose or at any regular or annual meeting where such business is included in the agenda, plus the vote of a majority of the Unit Owners of the Condominium Regime represented by the removed member of the Master Board; or (b) an instrument or instruments in writing addressed to the Master Board directing such removal and signed by a majority of the Members, plus a majority of the Unit Owners of the Condominium Regime represented by the removed member of the Master Board; and thereupon the term of each such director shall terminate.-----

---Section 7.. Vacancies. Any vacancy or vacancies in the Master Board resulting from death, resignation or any other cause, may be filled by a successor elected at the next annual meeting or any special meeting of the governing board of the Condominium Regime represented by the director who created the vacancy, called for that purpose.-----





---Section 8. Annual Meeting. The first meeting of the Master Board following the annual meeting of The Marbella Club Association shall be held within ten (10) days thereafter at such place and time as shall be fixed by a majority of the members of the Master Board.-----

---Section 9. Regular Meetings. Regular meetings of The Marbella Club Association may be held at such date, time, and place within the Commonwealth of Puerto Rico as shall be determined by resolution of the majority of the Master Board; provided, that at least two (2) regular meetings are held during each fiscal year.-----

---Section 10. Special Meetings. Special meetings of the Master Board may be called by or at the request of any two (2) members of the Master Board. The persons calling the special meeting may fix the time, date and place for holding the meeting.-----

---Section 11. Notice. Notice of any meeting, whether regular or special, stating the purpose thereof, and the date, time and place, shall be given at least five (5) calendar days but not more than ten (10) calendar days prior to such meeting, either by (a) written notice delivered or mailed to each director's address registered in the Book of Unit Owners, in which case the notice shall be deemed delivered when deposited in the United States mail, postage prepaid, or (b) by telephone call to each director's telephone number registered in the Book of Unit Owners; provided, that the Secretary of The Marbella Club Association shall note in the Minute Book of The Marbella Club

Association describing the manner, time and place such notice was given. A copy of any notice issued hereunder shall be posted on the Bulletin Board of The Marbella Club Association, if one exists, and shall contain the date, hour and place of the meeting. All regular or special meetings of the Master Board shall be open to all Unit Owners or occupants of the Residential Units.-----

---Section 12. Waiver of Notice. A director may waive notice of any meeting by attending the meeting or by written waiver, either before or after such meeting. If all directors are present at any meeting of the Master Board, no notice shall be required and any business which the Master Board may lawfully transact may be transacted at such meeting.-----

---Section 13. Quorum. Three Directors shall constitute a quorum for the transaction of business at any meeting of the Master Board. If less than a quorum is present, a majority of the directors present may adjourn the meeting to a latter date without further notice. At any adjourned meeting at which quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.-----

---Section 14. Manner of Acting. The act of the majority of the members of the Master Board present at a meeting at which there is a quorum shall be the act of the Master Board.-----

---Section 15. Compensation. No member of the Master Board shall receive any compensation for



acting as such, unless authorized and fixed by the Unit Owners at a duly constituted and convened meeting of The Marbella Club Association, as stated in Section 16(a) of Article II of these By-Laws. A Director may be reimbursed for actual out-of-pocket expenses incurred by him or her in the proper performance of his or her duties.-----

-----ARTICLE IV-----

-----OFFICERS-----

---Section 1. Designation. The officers of The Marbella Club Association shall be a President, a Secretary, Treasurer, or any other officer or assistant officer deemed necessary by The Marbella Club Association all of whom shall be Unit Owners and comply with the requirements set forth in Section two (2) of Article III hereof.-----

---Section 2. Election of Officers. The officers of The Marbella Club shall be elected annually by the Unit Owners at the annual meeting of The Marbella Club Association, among the persons elected to be members of the Master Board of The Marbella Club Association.-----

---Section 3: President. The President shall be the representative responsible for the day to day business of The Marbella Club Association. The President shall preside at all meetings of The Marbella Club Association and the Master Board, and shall direct discussions, compute and verify all voting, and, together with the Secretary, sign the minutes of the meetings of The Marbella Club Association and the Master Board which he or she presided.-----



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---Section 4. Secretary. The Secretary shall (a) keep the minutes of all meetings of The Marbella Club and the Master Board, which shall be available for inspection by any Unit Owner by prior appointment; (b) be the custodian of such books and papers as the Master Board may direct; (c) certify, together with the President, the minutes of each meeting of the Master Board and The Marbella Club Association; (d) issue any certifications of such portions of the Minute Book as may be authorized by the Master Board from time to time; (e) take attendance at all meetings of The Marbella Club Association and assist the President in verifying any vote of The Marbella Club Association; (f) prepare and ensure that all notices to the Unit Owners are duly given according to the provisions of these By-Laws; (g) give notice to all Unit Owners who fail to attend meetings of The Marbella Club Association of all resolutions adopted, in the manner and form required by these By-Laws; and (h) perform all other duties and have all powers incident to the office of the Secretary or as may be assigned or delegated by these By-Laws or The Marbella Club Association.-----

---Section 5. Treasurer. The Treasurer shall (a) have charge and custody of and be responsible for all funds and securities of The Marbella Club Association; (b) receive and give receipts for moneys due and payable to The Marbella Club Association from any source whatsoever; (c) deposit all such moneys in the name of The Marbella Club Association in such banks, trust companies, or

other depositors as shall be selected in accordance with the provisions of the Deed of Covenants and Restrictions of The Marbella Club, the Certificate of Incorporation of The Marbella Club Association and these By-laws; and (d) in general perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the Master Board.-----

---Section 6. Minutes. The minutes of each meeting of the Master Board and of The Marbella Club Association shall state, without limitation:

(a) the place, date, and time of the meeting of the Master Board or The Marbella Club Association, as the case may be; (b) the items of business considered; (c) the number of Members present and, their names; (d) the text of all resolutions approved at the meeting; (e) the number of votes in favor and against each matter put to a vote and any statements made by any Members of The Marbella Club Association or member of the Master Board, as the case maybe, in connection with his or her vote; (f) the statements of any Unit Owner made for the record and (g) any other information deemed relevant or pertinent. The last page of all minutes shall be signed by the President and the Secretary.-----

---Section 7. Compensation. No officer shall receive any compensation for acting as such, but an officer may be reimbursed for actual out of pocket expenses incurred by him or her in the proper performance of his or her duties.-----



-----ARTICLE V-----

-----ADMINISTRATION-----

---Section 1. Appointment, Removal and Remuneration of The Marbella Club Manager. The Master Board of The Marbella Club Association may appoint a Manager of The Marbella Club ("The Marbella Club Manager") and shall determine its remuneration. The Marbella Club Manager need not be a Unit Owner.-----

---Section 2. Powers and Duties of The Marbella Club Manager. The Master Board of The Marbella Club Association may confer upon The Marbella Club Manager such powers and duties as it deems necessary for the management of the business and affairs of The Marbella Club including, but not limited to, the following:-----

----- (a) To attend to all matters that relate to the good administration, operation, supervision, safety and functioning of The Marbella Club, including the (i) Common Properties and Facilities, (ii) General and Limited Common Elements of the Condominium Regimes and (iii) general services of The Marbella Club.-----

----- (b) To collect and pay all monies owed to and by The Marbella Club Association.-----

----- (c) To maintain books with detailed accounts, in chronological order, of the income and expenses of The Marbella Club Association and its administration, including without limitation, the expenses for maintenance and repair of the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium





Regimes. These books and the vouchers, receipts and other documentation corresponding to each of the entries shall be available for examination by any Unit Owner on such date and times as may be approved by the Master Board from time to time.-----

----- (d) To collect the assessments from the Unit Owners, make all other necessary collections and payments, and issuing the corresponding receipts and checks therefore.-----

----- (e) To assist the Master Board in preparing the Master Budget.-----

----- (f) To open a bank account in the name of The Marbella Club Association and deposit all monies received within two (2) days after receipt, and issue checks against said account in order to make all necessary payments on obligations of The Marbella Club Association. The Marbella Club Manager may be authorized to sign checks, draw and deposit funds on this account; provided, that Marbella Club Manager shall not issue checks payable to bearer, cash, or to the order of itself.-----

----- (g) To call to the attention of any Unit Owner, his employees, servants, agents, visitors, licensees and their families any violation by said Unit Owner, his employees, servants, agents, visitors, licensees and their families of any of the provisions of the Deed of Covenants and Restrictions and/or these By-Laws or The Marbella Club's standards of behavior and conduct.-----

----- (h) To keep the Book of Unit Owners.-----

----- (i) To obtain insurance for the (i) Common

Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes, as required pursuant to the provisions of Article VII hereof.-----

----- (j) To control the use of all (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes.-----

----- (k) To submit to the Members for their approval, sixty (60) calendar days after the end of The Marbella Club Association's fiscal year, a statement of accounts for the previous fiscal year indicating the total amount of assessments received from the Members, all other income received, an itemized statement of all expenses, the remuneration paid to The Marbella Club Manager, the amount of all accounts receivables, the cash balance for the prior fiscal year and the amount of the reserve funds. In the event that the Master Board delegates this power to The Marbella Club Manager, the statements shall be delivered by The Marbella Club Manager to the Members no less than fifteen (15) days prior to the meeting of The Marbella Club Association called for the purpose of approving the statements.-----

----- (l) To take any and all actions necessary for the care, upkeep, maintenance, ordinary repair and security of The Marbella Club and in particular, the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes. In the event that extraordinary repairs are required, the Master



Board shall adopt a plan for carrying out such repairs and/or improvements and shall immediately submit its plan to The Marbella Club Association for approval.-----

----- (m) To procure the vote, in writing, of each Member when, due to urgent circumstances, the delay in convening a meeting of The Marbella Club Association would cause irreparable injury to The Marbella Club.-----

----- (n) To comply with and enforce all applicable laws, the provisions of the Deed of Covenants and Restrictions, these By-Laws and the Certificate of Incorporation of The Marbella Club Association, the documents governing each Condominium Regime, the regulations and resolutions of The Marbella Club Association, and to the extent applicable, the Condominium Act.-----

----- (o) To perform all duties that the Master Board may delegate to The Marbella Club Manager from time to time.-----

-----ARTICLE VI-----

-----OBLIGATIONS OF THE UNIT OWNERS-----

---Section 1. Assessments. All Unit Owners shall pay an annual assessment imposed by The Marbella Club Association, upon recommendation of the Master Board, to meet all of The Marbella Club Association's common expenses, as required by the Deed of Covenants and Restrictions of The Marbella Club and these By-Laws. The assessments shall be, as set forth in Section Nine of Article II of the Deed of Covenants and Restrictions.-----





---The common expenses include, but are not limited to: (a) insurance premiums for liability, property damage and repair and reconstruction work in case of hurricane, fire, earthquake, or other hazards of the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes; (b) expenses for the maintenance and repair of the (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes; (c) the maintenance of the front entrance and internal roads of The Marbella Club specifically designated therefor, (d) management fees; (e) audit, attorney's fees and expenses, and like administrative costs; (f) reserves for replacements or other expenses of non-recurring nature; (g) service contracts (including, but not limited to service contracts for security guards, maintenance and/or repair of the Swimming Pool, Parking Areas and lawn care and employees' salaries); (h) payment of utility bills and like expenses (except to the extent that such bills or expenses are individually metered for any Residential Unit, in which event such bills or expenses shall be the responsibility of the Unit Owner receiving the benefit of such individually metered service); and (i) any other lawful expenses agreed to by The Marbella Club Association. The amount that each Unit Owner is bound to contribute to the common expenses shall be determined, fixed and imposed at the beginning of each fiscal year, and shall be paid in twelve (12) monthly installments.-----

---Any assessment that is not paid when due shall accrue interest at the maximum rate permitted by law. Any Unit Owner in arrears of three (3) or more monthly installment shall pay an additional penalty equal to one per cent (1%) per month of the total amount of assessments due and unpaid, and be deprived of his or her right to vote at the meetings of The Marbella Club Association until the unpaid assessments, and interest and penalties accrued, have been fully paid. The Master Board, or The Marbella Club Manager shall notify any Unit Owner whose monthly assessments are in arrears, by certified mail, return receipt requested:-----

----- (a) The amount owed (including the rate of interest being charged and the penalty, if applicable); -----

----- (b) That the Unit Owner has been deprived of his or her right to vote at the meetings of The Marbella Club Association until the unpaid assessments and interest and accrued penalties have been paid; -----

----- (c) That if the amount due is not received within the next fifteen (15) days, legal action to recover said amount may be instituted; and -----

----- (d) That no Unit Owner is exempted from the obligation to pay his or her share of the assessments by waiving the use or enjoyment of the Common Properties or Facilities or by abandoning his Residential Unit.-----

---The Marbella Club Association may order the suspension of services received by or through the (i) Common Properties and Facilities and/or (ii) in



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coordination with the governing boards of the Condominium Regimes, the General Common Elements of the Condominium Regimes, including services for water, gas, electricity, telephone and/or any other similar services, to those Unit Owners delinquent in the payment of three (3) or more consecutive monthly installments (the "Delinquent Unit Owners") who freely use and enjoy the elements for which maintenance they are not contributing. The Marbella Club Association may, but shall no be required to, send a notice to a Delinquent Unit Owner after the payment of the second consecutive monthly installment in arrears becomes due, notifying The Marbella Club Association's intention to order the suspension of any or all services referred to herein, immediately after the third consecutive monthly assessment in arrears becomes due.-----

---Section 2. Book of Unit Owners. Each Unit Owner shall furnish the Master Board or The Marbella Club Manager, as the case may be, with an address to which all notices, information and correspondence of any kind from The Marbella Club Association to the Unit Owner are to be mailed, and if no such address is furnished by the Unit Owner for inclusion in the Book of Unit Owners, then such address shall be deemed to be that of the Residential Unit owned by the Unit Owner. Each Unit Owner must also furnish any reasonable information regarding his or her personal circumstances, as well as the date of and other relevant data relating to the acquisition of the



Residential Unit. All such information shall be furnished, together with a copy of the deed by which transfer of title was effected, within thirty (30) days from the date of execution of the deed.--

---Section 3. Sale or Transfer of a Residential Unit. In the event of a sale or transfer of a Residential Unit, the transferor of said Residential Unit shall:-----

----- (a) State in the deed or instrument of sale or transfer that the transferee acknowledges that he or she has read, understands, and agrees to abide by the Deed of Covenants and Restrictions, these By-Laws, the Certificate of Incorporation of The Marbella Club Association, the documents governing each Condominium Regime and, to the extent applicable, the provisions of the Condominium Act and the provisions of the PHA Covenants.-----

----- (b) Demand a written statement from the transferee acknowledging that the acquiring party agrees that upon acquiring title to the Residential Unit, he or she shall become jointly and severally liable with the transferor for any amounts owed to The Marbella Club Association at the time of conveyance. This Section shall not impair any rights of the transferee to recover from the transferor any monies paid in satisfaction of the aforementioned debts relating to periods prior to the date of the transfer of the Residential Unit.--

----- (c) Notify PHA of the sale of the corresponding Residential Unit and the name and address of the transferee thereof.-----





---Section 4. Lease of a Residential Unit. Each Unit Owner shall, upon entering into a Long Term Lease for his Residential Unit:-----

----- (a) Notify the Master Board or The Marbella Club Manager, as the case may be, of the lease and the personal circumstances of the lessee. This information shall be included in the Book of Unit Owners. Leases or rentals of six (6) months or longer shall be reported by the corresponding Unit Owner, in withing, to the PHA Office.-----

----- (b) Be responsible for the conduct of the lessee and the lessee's employees and invites, including without limitation, their adherence to and compliance with these By-Laws. -----

----- (c) Remain solely liable for the payment of the assessments on the leased Residential Unit.-----

----- (d) State in the deed or contract of lease that the lessee has read, understands and agrees to abide by the Deed of Covenants and Restrictions, the Certificate of Incorporation and By-laws of The Marbella Club Association, the documents governing each Condominium Regime, the Applicable Palmas Covenants and any and all applicable laws.-----

-----ARTICLE VII-----

-----INSURANCE-----

---Section 1. Coverage.-----

----- (a) The (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes shall be insured against risk of fire, earthquake, windstorm, and other disasters for an amount equal to the full replacement value of the structures therein located. No Unit Owner

shall be entitled to vote to amend the terms of this Section without the consent of the mortgagee of his or her Residential Unit (if the Mortgage documents so provide.)-----

----- (b) The (i) Common Properties and Facilities and (ii) General and Limited Common Elements of the Condominium Regimes shall have adequate public liability and property damage insurance.-----

----- (c) Nothing contained in this Section shall be understood to limit the right of a Unit Owner to insure his or her Residential Unit.-----

---Section 2. Reconstruction. In the event of fire, earthquake, windstorm, or other disaster, the proceeds of the applicable insurance shall be applied to the reconstruction of the (i) Common Properties and Facilities and/or (ii) General and Limited Common Elements of the Condominium Regimes, in accordance with the documents governing each Condominium Regime, the resolutions adopted by the Master Board and to the extent applicable the Condominium Act, according to the provisions of these By-Laws.-----

---In the event that the proceeds of the insurance are insufficient to cover the cost of reconstruction, the construction costs shall be paid by all the Unit Owners directly affected by the damage in proportion to the percentage share of their respective Residential Units in the Common Properties, Facilities, or General Limited Common Elements affected. In the event that a minority of the Unit Owners directly affected refuse to make payments for the reconstruction of the Common





Properties, Facilities, General or Limited Common Elements of the Condominium Regimes affected, the majority of the Unit Owners directly affected may proceed to rebuild the Common Properties, Facilities, General and Limited Common Elements of the Condominium Regimes affected, at the expense of all the Unit Owners benefitted thereby, including those who are opposed to the rebuilding of the affected areas. In such event, The Marbella Club Association shall adopt a resolution setting forth the circumstances and the cost of the reconstruction of the affected areas. The provisions of the preceding paragraph shall be amended only by the unanimous consent of the affected parties subsequent to the date of the fire, earthquake, windstorm, or other disaster causing the damage to any Common Properties, Facilities, General and Limited Common Elements of the Condominium Regimes.-----

---Section 3. Non-Insured Event. The provisions of this Article shall apply to the destruction of the (i) Common Properties and Facilities and/or (ii) General and Limited Common Elements of the Condominium Regimes arising out of a an insured or non-insured event.-----

-----ARTICLE VIII-----

-----RESERVE FUND-----

---Section 1. Purpose. A Reserve Fund shall be created to provide for any of the following:-----

- (a) Extraordinary expenses;-----
- (b) Expenses that exceed the budget of The Marbella Club Association;-----



----- (c) Urgent or emergency expenditures, whether ordinary or extraordinary; and-----

----- (d) Improvements, modifications or alterations that affect the (i) Common Properties and Facilities and/or (ii) General and Limited Common Elements of the Condominium Regimes.-----

---Section 2. Funding. The Reserve Fund shall be funded by a surcharge in an amount equal to two (2) monthly installments of the Annual Assessment imposed by The Marbella Club Association upon the Unit Owners pursuant to these By-Laws, payable by the first Unit Owner of each Residential Unit at the closing of the purchase of his or her Residential Unit.-----

---Section 3. Special Bank Account. A special bank account shall be opened for the Reserve Fund in the name of The Marbella Club Association, and the joint signatories thereon shall be designated initially by the Developer and thereafter by the Master Board.-----

---Section 4. Administration of the Reserve Fund. The Marbella Club Association shall be responsible for the administration of the Reserve Fund; provided, however, that in the event of an urgent or emergency situation, the Master Board shall instruct the signatories to take the appropriate measures and the Master Board shall send written notice to all of the Unit Owners.-----

---Section 5. Budget Deficit in Excess of Reserve Fund. In the event that a deficit in the budget of The Marbella Club Association exceeds the amount in the Reserve Fund, The Marbella Club Association

shall impose a special assessment upon the Unit Owners, on a pro-rata basis according to the percentage pertaining to each Residential Unit, as set forth in Section Nine of Article II the Deed of Restrictive Covenants. Any portion of the assessment not necessary to make up the budget deficit shall be deposited in the Reserve Fund.-----

-----ARTICLE IX-----

-----MORTGAGE OF A UNIT-----

---Section 1. Notice to Mortgagees of Residential Units. A Unit Owner who mortgages his or her Residential Unit shall notify The Marbella Club Manager, or the Master Board in the event that there is no one appointed as The Marbella Club Manager, of the name and address of the mortgagee and such information shall be included in the Book of Unit Owners.-----

---Section 2. Notice to Mortgagee of Unpaid Assessments. The Master Board or The Marbella Club Manager, as the case may be, shall, upon written request from the mortgagee of a Residential Unit, notify said mortgagee of any unpaid assessments owed by the Unit Owner of the Mortgage Residential Unit.-----

-----ARTICLE X-----

---Section 1. Severability. If any provisions of these By-Laws or the application of such provision to any person or circumstances shall be held invalid, the remainder of the By-laws, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.-----



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---Section 2. Conflicts. In the event that any provision of these By-Laws conflict with any provision of the Deed of Covenants and Restrictions, the provisions of the Deed of Covenants and Restrictions with respect thereof shall supersede any provision herein. In the event that any provision of these By-Laws shall be determined, by the final and unappealable adjudication of any court or forum having jurisdiction over the parties hereto and the subject matter hereof to be in conflict with any provision of the laws of the Commonwealth of Puerto Rico, including but not limited to the Condominium Act, if and when applicable, then the provisions of such laws, if and when applicable, shall supersede the specific provision determined to be in conflict, and the severability provisions set forth in Section 1. above shall apply.-----

---Section 3. Invalidation of Covenants and Restrictions. In the event that any part of these By-Laws is declared to be null, void, invalid, illegal or unenforceable in its entirety, or in such a significant manner that The Marbella Club Association is not able to function substantially as contemplated by the terms hereof, for any reason whatsoever, by the final and unappealable adjudication of any court or forum having jurisdiction over the parties hereto and the subject matter hereof, the corresponding government entity of each Condominium Regime shall be solely responsible for the enforcement and/or undertaking of any such part of these By-Laws invalidated as



herein provided (in accordance with the corresponding documents governing each Condominium Regime, and if applicable the Condominium Act) and all other parts of these By-Laws not invalidated as herein provided shall remain in full force and effect, as provided for in the severability clause set forth in Section 1. above.-----

---Section 4. Remedies Cumulative. The rights and remedies given in these By-Laws shall be deemed cumulative, and the exercise of one of such remedies shall not operate to bar the exercise of any other rights and remedies reserved under the provisions of this Bylaws or given by law.-----

-----ARTICLE XI-----

-----COPIES OF BY-LAWS-----

---Section 1. Copy to each Unit Owner. The Master Board or The Marbella Club Manager, as the case may be, shall provide each Unit Owner with a copy of these By-Laws, as amended from time to time.-----



EXHIBIT I TO THE BY-LAWS OF THE MARBELLA CLUB

SWIMMING POOL AND SWIMMING POOL AREA REGULATIONS

I. Purpose of the Swimming Pool.

The swimming pool of The Marbella Club (the "Swimming Pool") is for the exclusive use and enjoyment of the unit owners of The Marbella Club (the "Unit Owners") and their guests. The Swimming Pool shall not be used in any manner which may affect any part of The Marbella Club, nor limit access to any rightful user during regular hours.

The Swimming Pool, and its adjacent areas (collectively the "Swimming Pool Area"), shall be used exclusively for swimming and recreation in accordance with the regulations herein set forth. The Swimming Pool is not suitable for diving. Any use which departs from the above purposes shall not be permitted.

II. Schedule of Hours.

Swimming shall be permitted only from 7:00 a.m. to 10:00 p.m. on weekdays and weekends, including holidays, unless otherwise permitted by the Board of Directors of The Marbella Club Association pursuant to a written regulation expressly approved for such purpose.

III. Use of Swimming Pool.

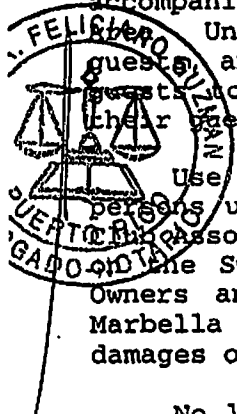
Any Unit Owner shall have the right to invite a maximum of five (5) guests to the Swimming Pool. All guests shall be accompanied by a Unit Owner at all times while at the Swimming Pool. Unit Owners shall be responsible for the behavior of their guests, and shall be solely liable for any damages caused by their guests to any person or property and for any damages caused to their guests and/or their property.

Use of the Swimming Pool shall be at the sole risk of the persons using the same. Neither the Developer nor The Marbella Club Association shall be responsible for any accidents occurring at the Swimming Pool nor the Swimming Pool Area, and the Unit Owners and their guests expressly hold the Developer and The Marbella Club Association free and harmless from any accidents, damages or death, occurring thereon.

No lifeguard will be available in the Swimming Pool, unless The Marbella Club Association expressly agrees otherwise, pursuant to a resolution adopted in accordance with the terms and conditions set forth in the Deed of Covenants and Restrictions of The Marbella Club.

IV. General Rules.

1. All users shall shower before and after entering the Swimming Pool;
2. No diving, running, pushing, horseplay ("juego de manos") or unnecessary splashing shall be permitted in the Swimming Pool nor the Swimming Pool Area;
3. No rafts, balls, toys or other similar instruments or objects shall be permitted in the Swimming Pool;
4. No shouting or yelling shall be permitted in the Swimming



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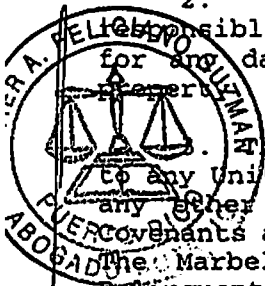
- Pool nor the Swimming Pool Area;
5. No food or beverages shall be permitted in the Swimming Pool;
 6. No person under the age of twelve (12) shall be permitted to use the Swimming Pool nor the Swimming Pool Area unless accompanied and supervised by a parent or guardian who is a Unit Owner;
 7. No pets shall be allowed in the Swimming Pool nor the Swimming Pool Area;
 8. Any person using radios or the like in the Swimming Pool Area shall not use the same in an unreasonable manner so as to disturb or annoy other persons;
 9. No glass containers or objects shall be permitted in the Swimming Pool nor the Swimming Pool Area;
 10. The use of barbecues in the Swimming Pool Area is strictly prohibited;
 11. No furniture other than that provided for the Swimming Pool Area shall be permitted therein, and no furniture provided for the Swimming Pool Area shall be removed from the area; and
 12. Any violation to any of these rules shall be reason enough for the The Marbella Club Manager or a member of the Master Board to expel the violator from the Swimming Pool and/or the Swimming Pool Area.

V. Special Rules.

1. Any Unit Owner desiring to hold an activity in the Swimming Pool Area with more than five (5) guests, shall notify The Marbella Club Manager at least seven (7) days prior the activity. Such Unit Owner shall deposit \$250.00 dollars in cash with The Marbella Club Manager which shall be returned to the Unit Owner if the Swimming Pool and Swimming Pool Area are left completely clean after the activity, with the understanding that the Swimming Pool and Swimming Pool Area shall remain open to all other Unit Owners.

2. The Unit Owners holding such activity shall be solely responsible and liable for any damage caused to their guests, and damage caused by any of their guests to any person or

The Master Board may prohibit the use of the Swimming Pool to any Unit Owner delinquent in the payment of its assessments or any other obligation imposed to a Unit Owner by the Deed of Covenants and Restrictions of The Marbella Club, or the By-laws of The Marbella Club (the "Delinquent Unit Owner"), until said Delinquent Unit Owner has paid any and all assessments and/or other obligations in arrears.



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Marbella Club

In Candelero Point, Palmas Del Mar, Puerto Rico
Candelero Point Partners, Inc.
Rd. #3, KM 86.4
Humacao, Puerto Rico 00791
(787) 852-6444

Terrace Planning Covenants



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E D S A

Edward D. Stone, Jr. and Associates
Planners and Landscape Architects
1512 E. Broward Blvd., Suite 110
Ft. Lauderdale, FL. 33301
(954) 524-3330

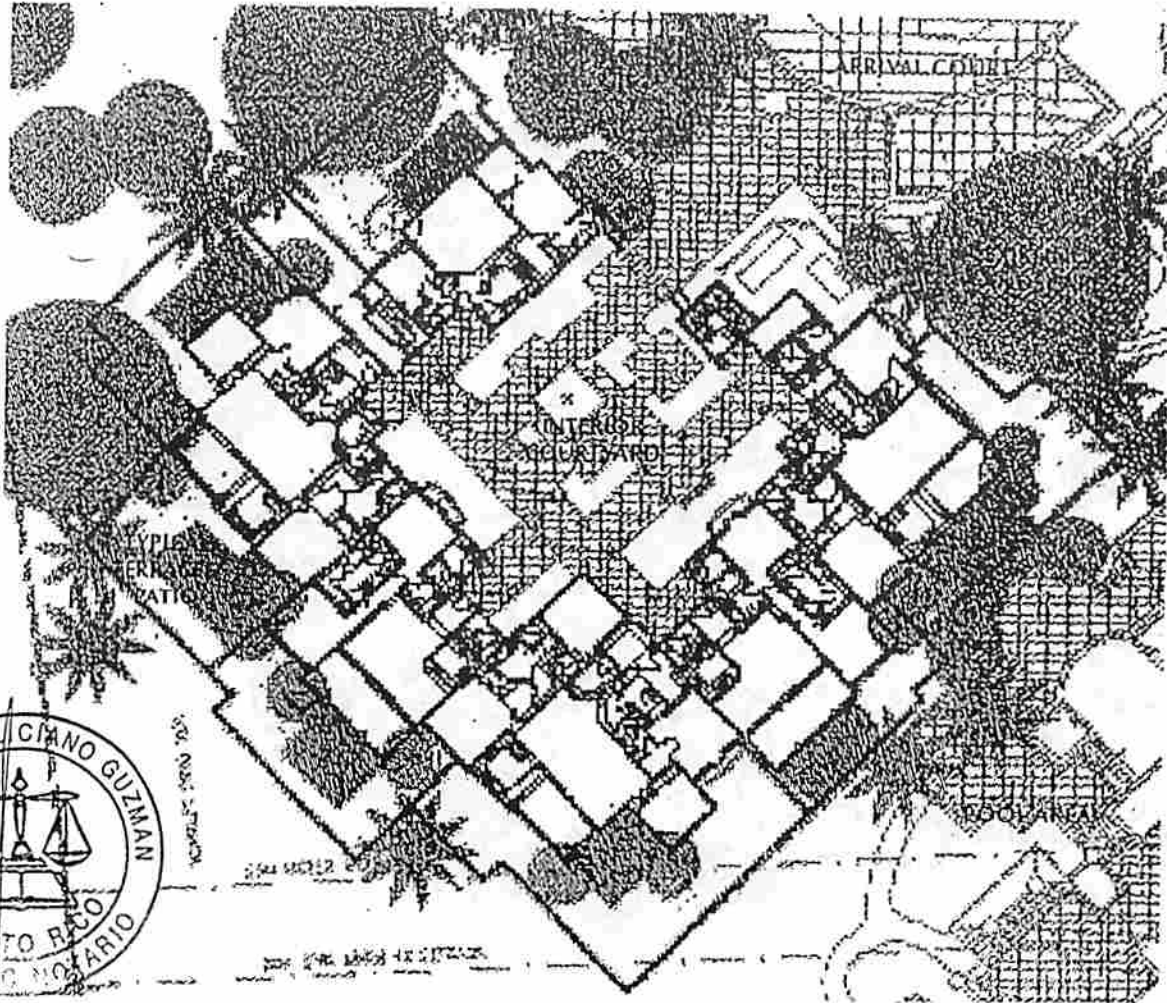
Introduction

The following covenants are standards that apply to the terraces for the purpose of constructing patios on the exterior spaces of the lower units in the phase I buildings; Malaga, Cristimar and Adalucia. This document will illustrate each unit's common area and show the exact space that will be allowed to construct non-permanent patios or hardscaped areas. The actual material that will be allowed for these patios, is described within and will be referred to as the "unit paver". Only described components and uses such as umbrellas, site furnishing, plant material, lighting, irrigation and maintenance may be used and provided. Furthermore, The guidelines specifically list the color, types, sizes, etc. that can be chosen for each component. Each building illustration represents a typical site plan solution and illustrates the desired concept. It will be the obligation of the owner of the unit to arrange construction in this fashion.



34

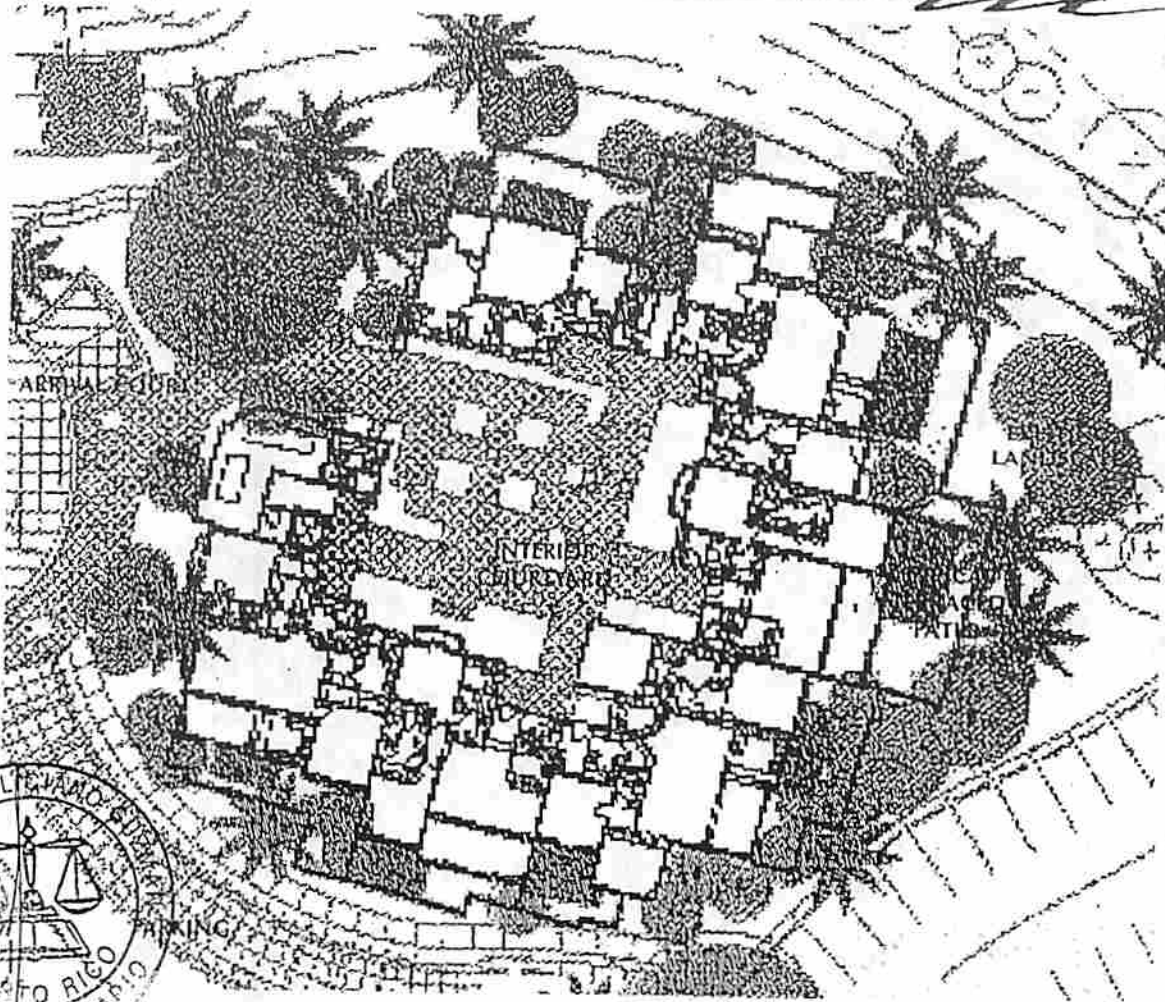
Cristamar



General Form

Design of the patios must be architecturally compatible with the units. For example, the exterior edge of the building is rectilinear, a series of right angles, in form. This shall be the manner that the Patios are designed and set in the field. Patios shall be constructed by arranging 2'X2' concrete pavers in a rectilinear fashion (no curves) as mentioned above. Patios shall be confined to the area listed by the red lines as shown on the illustrations which are the separate limited common area limits for each unit on the ground floor. No more than 50% of common area shall be constructed patio or hardscape. Each terrace shall have a 5' buffer or set-

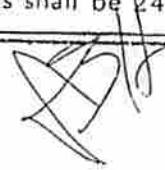
Malaga



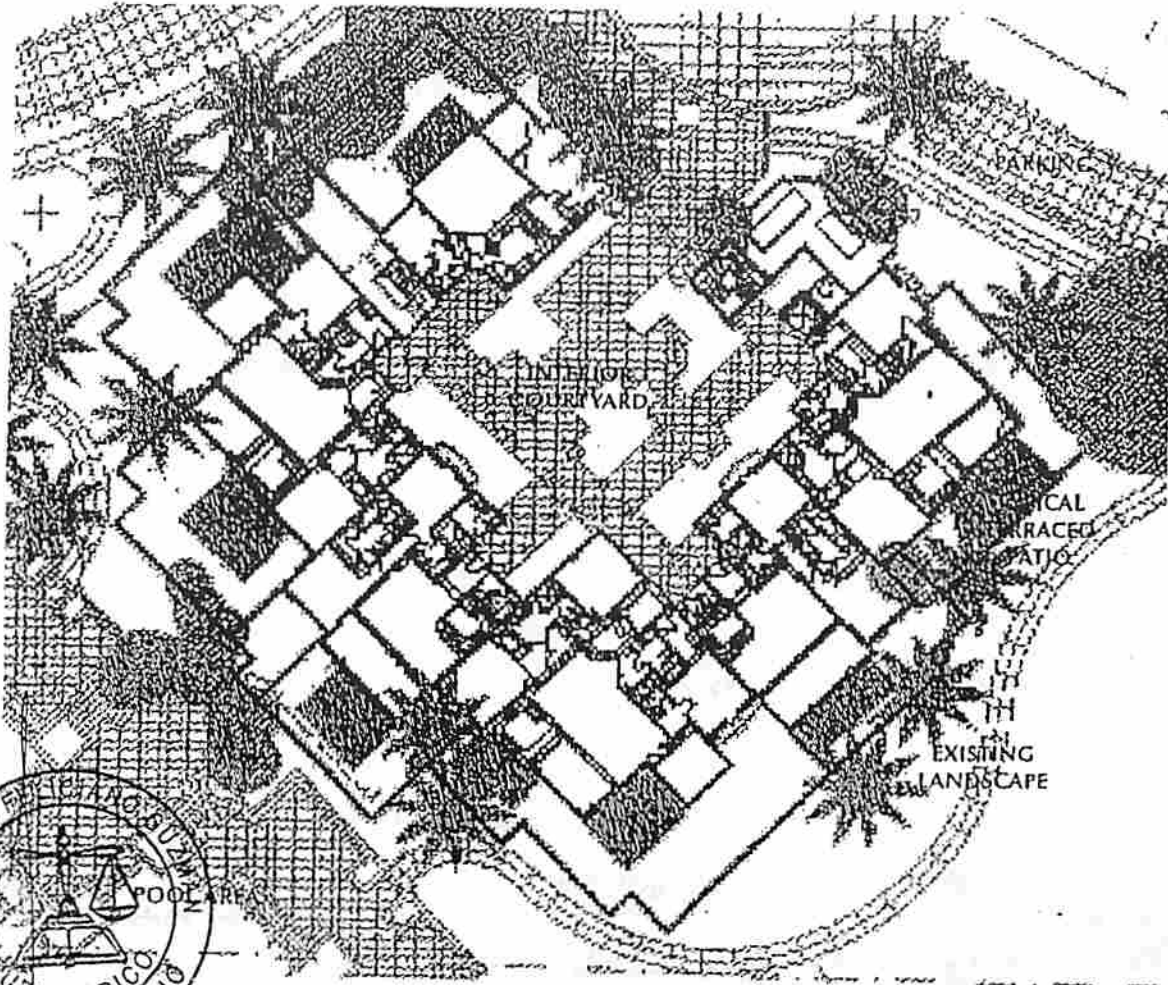
back from common area limits. The color of patios must compliment and blend with those of the buildings. These shall range from pale yellow to a light peach. Combinations of colors will not be permitted.

Hardscape

The terrace area that will contain the patio may also be referred to as the hardscaped area and is defined in the following. Colored Concrete Unit Paving shall be the material used for the hardscaped area. Unit Pavers are preformed concrete that come in a variety of colors. Unit pavers shall be 24"X24"X2" concrete and the color shall range from pale yellow to light



Andalucia



Each unit paver shall be installed by the method shown in the detail provided or approved equal. As mentioned previously, patio shape shall be in a rectilinear fashion not curvilinear and conform to the shape provided in the illustration. This will assure continuity throughout the development. No fencing or walls will be permitted.

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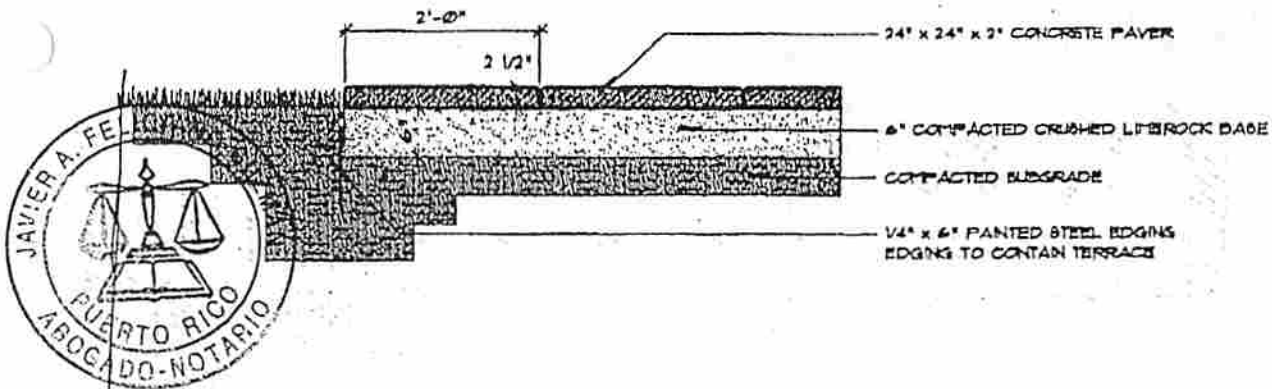
Landscape Components

Decorative pots and teak furniture such as Tables, Chairs, Canvas Umbrellas, Chaise Lounge chairs shall be the only moveable appurtenances used on the terrace unless approved otherwise. The color of the cushions, canvas umbrellas shall be off-white; clay terracotta shall be the color and material for the decorative pots. No other colors will be permitted.

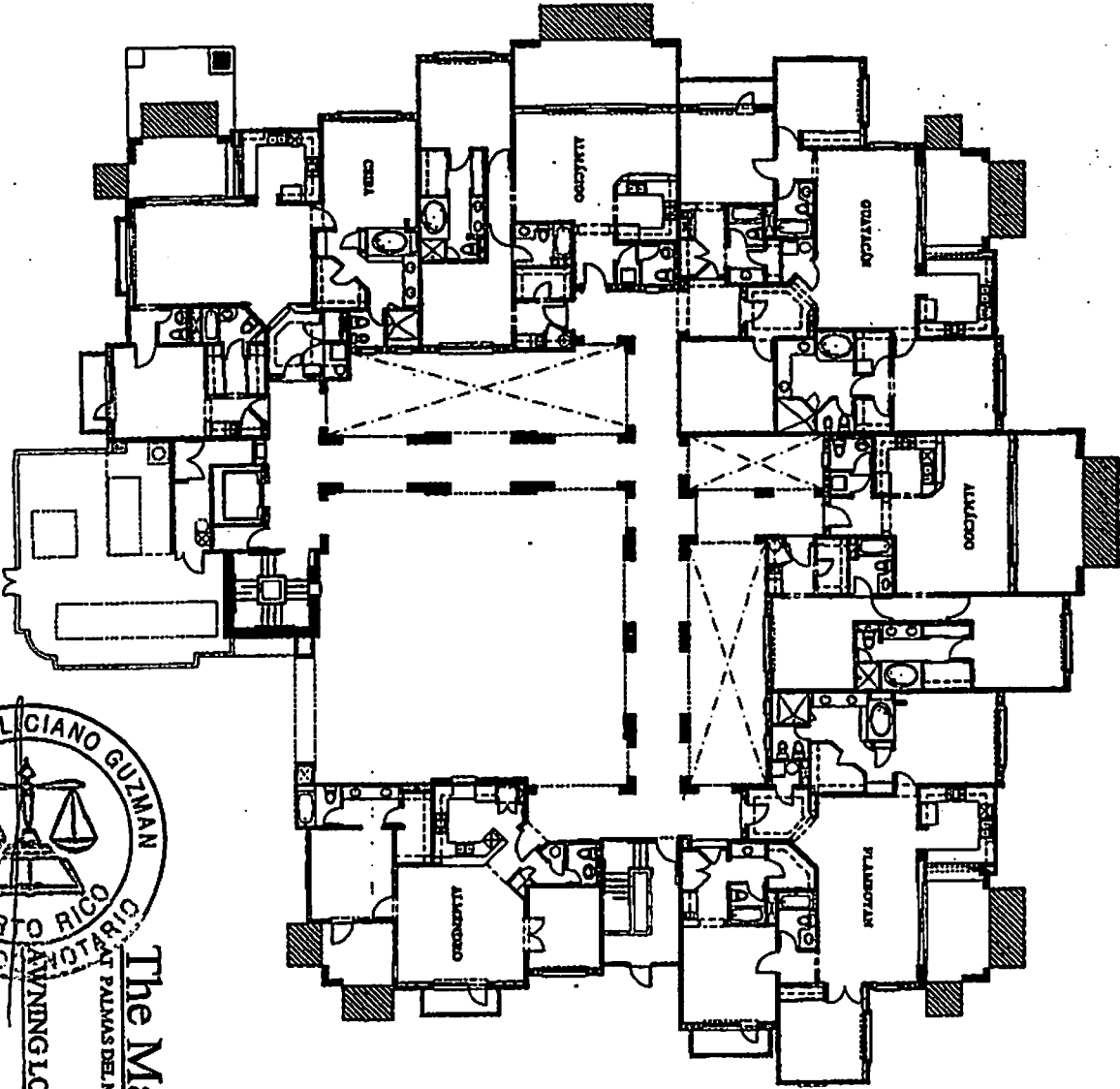
Lighting

Low voltage lights shall be permitted. Lighting fixtures shall be ground pathway lights that illuminate towards the ground and terrace only.

Detail of Concrete Unit Paving



LEGEND
Hatched box symbol
AVOID



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The Marbella Club
PALMAS DEL MAR
AVOIDING LOCATION PLAN

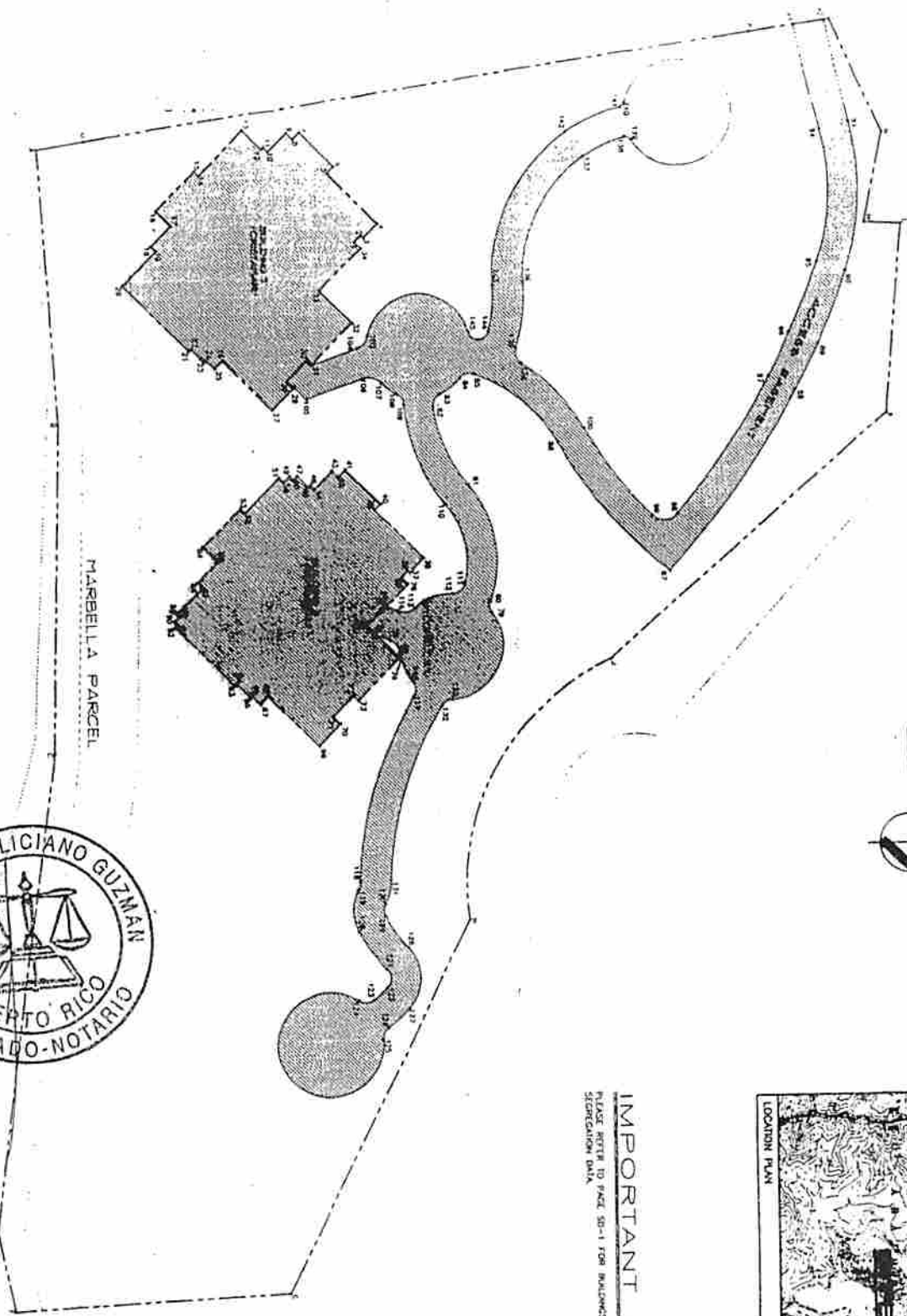
NOTES:
 1. THE PLAN IS SUBJECT TO THE APPROVAL OF THE LOCAL GOVERNMENT AND THE STATE DEPARTMENT OF LAND AND NATURAL RESOURCES.
 2. THE PLAN IS SUBJECT TO THE APPROVAL OF THE LOCAL GOVERNMENT AND THE STATE DEPARTMENT OF LAND AND NATURAL RESOURCES.
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CARIBBEAN SEA
 MARBELLA PARCEL



CERTIFY CORRECT
 ENRIQUE BLANES PALME
 REGISTERED PLANNING ENGINEER
 RESEGREGATION PLAN

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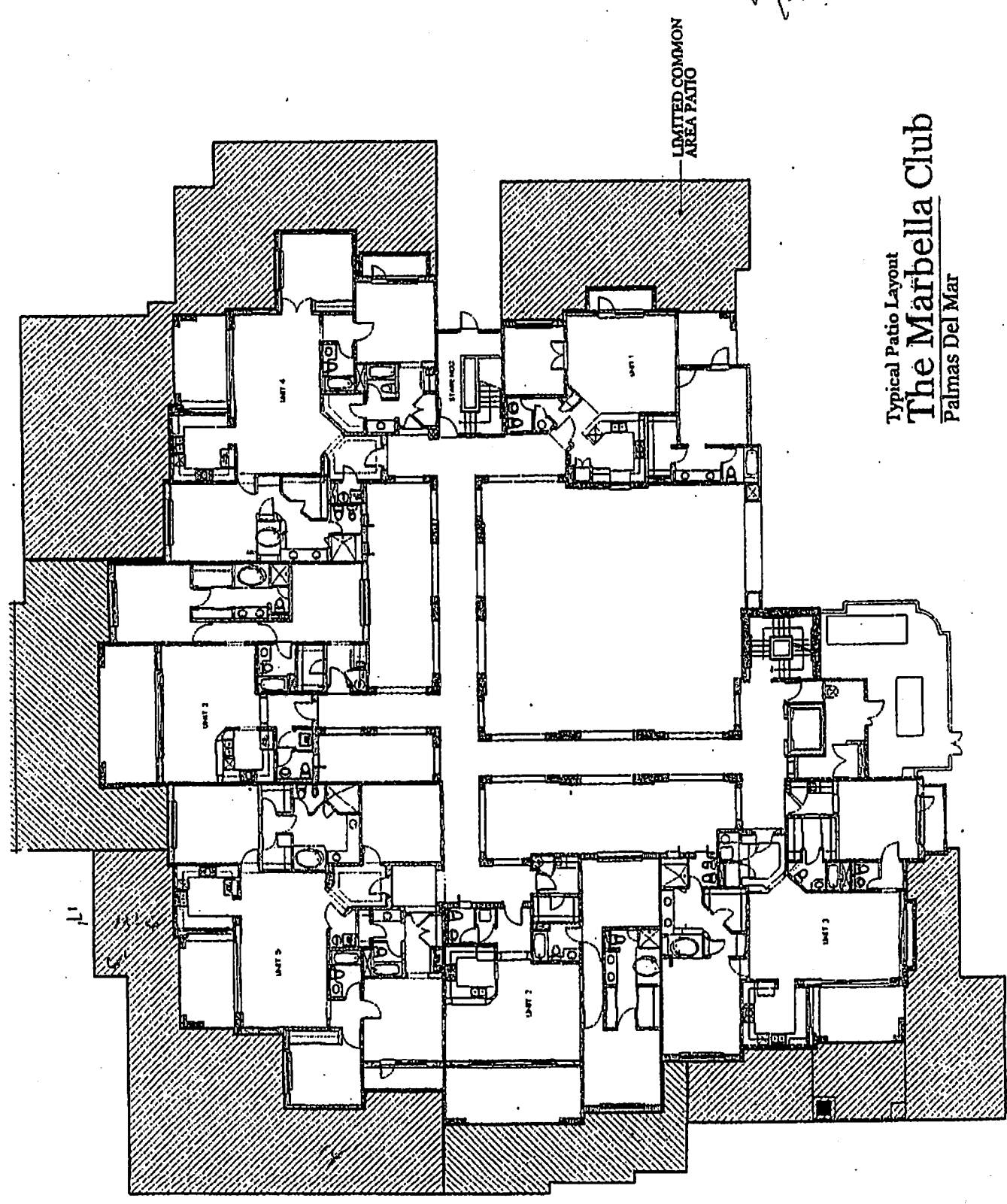
IMPORTANT NOTE:
 PLEASE REFER TO PAGE SP-1 FOR BALANCES, AND ACCESS CONDITIONS SPECIFICATION DATA



	The Marbella Club at Candelero Point, Palmas del Mar CANDELERO POINT PARTNERS INC. HUMACAO, PUERTO RICO		
	RESEGREGATION PLAN		



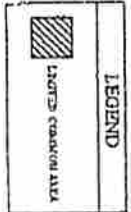
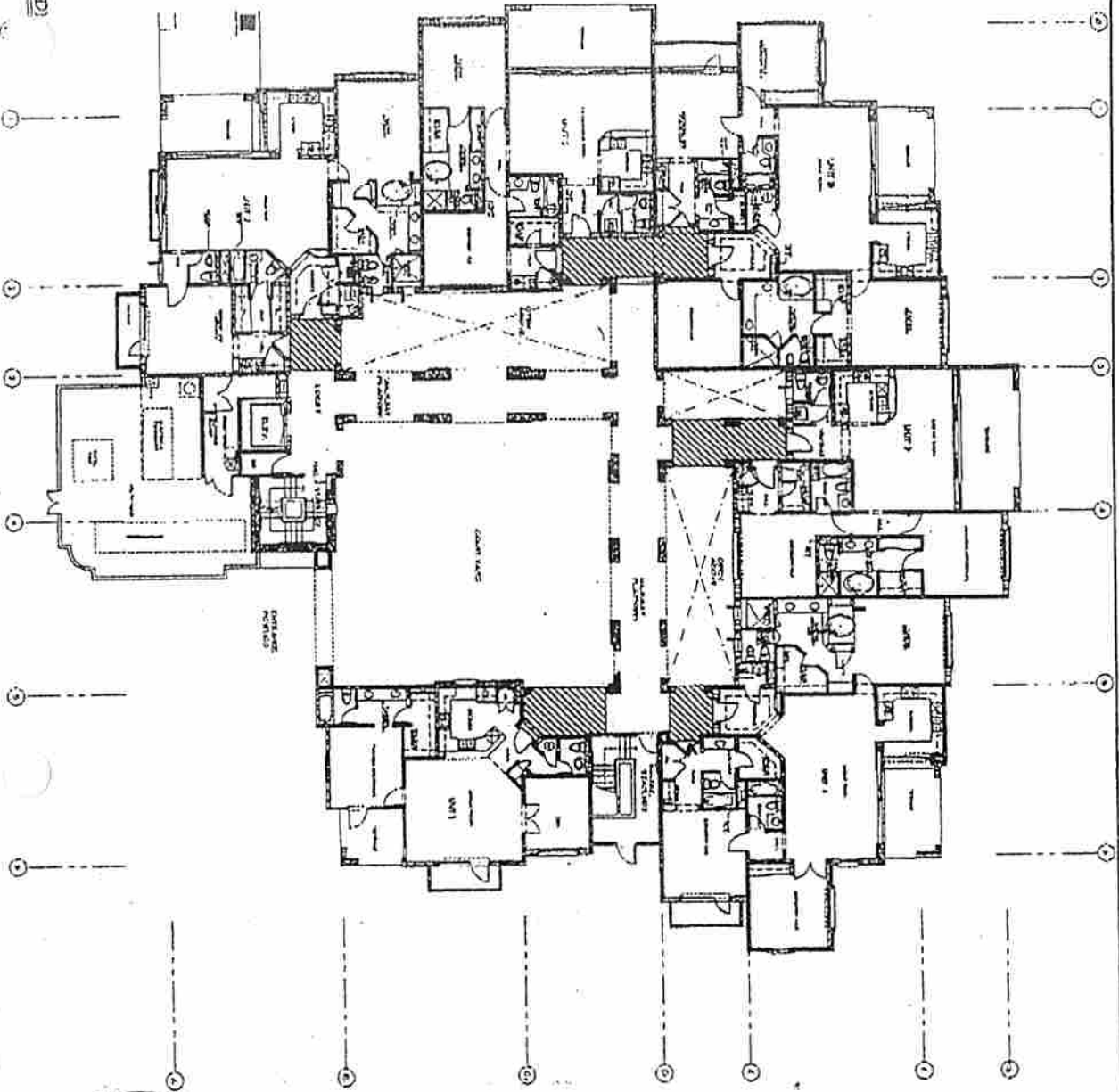
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Typical Patio Layout
The Marbella Club
 Palmas Del Mar

BUILDING PLAN
LEVEL 1 (GROUND)

EXHIBIT A-2



PROJECT NO.	
DATE	
SCALE	
DESIGNED BY	
CHECKED BY	
DATE	
PROJECT NO.	
DATE	
SCALE	
DESIGNED BY	
CHECKED BY	
DATE	

The Marbella Club
 at
 Candelero Point, Palmas del Mar
 CANDELERO POINT PARTNERS INC.
 HUMACAO, PUERTO RICO

**FIEDLER
& FRIAS**

Handwritten signature or initials.



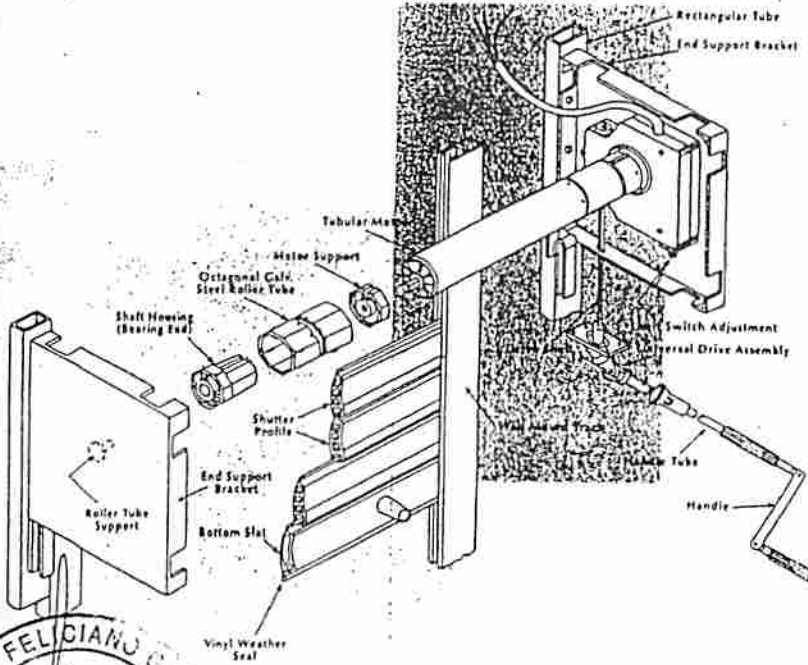
INDUSTRIES OF P.R. INC.
 Ave. 3 Urb. Industrial Las Frutas, Guaynabo, P.R. 00969
 PO BOX 10087, San Juan, P.R. 00922-0087
 Tel.: (787) 720-0442 Fax: (787) 790-6918
 Calle Post No. 457 Sur, Mayaguez, P.R. 00680
 Tel.: (787) 265-1190 Fax: (787) 265-1125
<http://www.nuvue.com>

EXHIBIT D ROLL-UP & ULTRA ACCORDIAN SHUTTERS

ROLL-UP SHUTTER

Quality, functionality and beauty combine in this practical shutter custom made to fit most of windows or door. The exclusive Roll-up Shutter System offers security and ease of use. Is an innovative product with its own motorized or hand cranked system. Shutters are made from resistant extruded aluminum.

Nu-Vue's Roll-Up System is perfect for use in any type of home, building or commercial site, and ideal for the island's tropical climate.



ROLL-UP & ULTRA ACCORDIAN SHUTTERS



ULTRA ACCORDIAN SHUTTER

Ultra Accordion Shutter provides privacy, security and hurricane protection in attractive, custom-fit installation. Nu-Vue Ultra Accordion Shutters feature superior solid pin construction for extra durability, and solid 1/2" diameter locking rods for extra security. Nylon wheels and stainless steel carriers allow the shutters to glide easily to either side of their opening and be compactly folded out of the way. When closed, they lock securely from the inside with the turn off a thumb-latch. Standard colors available include beige, bronze and white, and all are electrostatically painted for a durable finish. Other colors are available as custom orders.

Nu-Vue's Ultra Accordion Shutters meet and exceed Dade County (Florida) Product, having withstood computerized tests of over 300mph winds on a 30th floor level.

