

Unit Owners and Tenants

Palm Beach Grande Condominium Association, Inc.

RE: Governing Documents / Rules and Regulations

Dear Neighbors:

This letter comes to inform you that your Board of Directors amended the Rules and Regulations at the board meeting held on January 30, 2008. Further, your Board of Directors voted to strictly enforce the current Rules and Regulations at Regency, a copy of which is enclosed for your convenience and which will be recorded on or around March 26, 2008.

In the past, the Rules and Regulations may not have been strictly enforced but it is the intention of the current Board of Administration of Regency to fully enforce the governing documents of the Association including, but not limited to, its Rules and Regulations to the fullest extent possible from this date forward.

As you probably know, your Board has the duty and the obligation to ensure that the Declaration of Condominium, Articles of Incorporation, By-Laws and Rules and Regulations are fully, evenly and fairly enforced. This duty is one which they must accept upon election to the Board without respect to the fact that one or more of the Board's members may not personally agree with each and every provision.

This letter comes to inform you that the Amended Rules will become effective thirty (30) days after the mailing of this letter and the Board will not waiver from the intention to strictly enforce the governing documents including the Rules and Regulations.

You are urged, if you are not in compliance with any of the governing documents, especially with respect to any of the Rules and Regulations, to come into compliance, voluntarily, and immediately. Any violations which are discovered will be pursued. If necessary, this pursuit will entail court action. In that event, the violator and/or unit owner will be responsible for reimbursing the Association for its attorney's fees and costs, which can be substantial.

Your Board asks your assistance and your co-operation.

Sincerely,

Palm Beach Grande Condominium Association, Inc.

Encl.

AMENDED RULES AND REGULATIONS
FOR PALM BEACH GRANDE, A CONDOMINIUM

1. The sidewalks, entrances, passages, lobbies and hallways and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium Property or Common Elements; nor shall any carts, bicycles, carriages, chairs, tables or any other objects be stored therein, except in areas (if any) designated for such purposes.

2. The personal property of Unit Owners and occupants must be stored in their respective Units.

3. No articles other than patio-type furniture shall be placed on the balconies, patios or other Common Elements. No linens, cloths, clothing, bathing suits or swimwear, curtains, rugs, mops, or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, balconies, terraces or other portions of the Condominium or Association Property.

4. No Unit Owner or occupant shall permit anything to fall from a window or door of the Condominium or Association Property, nor sweep or throw from the Condominium or Association Property any dirt or other substance onto any of the balconies or elsewhere in the Building or upon the Common Elements.

5. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the company or agency providing trash removal services for disposal or collection shall be complied with. All equipment for storage or disposal of such material shall be kept in a clean and sanitary condition.

6. Employees of the Association are not to be sent out by Unit Owners or occupants for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

7. No repair of vehicles shall be made on the Condominium Property.

8. No sign, advertisement, notice or other graphics or lettering shall be exhibited, displayed, inscribed, painted or affixed in, or on upon any part of the Condominium or Association property, except signs used or approved by the Developer or the Board of the Association. Additionally, no awning, canopy, shutter or other projection shall be attached to or placed upon the outside walls or roof of the building or on the Common Elements, without the prior written consent of the Board of Directors of the Association. Notwithstanding anything herein or in any of the

Condominium documents to the contrary, any Unit Owner may display one (1) portable, removable United States flag in a respectful way; and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day any Unit Owner may display in a respectful way portable, removable official flags, not larger than 4.5 feet by 6 feet that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard.

9. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit or on the Common Elements.

10. A Unit Owner or occupant shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of the Building. Curtains and drapes (or linings thereof) which face on exterior windows or glass doors of Units shall be white or off-white in color, or otherwise shall require the prior written approval of the Board, failing which, they shall be removed and replaced with acceptable items. Notwithstanding anything herein or in any of the Condominium documents to the contrary, any Unit Owner may display one (1) portable, removable United States flag in a respectful way; and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day any Unit Owner may display in a respectful way portable, removable official flags, not larger than 4.5 feet by 6 feet that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard.

11. No air-conditioning units may be installed by Unit Owners or occupants. No Unit shall have any aluminum foil placed in any window or glass door or any reflective or tinted substances placed on any glass, unless approved, in advance by the Board of Directors in writing. No unsightly materials may be placed on any window or glass door or be visible through such window or glass door.

12. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them while with the Condominium Property and including full compliance by them with these Rules and Regulations and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing the recreational facilities.

13. No pets may be left unattended anywhere within the Common Elements of the Condominium. Further, no pets may be within the Common Elements of the Condominium, unless they are on a leash, which is a maximum of six (6) feet long. No pets are allowed on the pool deck, even with a leash.

14. Every Owner and occupant shall comply with these Rules and Regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association, as amended from time o time. Failure of an Owner or occupant to so comply shall be grounds for action which may

include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

- (A) Notice: The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date and time of the next Board of Directors meeting at which time the Owner or occupant shall present reasons why penalties should not be imposed. A committee of other Unit Owners shall also be present in addition to the Board of Directors in order for the committee to review the infraction and penalty.
- (B) Hearing: The non-compliance shall be presented to the Board of Directors after which the Board of Directors, and a committee of other Unit Owners, shall hear reasons why penalties should not be imposed. A written decision of the Board and committee shall be submitted to the Owner or occupant by not later than twenty-one (21) days after the meeting.
- (C) Fines: The Board of Directors may impose fines against the applicable Unit up to the maximum amount permitted by law from time to time. Notwithstanding the foregoing, if the committee of Unit owners described above does not agree with the fine, the fine may not be levied.
- (D) Violations: Each separate incident which is grounds for a fine shall be the basis of one separate fine. In the case of continuing violations, each continuation of same after a notice thereof is given shall be deemed a separate incident.
- (E) Payment of Fines: Fines shall be paid not later than thirty (30) days after notice of the imposition thereof.
- (F) Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.
- (G) Non-exclusive Remedy: These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending owner or occupant shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such owner or occupant.

15. Leasing. Owner(s) shall notify the Association in writing of their intention to lease their property by submitting a copy of the lease contract to the Association.

In the event of a lease, it shall then be the responsibility of the Owner to furnish a mailing address for all future assessment notices and other correspondence from the Association. New renters shall be required to execute a certificate acknowledging that they have received and must follow the Declarations, By-Laws, and Rules and Regulations. Further, the new renter(s) must provide to the

Association the name(s) of all people residing in the Unit and a valid phone number, in writing prior to occupying the Unit.

The intent of this rule is to impose an affirmative duty on the owners to keep the Association fully advised of any changes in occupancy for the purposes of facilitating the management of the Association membership.

16. Any damage caused to the Common Elements and Limited Common elements arising from the Unit Owner attempting to protect the Unit (attaching plywood or other materials to the exterior of the Unit) prior to a weather event including, without limitation, a windstorm, a tropical storm, or a hurricane shall be repaired at the sole expense of the Unit Owner.

17. These rules and regulations shall be cumulative with the covenants, conditions and restrictions set forth in the Declaration of Condominium, provided that the provisions of same shall control over these rules and regulations in the event of a conflict or a doubt as to whether a specific practice or activity is or is not permitted. Anything to the contrary notwithstanding, these rules and regulations shall not apply to the Developer, nor its agents or employees and contractors, nor to the Units owned by the Developer. All of these rules and regulations shall apply to all other owners and occupants even if not specifically so stated in portions hereof. The Board of Directors shall be permitted (but not required) to grant relief to one or more Unit Owners from specific rules and regulations upon written request therefore and good cause shown in the sole opinion of the Board.