RULES AND REGULATIONS

FOR

YACHT HARBOUR COVE AT WINDSTAR CONDOMINIUM ASSOCIATION, INC.

The following Rules and Regulations supplement those contained in the Declaration of Condominium for Yacht Harbour Cove at Windstar, a Condominium. They are applicable to all occupants of Units as well as to Unit Owners.

1. The entranceways, passages, vestibules, halls and similar portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No carts, bicycles, carriages, chairs, tables or other similar objects shall be stored in them.

2. Each Unit Owner's personal property must be stored within the Unit or within garages assigned to the Unit.

3. The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.

4. No articles shall be placed in the hallways or breezeways.

5. No articles except suitable furniture, plants and planters shall be placed on lanais, terraces, courtyards or similar areas.

6. Neither rugs, laundry nor any other article(s) shall be shaken or hung from windows, doors, lanais, terraces or exterior walls.

7. Garbage and other refuse shall be placed only in designated areas.

8. Pets shall not be permitted to become nuisances to Unit Owners or occupants of Units and are subject to removal from the Condominium at the discretion of the Board of Directors after a hearing conducted in the same manner as hearings for fines.

9. Pets, birds and fish shall neither be kept nor maintained in or about the Condominium Property except with the prior written consent of the Condominium Association and then only in accordance with the provisions of the Declaration and the following:

a. No dog or cat shall be permitted outside of its Owner's Unit unless attended by an adult and on a leash not more than six (6) feet long. No dog shall weigh more than forty (40) pounds or be of a dangerous breed or disposition. A variance to the weight of the dog may be granted (or withheld) by the Board of Directors in its sole discretion.

b. No more than two (2) small domestic birds may be kept in the Unit. No domestic birds of a variety which will omit sounds that can be heard in contiguous Units may be kept by a Unit Owner in a Unit.

c. No fish tanks may exceed fifty-five (55) gallon capacity. A Unit Owner shall be limited to one (1) fish tank.

d. Pets are not permitted on any part of the Common Elements except when they are leashed and being walked or transported directly off the Condominium Property or directly to their Owner's Unit. No pets are permitted in the recreation areas or facilities.

10. Employees of the Association are not to be engaged by Unit Owners for personal errands which are not within the scope of the applicable employee's duties. The Board of Directors, through a management company engaged by the Association, if any, shall be solely responsible for directing and supervising the Association's employees.

11. No Unit Owner shall make disturbing noises in the Building or permit his family, servants, employees, agents, visitors or licensees to do so. In particular, no Unit owner shall play (or permit to be played) in his Unit or on the Common Elements appurtenant to it any musical instrument, phonograph, television, radio or the like in a way that unreasonably disturbs or annoys other Unit Owners or occupants.

12. No radio or television installation or other electronic equipment shall be permitted in any Unit if it interferes with the television or radio reception of another Unit.

13. With the exception of signs used or approved by the Developer, no signs, advertisements, notices or lettering may be exhibited, displayed, inscribed, painted or affixed in, or upon any part of the Common Elements or any part of a Unit so as to be visible outside the Unit. Additionally, no awning, canopy, shutter, air-conditioning unit or other projection shall be attached to, hung, displayed or placed upon the outside walls, doors, lanais, windows, roof or other portions of the Building or on the Common Elements.

14. The Association may retain a pass-key to all Residential Units. No Residential Unit Owner shall alter any lock, nor install any new lock, without notice to the Board of Directors, and the Unit Owner shall provide the Association with an additional key.

15. No flammable, combustible or explosive fluids, chemicals or other substances may be kept in any Unit or on the Common Elements, except such as are normally used for normal household purposes.

16. A Unit Owner who plans to be absent during the hurricane season must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer hurricane damage and furnishing the Association with the name(s) of that firm or individual.

17. Food and beverages may not be consumed on the Common Elements except as specifically permitted by the Board of Directors.

18. Curtains, drapes and other window coverings (including their linings) which face on exterior windows or glass doors of Units shall be white or off-white in color, unless otherwise specifically approved by the Board of Directors.

19. No aluminum foil may be placed in any window or glass door of a Unit, and no reflective substance may be placed on any glass in a Unit except a substance previously approved by the Board of Directors for energy conservation purposes.

20. No exterior antennae shall be permitted on the Condominium Property, provided that the Developer shall have the right (but not the obligation) to install and maintain community antennae, radio and television lines and security systems, as well as communication systems.

21. Children shall be the direct responsibility of their parents or legal guardians who must supervise them while they are within the Condominium Property. Full compliance with these Rules and Regulations and all other rules and regulations of the Association shall be required of children. Playing shall

not be permitted in any of the hallways, stairways, lobby areas or other areas where to would be disturbing to residents, and loud noises will not be tolerated. In no event shall children under the age of twelve (12) years be permitted in the pool area, the Marina area or the lake area or other areas that may be designated from time to time by the Board of Directors, unless accompanied by an adult.

22. Infants with diapers shall be permitted in the pool only with leak proof rubber or plastic pants over the diaper.

23. No boats, trucks over 3/4 tons, commercial vehicles, trailers, recreational vehicles or other motor vehicles, except four-wheel passenger automobiles or vans, as determined by the Board, shall be placed, parked or stored upon the Condominium Property or in the Common Elements for a period of more than four (4) hours unless such vehicle is necessary in the actual construction or repair of a structure or for ground maintenance, nor shall any maintenance or repair be performed upon any boat or motor vehicle not owned or controlled by the Association or the Developer in the properties, except within a building where totally isolated from public view.

24. Storm Shutters. No storm or hurricane shutters may be installed by a Unit Owner except for those that comply with specifications, design, color and style approved by the Board of Directors. No storm or hurricane shutters may be lowered except as needed for storm or hurricane protection or for maintenance and repair.

25. Every Residential Unit 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 (all as amended from time to time) to the extent applicable. Failure of a Residential Unit Owner or occupant to comply shall be grounds for legal action which may include, without limitation, an action to recover sums due for damages, an action for injunctive relief, and any combination of such actions.

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, or 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 reported or alleged 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 a fine should not be imposed. The Owner or occupant may be represented by counsel and may cross-examine witnesses.

b. Hearing: The non-compliance shall be presented to the Board of Directors and a committee of Unit Owners formed for that purpose after which the Board of Directors and the committee shall hear reasons why a fine should not be imposed. A written decision of the Board of Directors and the committee shall be submitted to the Owner or occupant by no later than twenty-one (21) days after the Board of Directors' meeting.

c. Amount: The Board of Directors may impose a fine against the applicable person in such amount as may be permitted by law.

d. Payment of Fines: Fines shall be paid not later than thirty (30) days after notice of the imposition thereof.

e. Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.

f. Infractions: Each day an infraction or violation occurs after the applicable party has received notice thereof shall be deemed to be a new infraction or violation.

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.

26. These rules and regulations shall not apply to the Developer, to the Developer's agents, employees or contractors, or to Units owned by the Developer until they are conveyed. They shall apply, however, to all other Owners and occupants of Residential Units. The Board of Directors may (but need not) grant, relief to one or more Unit Owners from specific rules and regulations upon written request for such relief and good cause shown (as determined by the Board in its sole opinion).

RULES AND REGULATIONS

FOR

YACHT HARBOUR COVE AT WINDSTAR CONDOMINIUM ASSOCIATION, INC.

The following Rules and Regulations supplement those contained in the Declaration of Condominium for Yacht Harbour Cove at Windstar, a Condominium. They are applicable to all occupants of Units as well as to Unit Owners.

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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, or 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 reported or alleged 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 a fine should not be imposed. The Owner or occupant may be represented by counsel and may cross-examine witnesses.

b. Hearing: The non-compliance shall be presented to the Board of Directors and a committee of Unit Owners formed for that purpose after which the Board of Directors and the committee shall hear reasons why a fine should not be imposed. A written decision of the Board of Directors and the committee shall be submitted to the Owner or occupant by no later than twenty-one (21) days after the Board of Directors' meeting.

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