

BY-LAWS

CAYMAN KAI PROPERTY OWNERS ASSOCIATION

(Adopted by a written resolution of a majority of the paid-up members of the Association with effect from 1st October 2006)

(Amended 20 February, 2020 with a written resolution adopted by a majority of paid up members at the Annual General Meeting on 20 February, 2020)

DEFINITIONS

1. In these By-Laws:
 - 1.1 "Cayman Kai" means all those parcels of land comprised in Rum Point registration section Block 33B (excluding parcels 171, 174, 175, 176 and 177); Block 33E; Block 33M (excluding parcel 40); parcels 1-7, 10-14, 24 and 17-19 of Block 33C (being those parcels on the sea side of Rum Point Drive); parcels 1-6, 25-27, 8, 28 and 12-20 of Block 33D (being those parcels on the sea side of Rum Point Drive); and parcels 1-3, 19, 31, 32, 20, 5-10 and 24-25 of Block 39E (being the parcels on the sea side of Rum Point Drive);
 - 1.2 "development" has the meaning given in Section 13(3) of the Development and Planning Law (2005 Revision);
 - 1.3 "Restrictive Covenants" means the restrictive covenants applicable to Cayman Kai as amended by order of the Grand Court made in Cause 8 of 2005 on 14 October 2005;
 - 1.4 "Architectural Control Committee" means the committee established in accordance with Clauses 2 and 8 of the Restrictive Covenants;
 - 1.5 "ordinary resolution" means a resolution which has been passed by a simple majority of the members present, either in person or by proxy, and voting at an annual general meeting;

- 1.6 "special resolution" means a resolution which has been passed by a majority of not less than two-thirds of the members present, either in person or by proxy, and voting at an extraordinary general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

INTRODUCTION

2. The Association was established in January 2003 and its members comprise those who have contributed subscriptions, including those subscribers who were not present at the inaugural meeting.
3. The Association's executive committee resolved that it would be beneficial for the Association to adopt a set of by-laws for the purpose of defining its objectives more precisely and prescribing the rules and procedures by which it will in future conduct its affairs.
4. These By-Laws came into effect on 1st October 2006, having been approved by a written resolution passed by a majority of the Association's members.
5. All the existing officers of the Association shall constitute the Executive Committee and shall continue in office until the next annual general meeting convened in accordance with By-Law 18.

OBJECTS OF THE ASSOCIATION

6. The objects of the Association are:-
- 6.1 To protect and promote the interests of its members as proprietors of property at Cayman Kai;
 - 6.2 To protect and preserve the residential character of Cayman Kai;
 - 6.3 To prevent development within the boundaries of Cayman Kai which would be detrimental to its residential character;
 - 6.4 To enforce the Restrictive Covenants;
 - 6.5 To use best endeavors to create and maintain an up to date register of the names and addresses of the proprietors of all the land within the boundaries of Cayman Kai, including those who are not members of the Association;
 - 6.6 To organize elections for the purposes of electing persons to serve on the Architectural Control Committee;
 - 6.7 To pay the expenses of the Architectural Control Committee; and
 - 6.8 To do all such things as are reasonably necessary or appropriate for the purpose of achieving or furthering the objects of the Association stated in the preceding paragraphs of this By-Law.

MEMBERSHIP OF THE ASSOCIATION

7. Subject to By-Laws 8 to 11 below, the registered proprietor of every parcel of land within the boundaries of Cayman Kai shall be eligible to become a member of the Association.
8. In the case of parcels of land which are registered in the names of two or more persons as joint proprietors or proprietors in common, any one of such persons shall be eligible to become a member of the Association.

9. In the case of parcels of land, which are registered in the name of a company, any one shareholder, director or officer of such company shall be eligible to become a member of the Association.
10. In the case of parcels of land registered in the name of a limited partnership, any one partner shall be eligible to become a member of the Association.
11. In the case of parcels of land registered in the names of trustees of a trust or the executors or administrators of an estate, any one of such trustees, executors or administrators or any beneficiary of the trust or estate shall be eligible to become a member of the Association.
12. Each of the strata corporations located with Cayman Kai shall be eligible to become corporate members of the Association and may be represented at any general meeting of the Association by any unit holder nominated by its executive committee, but the proprietors of individual strata lots shall not be eligible to become individual members of the Association.
13. Any eligible person wishing to become an individual member of the Association shall complete an application (in the form set out in the Appendix to these By-Laws) and submit it to the Secretary together with an initial membership fee of CI\$100.
14. The Secretary shall establish and maintain a register of members containing (a) the name (b) the postal addresses, telephone numbers, and e-mail addresses of each member and (c) the parcel or parcels of land in which the member has an ownership interest.

MEMBERSHIP FEES

15. Upon joining the Association, the member shall pay an initial membership fee of CI\$100 per parcel of land.
16. Members shall pay an annual membership fee on the first day of January each year, the amount of which shall be CI\$100 per parcel of land or such other sum as may be determined by an ordinary resolution passed at the annual general meeting.

GENERAL MEETINGS

17. An annual general meeting of the Association shall be held in January or February of each year, in addition to any other general meetings (referred to as “extraordinary general meetings”) which may be held during the year, for the purpose of (a) considering the Executive Committee’s annual report; (b) considering and approving the annual financial statements; (c) electing new officers; and (d) considering any other ordinary resolutions of which notice has been duly given.
18. The Executive Committee may, whenever it thinks fit, convene an extraordinary general meeting.
19. The Executive Committee shall convene an extraordinary general meeting when required to do so by a requisition signed by no less than fifteen (15) members. A requisition must state the general purpose of the meeting and set out the full terms of the resolution or resolutions which the requisitionists intend to put to the meeting. The Executive Committee may add additional resolutions provided the subject-matter of such additional resolutions relate directly to the general purpose of the meeting stated in the requisition. The Executive Committee shall, within ten (10) days of receiving a requisition, convene an extraordinary general meeting to take place within the following forty-five (45) days.
20. All general meetings shall be held in Grand Cayman at such place and time as may be determined by the Executive Committee.
21. Thirty (30) days’ notice of every general meeting must be given to all members, specifying (a) the place, date and time of the meeting and (b) the full terms of every resolution intended to be put to the meeting. Every notice shall be accompanied by a proxy form.
22. Every notice of an annual general meeting shall be accompanied by (a) a copy of the Executive Committee’s annual report; (b) a copy of the financial statements for the prior year signed by the Treasurer; (c) a copy of the Treasurer’s budget for the ensuing year; and (d) copies of any personal statements prepared by members standing for election as officers of the Association.

23. No business shall be transacted at any general meeting unless a quorum of members is present, either in person or by proxy. Any ten (10) members shall constitute a quorum.
24. Every general meeting shall be chaired by the chairman of the Executive Committee or, in his absence, by any other member of the Executive Committee.

PROXIES

25. Every instrument appointing a proxy must be in writing and signed by the member. A proxy holder need not himself be a member of the Association.
26. Every proxy must be sent to the Secretary of the Association not later than 4.00pm (Cayman Islands time) on the day before the meeting. The Secretary may accept proxies transmitted to him by fax or as an attachment to an e-mail.

VOTING AT GENERAL MEETINGS

27. At any general meeting of the Association a resolution shall be decided on a show of hands unless a poll is demanded by any member present in person or by proxy. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried shall be conclusive and binding upon all members of the Association. A poll, if demanded, shall be taken in such manner as the chairman thinks fit and the result of the poll will be deemed to be the resolution of the meeting.
28. Each member shall have one vote for each membership paid parcel of land in respect of which he (or the company, partnership, trustee, executor or administrator whom he represents) is the registered proprietor, the intention being that each parcel of land within the boundary of Cayman Kai shall carry the right to have a vote at a general meeting of the Association and for

this purpose each corporate member shall be treated as the owner of a single parcel and shall have only one vote.

29. In the event of a tie, the chairman shall have an additional casting vote.
30. At every annual general meeting the consideration of the Executive Committee's annual report, the consideration and approval of the annual financial statements, the election of new officers and consideration of any other business specified in the notice of meeting shall be ordinary business, determined by an ordinary resolution. All other business conducted at an annual general meeting shall be special business, determined by a special resolution.
31. All business conducted at an extraordinary general meeting shall be treated as special business, determined by a special resolution.

THE EXECUTIVE COMMITTEE

32. The officers of the Association shall be:-
 - (a) a chairman who shall hold office for up to 4 years;
 - (b) two vice-chairmen (one of whom shall be nominated as chairman elect) who shall hold office for up to 4 years;
 - (c) a secretary who shall hold office for up to 5 years; and
 - (d) a treasurer who shall hold office for up to 5 years.
33. The officers of the Association shall together comprise an Executive Committee which shall, subject to any restriction imposed or direction given by a special resolution passed at a general meeting, be responsible for performing the objects and carrying out the day to day functions of the Association on behalf of its members. The Executive Committee shall be responsible for maintaining the books and records of the Association.

34. An officer may resign by giving written notice to all the other members of the Executive Committee who shall appoint a replacement to hold office until the next annual general meeting.
35. The Executive Committee shall meet as often and whenever it thinks fit, provided that it shall hold at least two meetings each year.
36. Meetings of the Executive Committee may be convened by any officer giving not less than twenty-four (24) hours notice to all the other officers. Unless all the members of the Executive Committee have agreed to meet in person, the officer convening the meeting must set up a conference call and ensure that all the other members of the Executive Committee have received the dial in number.
37. No business shall be conducted at a meeting of the Executive Committee unless a quorum is present, either in person or by telephone. The quorum shall be any three officers.
38. Subject to the provisions of these By-Laws, the Executive Committee may regulate its own procedure.
39. The Executive Committee must:-
 - (a) keep minutes of its meetings;
 - (b) prepare and circulate periodic newsletters for the purpose of keeping the Association's members informed of its activities;
 - (c) ensure that the Association's books and records are properly maintained, preserved; and made available for inspection by its members;
 - (d) prepare an annual report which shall be distributed to the Association's members with the notice of each annual general meeting;
 - (e) organize elections for the purpose of establishing the Architectural Control Committee; and
 - (f) provide the Architectural Control Committee with the financial and other resources necessary to enable it to perform its functions.

40. The Treasurer must:-

- (a) maintain bank accounts in the Association's name at such bank as he determines and ensure that all monies received by the Association are credited to its accounts and that all cheques are signed by the Treasurer and one other member of the Executive Committee;
- (b) keep proper books of account in respect of all monies received and expended by the Association;
- (c) prepare an annual budget (including the amount of the annual membership fee for the ensuing year) which shall be presented to the Executive Committee for their approval and distributed to the members of the Association together with notice of each annual general meeting; and
- (d) prepare the Association's financial statements which shall be presented to the Executive Committee for their approval and distributed to the members of the Association together with notice of each annual general meeting.

41. The Secretary must:-

- (a) maintain the register of members;
- (b) use his/her best endeavors to maintain an accurate and up to date register of the proprietors of all the parcels of land comprising Cayman Kai for the purpose of enabling them to elect members of the Architectural Control Committee;
- (c) process applications for membership;
- (d) convene the annual general meeting;
- (e) convene extraordinary general meetings at the request of the Executive Committee or in response to a requisition under By-Law 20; and
- (f) maintain the minutes of the general meetings.

42. The Executive Committee may:

- (a) appoint and pay fees to a firm or person to assist the Secretary in the performance of his duties;
- (b) appoint and pay fees to a firm of accountants to assist the Treasurer in the performance of his duties;
- (c) appoint and pay fees to a firm of lawyers to advise upon any legal matters and act on behalf of the Association in connection with any proceedings to enforce the restrictive covenants and in connection with any planning applications and appeals relating to land within the boundaries of Cayman Kai; or
- (d) appoint and pay fees to a firm of architects or property consultants to assist the Architectural Control Committee in the performance of its functions.

FINANCIAL YEAR END

43. The financial year end of the Association shall be 30th September.

AUDIT

44. The financial statements of the Association shall not be audited unless, at the annual general meeting, a resolution is passed requiring that they be audited.

INDEMNITY OF EXECUTIVE COMMITTEE

45. The officers and former officers of the Association shall be entitled to be indemnified by its members in respect of all costs, expenses and liabilities incurred by them in the proper performance of their duties.

46. The members of the Association shall be severally liable for their proportionate share of all costs, expenses and liabilities in respect which the officers and former officers are entitled to be indemnified.

NOTICES

47. Notices of general meetings may be sent:
- (a) by post addressed to a member's last known postal address, in which case it will be deemed to have been received within seven days of the date upon which it was posted;
 - (b) by e-mail sent to a member's last known e-mail address.
48. It shall be every member's duty to ensure that the Secretary is provided with his up to date postal address and e-mail address and no resolution passed at a general meeting of the Association shall be invalidated by reason of the fact that a member did not receive a notice which the Secretary sent or attempted to send to his last known postal address or facsimile number or e-mail address.

AMENDMENT OF THE BY-LAWS

49. These By-Laws may be amended only by a special resolution which may be proposed at an annual or extraordinary general meeting. The notice proposing a resolution to amend these By-Laws must be accompanied by a draft of the new by-laws "black-lined" so as to highlight the proposed amendments.

CAYMAN KAI PROPERTY OWNERS ASSOCIATION

Renewal for Membership / Application (circle one)

For Renewal ONLY fill out if information has changed. Please add Block and Parcel and property name to your cheque and send this application, together with your cheque, to the Association's Treasurer at:

CKPOA

PO Box 278 NS

Grand Cayman, KY1-1702, Cayman Islands

Member's name and contact details:

1. Name _____
2. Overseas Postal Address _____
3. Local Postal Address _____
4. Overseas Phone and Fax Numbers _____
5. Local Phone and Fax Numbers _____
6. E-mail Address _____

Cayman Kai Property in which the Member has an ownership interest

7. Block and Parcel Number(s)¹ _____
8. Physical address(es) _____
9. Name of registered proprietor(s) _____
10. Member's ownership interest² _____

I enclose a cheque for CI\$100 per parcel of land in respect of the initial membership fee payable in accordance with By-Law 15. (Or US \$122.00) (US Cheque US \$132.) **Please make cheques payable to Cayman Kai Property Owners Association (bank will no longer accept "CKPOA")**

Or by Direct Deposit to Cayman National Bank, Cayman Kai Property Owners Association account #011-10791, please add last name to memo

Signed _____ Dated _____

¹ Specify *all* the registered parcels owned by the Member (or the company, limited partnership or trust in which the member has an interest). At general meetings of the Association Members have one vote for each membership paid parcel of land in which they have an ownership interest.

² If you are not one of the registered proprietors, state the basis upon which you are eligible to become a member of the Association in accordance with By-Laws 9, 10 or 11.