



CHRISTOPHE HARBOUR
ST. KITTTS

FIRST AMENDMENT

TO

THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

CHRISTOPHE HARBOUR

FIRST AMENDMENT
TO
THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
CHRISTOPHE HARBOUR

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CHRISTOPHE HARBOUR (this "**Amendment**") is made this 13th day of January, 2010 (the "**Effective Date**"), by CHRISTOPHE HARBOUR DEVELOPMENT COMPANY LIMITED, a private ordinary company limited by shares formed under the laws of the Federation of St. Christopher and Nevis (the "**Master Developer**").

RECITALS:

WHEREAS, pursuant to the St. Kitts Peninsula Resort District (Planned Community) Act, 2008, as amended, and the Master Covenants (hereinafter defined), the Master Developer has created the planned community known as "Christophe Harbour" on the Southeastern Peninsula of the Island of St. Christopher, in the Federation of St. Christopher and Nevis, as described in the Master Covenants; and

WHEREAS, the Master Developer, by the Declaration of Covenants, Conditions and Restrictions for Christophe Harbour dated December 29, 2008, and registered on January 26, 2009, with the Registrar of Titles for the Saint Christopher Circuit in the Planned Community Corporations Index as Planned Community No. 1, made certain properties within Christophe Harbour subject to the aforesaid Declaration (said Declaration, as modified, amended and/or supplemented from time to time, being referred to herein as the "**Master Covenants**"); and

WHEREAS, the Master Covenants were modified, amended and/or supplemented by that certain First Supplement to the Declaration of Covenants, Conditions and Restrictions for Christophe Harbour dated December 31, 2008, and registered on January 26, 2009, with the Registrar of Titles for the Saint Christopher Circuit (said First Supplement, as modified, amended and/or supplemented from time to time, being referred to herein as the "**First Supplement**"); and

WHEREAS, the Master Covenants provide that during the Master Developer Control Period, the Master Developer, in its discretion, may unilaterally, without the necessity or requirement of having to obtain the joinder, consent, or approval of any Person, execute and record an amendment or supplement to the Master Covenants to, among other things: (i) subject additional property to the Master Covenants, (ii) establish and assign property to specific Neighborhoods and/or Districts within Christophe Harbour, (iii) subject any portion of Christophe Harbour to additional covenants, conditions, restrictions, easements, obligations and

limitations that add to, create exceptions to, and/or otherwise modify the terms of the Master Covenants to reflect the different character and intended use of such property, and/or (iv) modify, amend and/or supplement the Master Covenants, or any Supplement thereto, for any purpose from time to time, which modification, amendment or supplement shall be executed by the Master Developer and Registered in the Public records; and

WHEREAS, the Master Developer now desires to modify, amend and/or supplement the Master Covenants as provided herein.

NOW, THEREFORE, pursuant to the foregoing, the Master Developer hereby modifies, amends and/or supplements the Master Covenants as follows:

1. Definitions. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Master Covenants.
2. Additional Defined Terms. The Master Covenants are amended by adding the following new **Section 2.73** to **Chapter 2** of the Master Covenants:

“2.73 “Wastewater Treatment System,” “System” or “Systems” means the site-specific wastewater treatment systems approved by the Master Developer and the DRB (or other sewage treatment systems, if any, approved by the Master Developer and the DRB) for installation and use in connection with one or more Units within Christophe Harbour for processing of sewage flows and discharge of treated effluent.”

3. Wastewater Treatment Systems. The Master Covenants are amended by adding the following new **Section 4.10** to **Chapter 4** of the Master Covenants:

“4.10 Wastewater Treatment Systems. The Master Developer and the DRB shall each have the right, in their sole and absolute discretion, to require that certain Units, or all of the Units in a Neighborhood or District, utilize individual or shared Wastewater Treatment Systems, which, in such case, shall serve as the only method of disposal or dispersal of sewage or effluent for such Unit(s). All Systems (including modifications or replacements thereto) proposed for use within Christophe Harbour shall be subject to review and approval by the Master Developer and the DRB as part of the architectural, design and construction application and review procedures promulgated and administered pursuant to this Chapter, the Design Guidelines and the other applicable Governing Documents, and shall be installed, operated and maintained in accordance with all the regulations and requirements of all governmental authorities and regulatory agencies having jurisdiction.

(a) Installation and Maintenance of Wastewater Treatment Systems. All costs of and responsibility for the installation and maintenance of a Wastewater Treatment System shall be the sole responsibility of the Owner(s) of the Unit(s) served by the System. A Wastewater Treatment System shall be installed only in the location specified or approved by the Master Developer and the DRB. No Wastewater Treatment System for a Unit shall be relocated or reconfigured without the prior approval of the Master Developer or, after the Master Developer Control Period, the DRB. All Owners, by purchasing property subject to these Master Covenants and the other Governing

Documents, acknowledge that any governmental permit or approval allowing for the installation and operation of a System may be limited in duration in accordance with the terms thereof, and neither the Master Developer, the Master Owners' Association, the Board, the DRB, any committees of the Board or the DRB, nor any other Reviewer, nor any officer, director, shareholder, partner, member, employee, agent or affiliate of any of the foregoing, shall have any liability arising directly or indirectly out of the inability of an Owner to obtain any such permit or approval (including an extension or continuation thereof) following the initial expiration thereof.

The Master Developer and the DRB shall each have the right to require an Owner to modify or change the means of effluent disposal from time to time at the Owner's sole cost and expense. By way of example only and solely for purposes of illustration, if the previously approved effluent disposal method for a particular Unit is subsurface drip, the Master Developer and/or the DRB may later require the Owner of such Unit to change to a spray effluent disposal method, and the Master Developer and/or the DRB may later require the Owner of such Unit to change from a spray effluent disposal method to a ground absorption effluent disposal method, or back to a subsurface drip method.

If a central sewage collection and treatment system is constructed in the future, Master Developer or, after the Master Developer Control Period, the DRB may require any Owner to discontinue use of the System then serving the Owner's Unit and connect with the central sewer system; provided, however, the Master Developer makes no representations or warranties regarding the future availability of any central sewer service or any intention to construct a central sewage collection and treatment system.

(b) Shared Systems. In the case of Units which have been designated by the Master Developer or the DRB to share a common Wastewater Treatment System, such System shall be installed at the time the first Dwelling Unit is constructed on one of the Units so designated. All costs of and responsibility for the installation and maintenance of a shared Wastewater Treatment System shall be the joint responsibility of, and shall be borne equally by, the Owners of the Units to be served by the shared System; provided, however, costs related solely to the installation, maintenance, repair or replacement of service lines and other facilities of a shared System which serve only one Unit shall be the sole responsibility of the Owner of the Unit served. Initially, the entire cost of installation and maintenance of a shared Wastewater Treatment System shall be paid by the Owner constructing the first Dwelling Unit to be connected to such System; and, thereafter, each other Owner shall, upon connecting to the shared System, reimburse the installing Owner its proportionate share of the total installation costs. The Owners of Units to be served by a shared System shall consult with one another and reach full agreement prior to initiating any substantial maintenance, upkeep, repair, or replacement of the System; however, maintenance, upkeep, repair, or replacement may be initiated by any such Owner so long as such undertaking is reasonable and does not exceed the aggregate amount of One Thousand U.S. Dollars (U.S. \$1,000.00) in any calendar year or such other amount as may be agreed upon in writing by the affected Owners. Payment therefor may be made in full by the Owner initiating such improvement whereupon the remaining Owners shall reimburse such Owner for their share of such expenses promptly upon receipt of an accounting of such costs and request therefor. Any failure of the

Owners of Units served by a shared System, or any of them, to operate, repair or maintain such System in accordance with the requirements of this Amendment shall be subject to the rights of the Board, the DRB and the Master Developer to undertake such work on the Owners' behalf and to levy the Specific Assessments in **Section 4.10(c)** below.

(i) The underlying ownership of the Unit or Units upon which a shared System is installed shall remain in the name(s) of the Owner(s) of record, their heirs, successors, and/or assigns. The Owners of Units designated to utilize a shared System installed, or to be installed, wholly or partially on another Unit shall be entitled to a non-exclusive, perpetual, transferable, transmissible, appendant and appurtenant easement on, over, under, within, through and across the Unit or Units upon which the shared System is installed, or to be installed, (but not through an existing or proposed structure) for the purpose of installing, constructing, monitoring, repairing, replacing, maintaining and operating the System and such underground facilities as are necessary to connect the Dwelling Unit on the benefited Unit to the System installed, or to be installed, on the burdened Unit or Units; PROVIDED, however, any damage to a Unit resulting from the exercise of the easement described in this **Section 4.10(b)(i)** shall promptly be repaired and restored to its previous condition by, and at the expense of, the Person exercising the easement. **Time is of the essence.**

(c) **System Inspection and Repair Easement.** The Master Owners' Association, or such other entity as the Master Developer may designate in its sole and absolute discretion, may enter into a service and maintenance contract or contracts on behalf of all Owners for the maintenance and inspection of the Wastewater Treatment Systems with a service provider qualified to service and maintain the Systems (the "**Service Provider**"). The Master Owners' Association or the Service Provider may inspect all Systems located within Christophe Harbour to confirm that each such system is properly functioning and is generally in compliance with any applicable laws, ordinances, or governmental regulations, these Master Covenants and the other Governing Documents. If an inspection reveals that a System is not functioning properly, or is otherwise not in compliance with any applicable law, ordinance or governmental regulation, these Master Covenants or any of the other Governing Documents, the inspector shall notify the Master Owners' Association and any other party or agency as required by law. The Master Owners' Association shall notify the Owner of the Unit to which the System is appurtenant of the problem or noncompliance and, unless the Master Owners' Association arranges for the necessary repairs or replacement pursuant to this Section, such Owner shall be responsible for immediately repairing or replacing the System at such Owner's sole cost and expense and providing the Master Owners' Association, within thirty (30) days, satisfactory proof of such repair or replacement. The Master Owners' Association shall be authorized to notify any applicable governmental or regulatory agencies or officials of the malfunctioning or noncompliance of any System located within Christophe Harbour. Should an Owner fail to cure the violation or otherwise maintain, repair or replace the System as required, the Board, the DRB or the Master Developer, or their designees, shall have the right to enter upon the property, cure the violation, and maintain, repair or replace the System at the Owner's sole cost and expense, and any and all such costs and expenses, together with any and all damages actually incurred by the Master Developer, the Master Owners' Association, or another

Owner or Unit, directly or indirectly, as a result of such defaulting Owner's failure to comply with the requirements of this **Section 4.10**, together with any fines, attorneys' fees, costs of collection and other associated charges, and together with interest at the rate the Board establishes, may be assessed against the violating Unit and collected as a Specific Assessment. In addition, the Board, the DRB and the Master Developer shall each have the right to exercise any means of enforcement set forth in these Master Covenants or otherwise available at law or in equity.

(i) Notwithstanding the foregoing, neither the Master Developer, the Master Owners' Association, the Board, the DRB, any committees of the Board or the DRB, nor any other Reviewer, nor any officer, director, shareholder, partner, member, employee, agent or affiliate of any of the foregoing, shall be responsible for damages or otherwise to anyone by reason of mistake of judgment, omission, negligence or nonfeasance arising out of any inspection services performed pursuant to these Master Covenants or any of the other Governing Documents, including, without limitation, any damages to any Unit or property by reason of the failure to inspect or the failure of such inspections to detect any malfunction, damage or noncompliance with law.

(ii) The Master Developer hereby declares, grants, reserves and establishes to and for the benefit of itself and the Master Owners' Association, and their respective heirs, successors, assigns and/or designees (which designees may include, without limitation, the Service Provider), a non-exclusive, perpetual, transferable, transmissible, appendant and appurtenant easement to enter all portions of Christophe Harbour, including each Unit, to (a) perform the inspections, maintenance and repairs of Systems to be performed under this Section or as provided elsewhere herein, and (b) make inspections to ensure compliance with these Master Covenants and the other Governing Documents. Except in emergencies, entry onto a Unit shall be only during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage caused by a Person during the exercise of this easement shall be repaired by such Person at such Person's expense. Entry under this Section shall not constitute a trespass.

(iii) In addition to the authority to levy General Assessments and/or Neighborhood Assessments to pay for the inspection services described above, the Master Owners' Association shall have the right to levy a Specific Assessment against any Owner pursuant to **Section 8.6** of these Master Covenants to recover any and all of the costs, expenses or damages described in **Section 4.10(c)** above. In addition, the DRB (with the approval of the Board, and, during the Master Developer Control Period, the approval of the Master Developer) and/or, during the Master Developer Control Period, the Master Developer, may establish and charge fines and other charges for violations of this **Section 4.10**, which fines and other charges shall be assessed against the violating Owner and the violating Unit, secured by the Master Owners' Association's lien for assessments as provided in **Section 8.8** herein, and collected as a Specific Assessment.

(d) Compliance With Manufacturer Guidelines. Each Owner, by accepting a memorandum of transfer or other instrument conveying any interest in a Unit, acknowledges that the Master Developer and the other Owners have a substantial interest

in the proper maintenance and functioning of the Wastewater Treatment Systems, which cannot occur without proper usage by the Owner. Therefore, each Owner agrees to comply with all inspection, maintenance and repair requirements and with the usage guidelines provided by the manufacturer of the Wastewater Treatment Systems and the Service Provider.

(e) Variances. The DRB may authorize variances from compliance with any of the provisions of this Section 4.10 and any procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted Rules and the Design Guidelines. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing signed by the DRB, (b) be contrary to these Master Covenants, or (c) estop or otherwise prevent the DRB from denying a variance in other circumstances. A variance requires the Master Developer's written consent during the Master Developer Control Period, and, thereafter, requires the Board's written consent. For purposes of this Section 4.10, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance."

4. Listing of Units. Section 3.10 of the Master Covenants is hereby deleted in its entirety and replaced with the following:

"3.10 Sales and Resales of Units. The Master Developer (or its designated assignee, Affiliate or subsidiary) shall have the exclusive right to handle all sales and resales of all Units and related ownership or property interests, and improvements thereon, located in Christophe Harbour. By accepting an Instrument of Transfer for a Unit, each Owner acknowledges and agrees that upon the Owner's intent to sell or resell the Unit or related ownership or property interest in such Unit, and/or any improvement located thereon, the Owner will enter into an exclusive listing agreement with the Master Developer (or its designated assignee, Affiliate or subsidiary). This Section shall apply to all Owners, Owner's heirs, assigns, successors, tenants, lessees and any Occupant of a Unit."

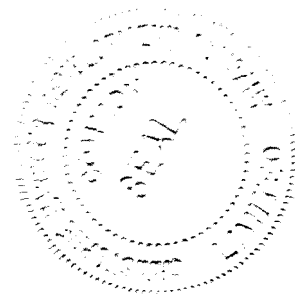
5. Completeness. Except as expressly and specifically modified or amended by this Amendment, the Master Covenants, together with any and all modifications, amendments and/or supplements thereto, shall remain in full force and effect.

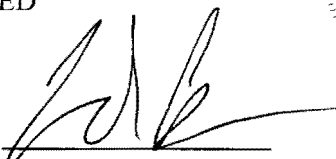
[The remainder of this page was intentionally left blank; signature page(s) follow]

IN WITNESS WHEREOF, the Master Developer has hereunto affixed its hands and seal on the 13th day of January, 2010.

THE COMMON SEAL OF CHRISTOPHE)
HARBOUR DEVELOPMENT)
COMPANY LIMITED, a private ordinary)
company limited by shares and existing)
under the laws of the Federation of St.)
Christopher and Nevis, has been hereunto)
affixed by LeGrand Elebash, Chief)
Operating Officer of the said Company,)

CHRISTOPHE HARBOUR
DEVELOPMENT COMPANY
LIMITED

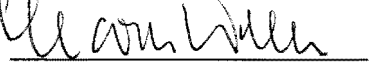


By: 

Name: LeGrand Elebash

Title: Chief Operating Officer

Before and in the presence of:



NOTARY PUBLIC for ST. KITTS - NEVIS

My Commission Expires:

(Signature and Seal)