

EXHIBIT "D"

PIRATES' COVE TOWNHOME COUNCIL II

RULES AND REGULATIONS

These Rules and Regulations, amended as of November 29, 2011, shall govern the reservation, use, and occupancy of the Units, Common Area, and Common Furnishings of the Pirates' Cove Townhomes II, and shall be deemed in effect until further amended by the Board of Directors of the Pirates' Cove Townhome Council II and shall apply to and be binding upon all Owners and Unit Occupants. Owners shall at all times obey said Rules and Regulations and shall use their best efforts to ensure that such Rules and Regulations are fully and faithfully observed by members of their families, their guests, tenants, licensees and invitees. All of these Rules and Regulations are subordinate to and intended to supplement the Declaration of Co-ownership for Pirates' Cove Townhomes II (the "Declaration"), and in the event there is a conflict between these Rules and Regulations and the Declaration, the Declaration shall control. Said Rules and Regulations are as follows:

A. DEFINITIONS

1. All terms used in these Rules and Regulations shall be defined as said terms are defined and used in the Declaration and in the Restrictions.
2. "Assigned Unit" shall mean any Unit within the townhome project, the use and occupancy of which has been assigned to a particular Owner or Unit Occupant by the Manager for one (1) or more Use Periods in accordance with the provisions of these Rules and Regulations.
3. "Unit Occupant" shall mean any person other than the Owner who is authorized to use and occupy a unit within the property either

as a guest of the Owner, a tenant, or as a result of the Owner's participation in the reciprocal exchange program.

B. RESERVATION PROCEDURE

Under no circumstances shall an Owner or Unit Occupant have the right to use and occupy a Unit within the Property unless such Unit has been reserved by him in accordance with the procedure set forth below.

1. The Owner shall have the right to Use or occupy, and the Manager shall make available to the Owner, the Unit specified in his deed during the Use Period assigned to him.

2. Reservation of a Use Period and occupancy of an Assigned Unit shall at all times be subject to the prior payment by the Owner of any and all amounts owed to the Council II, including, without limitation, Operation Fees and Personal Charges, pursuant to the Declaration.

3. If an Owner intends to exchange his Use Period pursuant to the reciprocal exchange program provided by RCI, such exchange shall be subject to the trading rules which govern reservation exchange requests, and such Owner will be required to obtain a confirmed reservation request for an Assigned Unit and Use Period within the time constraints imposed by RCI in order to make an exchange. Such Owner is responsible for all damage

C. OCCUPANCY OF UNITS

1. Check-In and Check-Out Time

Check-in time shall be 5:00 P.M. on the first day of an Owner's reserved Use Period. All Owners and Unit Occupants shall vacate their Assigned Units no later than 11:00 A.M. on the last day of their reserved Use Period, or at such other time as may be determined by the Board from time to time. The six (6) hour period between check-in and

check-out is reserved exclusively as a service period to permit the routine cleaning, repair, and maintenance of the Units by the Council II.

An Owner who fails to vacate his Unit at check-out time or at such earlier time as may be fixed by these Rules and Regulations shall be deemed a "Holdover Owner." The Council II, acting through the Manager, shall take such prompt and immediate steps as may be necessary to remove such Holdover Owner from the Unit wrongfully occupied, in accordance with the Declaration. Such Owner will be responsible for the costs and expenses resulting from or assessed in connection with his wrongful occupancy.

2. Inventory of Common Furnishings

Upon check-in, each Owner and Unit Occupant will be given an inventory checklist which lists all of the furniture and furnishings which should be contained within the Owner's or Unit Occupant's Assigned Unit. Each Owner and Unit Occupant should inspect his Assigned Unit carefully and promptly report to the Manager any discrepancies between the inventory checklist and such items as are actually contained within the Unit, together with the condition thereof. If an Owner or Unit Occupant fails to report any such discrepancy and a particular item is found to be damaged, above and beyond normal wear and tear, or missing immediately following the termination of such Owner's or Unit Occupant's Use Period, such Owner or Unit Occupant shall be charged for the cost of such item.

3. Maid Service

Maid service, the frequency of which is to be determined by the Board, is provided to assure that each Unit will be clean and neat during each Owner's and Unit Occupant's stay. Under ordinary circumstances, there is no separate charge for maid service, but if an Owner or Unit Occupant desires additional maid service or causes additional maid service to be required over and above that which would ordinarily be provided, then said Owner or Unit Occupant may be charged for such additional maid service.

4. Guests and Tenants

Each Owner shall be responsible for each Guest or Tenant of the Owner and shall identify to the Manager, upon the Manager's request, each Guest or Tenant of the Owner.

5. Keys

At the time an Owner purchases ownership in a Unit, the Owner will be issued a key to the Assigned Unit. Each Owner will be responsible for maintaining such key and will be charged \$25.00 for any necessary replacement of such key, other than a replacement due to a scheduled lock change by the Manager. Each Owner shall be responsible for providing a key or a combination code for that Owner's Unit to any Occupant, Guest, or Tenant of that Owner.

USE RESTRICTIONS

1. Personal Property

Except in areas which may be designated for such purpose by the Manager, the personal property of all Owners and Unit Occupants shall not be stored within their Assigned Units. The Manager shall not be responsible for any belongings left by an Owner, members of his family, or his guests, tenants, invitees, or licensees at the expiration of his Use Period.

2. Obstruction of Common Area

There shall be no obstruction of, nor shall anything be stored in, the Common Areas without the prior written consent of the Board. No garbage cans, supplies, milk bottles, or other articles shall be placed on the patios, decks, balconies or entry ways, nor shall any linens, cloths, clothing, curtains, rugs, mops, laundry of any kind or other articles be shaken or hung from any of the windows, doors, patio, decks, balconies, or entry ways, or exposed in any part of the Common Area.

3. Exterior Surfaces of Buildings

No sign, awning, canopy, shutter, screen, radio or television antenna, or anything else, shall be displayed from, affixed to, or placed upon the exterior walls, windows (both exterior and interior), doors, or roofs of the buildings or from, to or upon any other part of the Common Area outside the buildings without the prior written consent of the Board, other than those originally provided by the Declarant.

4. Laundry or Rubbish in Common Area

No clothes, sheets, blankets, laundry of any kind or other articles shall be hung or exposed on any part of the Common Area, except as may be expressly permitted under Rules adopted by the Board. The Common Area shall be kept free and clear of garbage, rubbish, debris and other unsightly materials.

5. Storage in Common Area

There shall be no parking of baby carriages, play pens, wagons, toys, benches or chairs on any part of the Common Area, except that deck and patio areas may be used for their intended purposes.

No Owner or Unit Occupant shall store or leave boats, trailers, bicycles, mobile homes, or other recreational vehicles in the Property, except in such areas as are specifically designated for same.

6. Prohibited Activities

a. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted on any part of the Council II property.

b. No Owner or Unit Occupant shall allow anything whatsoever to fall from the windows, patios, decks, balconies, entry ways or doors of the premises, nor shall he sweep or throw from his Unit any dirt or other substances outside of his Unit or in the Common Area of the project.

c. Employees of the Council II or the Manager shall not be sent outside of the Council II premises by any Owner at any time for any purpose. No Owner or Unit Occupant shall direct, supervise, or in any manner attempt to assert any control over the employees of the Manager or the Council II.

d. No Owner or Unit Occupant shall make or permit any disturbing noises or offensive odors by himself, members of his family, his guests, invitees, or licensees, nor do or permit anything by such persons that will interfere with the rights, comfort, or convenience of the other Owners or Unit Occupants. No Owner or Unit Occupant shall play upon or suffer to be played upon any musical instrument, or operate or suffer to be operated a phonograph, television, radio, or sound amplifier in his Unit in such manner as to disturb or annoy other occupants of the Units in the Property. All Owners and Unit Occupants shall lower the volume as to the foregoing from 10:00 P.M. to 8:00 A.M. each night. The Board of Directors shall have the right to abate all nuisances in or about the project.

e. No radio, television installation, or other wiring shall be made without the prior written consent of the Board.

f. No barbecue grill of any type may be used on any balcony, within any Unit, or in Common Area; provided, however, that an Owner may use a barbecue grill in the grass area directly behind that Owner's Unit or on the driveway directly in front of that Owner's Unit.

g. No flammable, combustible, explosive, or otherwise dangerous fluid, chemical, or substance shall be kept in any Unit, except such as are required for normal household use.

h. Water shall not be left running for any unreasonable or unnecessary length of time.

7. Disposal of Refuse

Refuse and bagged garbage shall be deposited only in the area provided therefore. Recyclable items (glass, aluminum, tin, plastic, cardboard, newspaper) shall be placed into a fresh trash bag which will be placed on top of the trash can in the area provide outside each Unit.

8. Use by Others

An Owner may rent or lend his Use Period to others, and may invite guests to share occupancy of his Unit, provided that the maximum occupancy limit for such Unit is not exceeded. Owners are responsible for the conduct of their guests, and for all financial obligations incurred by their guests at the project.

9. Conduct Of Unit Occupants

Owners and Unit Occupants shall be responsible for the conduct of members of their family, their guests, invitees, and licensees. Owners and Unit Occupants shall ensure that such persons' behavior is neither offensive to any occupant of the project nor damaging to any Unit or portion of the Common Area.

10. Complaints

Complaints regarding the operation and maintenance of the project shall be made in writing to the Manager, as long as any Management Agreement remains in effect, and thereafter, to the Board.

11. Occupancy Limits

No Unit shall be occupied overnight by a number of persons in excess of such occupancy limits as are imposed by law or as set forth in these Rules and Regulations. A one-bedroom Unit shall be occupied overnight by no more than four adult persons. A two-bedroom Unit shall be occupied by no more than six adult persons. For the purpose of determining maximum occupancy, a person will be deemed an adult if he is at least 12 years of age. The maximum occupancy limits shall not be interpreted to limit social entertaining.

12. No Pets

No animals or pets of any kind may be kept in any Unit or elsewhere within the Property.

13. Parking

The parking facilities shall be used in accordance with such regulations pertaining thereto as shall be adopted from time to time by the Board.

14. Pass Keys

The Board and the Manager may retain a passkey to all Units within the Property. No Owner or Unit Occupant shall alter any lock or install a new lock on the door of any Unit within the Property.

15. Smoking

No smoking is allowed in any Unit, but smoking is permitted on any balcony or in any Common Area. Each owner has the responsibility, both for that Owner and for any Occupant, Guest, or Tenant of that Owner, not to litter with any tobacco product on any portion of the Property.

E. MISCELLANEOUS

1. The Manager, with the approval of, the Board of Directors of the Council II, reserves the right to promulgate from time to time, without the consent of the members, such additional Rules and Regulations as may be deemed necessary or desirable. Such additional Rules and Regulations shall be as binding upon the members as all other Rules and Regulations previously adopted.

2. The Board shall be entitled to recover reasonable costs and attorneys' fees in the event it prevails in an action brought against an Owner or Unit Occupant to enforce these Rules and Regulations.

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